

UNCORRECTED PROOF

## **GENERAL PURPOSE STANDING COMMITTEE No. 4**

**Thursday 17 September 2009**

**Examination of proposed expenditure for the portfolio areas**

### **TRANSPORT, ILLAWARRA**

**The Committee met at 9.15 a.m.**

#### **MEMBERS**

The Hon. J. A. Gardiner (Chair)

The Hon. J. G. Ajaka  
Ms S. P. Hale  
The Hon. P. G. Sharpe

The Hon. R. A. Smith  
The Hon. H. S. Tsang  
The Hon. L. J. Voltz

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#### **PRESENT**

**The Hon. D. A. Campbell**, *Minister for Transport, and Minister for the Illawarra*

**NSW Transport and Infrastructure**  
**Mr L. Wielinga**, *Director General*

**RailCorp**  
**Mr R. Mason**, *Chief Executive Officer*

**State Transit Authority**  
**Mr P. Rowley**, *Acting Chief Executive Officer*

**Sydney Ferries Corporation**  
**Mr D. Callahan**, *Acting Chief Executive Officer*

**Sydney Metro**  
**Mr R. Staples**, *Acting Chief Executive*

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## **CORRECTIONS TO TRANSCRIPT OF COMMITTEE PROCEEDINGS**

**Corrections should be marked on a photocopy of the proof and forwarded to:**

**Budget Estimates secretariat  
Room 812  
Parliament House  
Macquarie Street  
SYDNEY NSW 2000**

**CHAIR:** I declare this hearing for the inquiry into budget estimates 2009-10 open to the public. I welcome Minister Campbell and accompanying officers to this hearing. Today the Committee will examine the proposed expenditure for the portfolio areas of Transport and the Illawarra.

In accordance with the Legislative Council's guidelines for the broadcast of proceedings, only Committee members and witnesses may be filmed or recorded. People in the public gallery should not be the primary focus of any filming or photographs. In reporting the proceedings of this Committee, the media must take responsibility for what is published or what interpretation is placed on anything that is said. The guidelines for the broadcast of proceedings are available on the table by the door. Any messages from attendees in the public gallery should be delivered through the Chamber and support staff or Committee clerks. Minister, I remind you and the officers accompanying you that you are free to pass notes and to refer directly to your advisers while at the table. I remind everyone to turn off their mobile phones.

The Committee has agreed that there will be no particular splitting up of the portfolio areas. Answers to questions on notice should be provided within 35 days. The transcript of the hearing will be available on the web from tomorrow morning. All witnesses from departments, statutory bodies or corporations will be sworn prior to giving evidence. Minister, I remind you that you do not need to be sworn because you have already sworn an oath to your office as a member of Parliament. All other witnesses will state their full name, job title and agency and swear an oath or affirmation.

**LESLEY WEILINGA**, Director General, NSW Transport and Infrastructure,

**PETER ROWLEY**, Acting Chief Executive Officer, State Transit Authority,

**DAVID CALLAHAN**, Acting Chief Executive Officer, Sydney Ferries Corporation, and

**RODNEY STAPLES**, Acting Chief Executive, Sydney Metro, sworn and examined:

**ROBERT MASON**, Chief Executive Officer, RailCorp, affirmed and examined:

**CHAIR:** Minister, I refer to the CBD to Rozelle metro project. When was the project first conceived and by whom? We would like a picture of the project from the beginning.

**Mr DAVID CAMPBELL:** Some years ago the Government made a policy decision to introduce a metro-style transport system in Sydney. It is a global form of transport for Australia's only global city. The Government determined that the metro network would be built in stages and that it would have a strong interchange ability with other forms of transport—that is, with the CityRail network and the bus network. With the handing down of the mini-budget last year, the Government made the decision, given the global financial crisis and the need to maintain the State's triple-A credit rating, that it could provide funding for the first stage of the metro network. The determination to proceed with it formed part of the mini-budget.

**CHAIR:** Specifically what was the genesis of the CBD to Rozelle metro project?

**Mr DAVID CAMPBELL:** Stage one is simply that—the enabling stage for a broader network. We have published a preliminary environmental assessment and an environmental assessment is now on public exhibition. The documentation demonstrates a clear determination to extend the metro along a western alignment and to ensure that stage one—the enabling part of a broader network—has the capacity to go towards the north west of Sydney as well.

**The Hon. JOHN AJAKA:** Did the initial plan have the CBD to Rozelle line as stage one of the metro project?

**Mr DAVID CAMPBELL:** As I indicated, the broader network was altered as part of the mini-budget process to ensure that we could get on with the task of investing in a new form of rail operation. We were investing in public transport infrastructure that would serve the community into the future. However, we were doing that within the funding framework that was available given the global financial crisis and within a mini-budget designed to ensure that the State maintained its triple-A rating.

**The Hon. JOHN AJAKA:** Thank you for that. However, I am trying to understand whether the CBD to Rozelle was always meant to be stage one. Was another stage meant to be stage one and at the end you suddenly decided that this would be stage one? I am trying to get a grasp of that.

**Mr DAVID CAMPBELL:** Anyone who has followed this debate in the media and who has the capacity to understand it would realise that there was an intention to go to the north western suburbs. The Government made it clear that the funding was not available to do that because of the global financial crisis and the need to maintain the State's triple-A credit rating. That is why the project was broken up into smaller stages than originally announced. That is clear from the community debate, the debate in the Parliament and the debate in the media.

**CHAIR:** Which external transport experts were consulted about the CBD to Rozelle project before it was announced?

**Mr DAVID CAMPBELL:** The Government employs a number of very highly qualified, experienced and dedicated public servants to give it advice on its public transport networks. That advice, along with the advice that they gathered from consultants as part of the preparation process, formed the basis of the Government's decision.

**The Hon. JOHN AJAKA:** Do I take it from that that there were some external consultants involved who were not public servants, to use your words? Can you tell us which external consultants were utilised?

**Mr DAVID CAMPBELL:** There were without a doubt people outside government who provided advice on the metro as part of the strategy. Those consultants gave technical advice to the public servants, who then advised the Government.

**CHAIR:** Who were those consultants?

**Mr DAVID CAMPBELL:** The specific consultants, I will check the company names; I do not have them committed to memory.

**The Hon. JOHN AJAKA:** Take it on notice please.

**Mr DAVID CAMPBELL:** I am happy to.

**CHAIR:** Can you outline the broader strategic plan upon which the project was based?

**Mr DAVID CAMPBELL:** As I say, the Government had considered the future prior to my time as Minister for Transport. It considered the future of rail operations, that mass transport operation, and had decided to move to metro as a style of operation, and had determined a route. Subsequently the global financial crisis meant that the level of funding that would have been required for that was not available and the Government decided to maintain the policy of having a separate network, one that provides opportunity for interchange, and put that in place.

**CHAIR:** You have already agreed to take on notice the list of consultants that may have advised the public servants, your advisers, on the project. Before you announced the project on 24 October last year did you seek any external advice to bring yourself completely up to date with the project? Did you see any reports or get any reports before you made the announcement?

**Mr DAVID CAMPBELL:** A great deal of information was gathered by the Government in its preparation of what had previously been announced as the North West Metro. That advice, obviously, formed a significant part of the decision-making process. That advice and information gathered remains on foot and assists the Government in its decision-making around the metro.

**CHAIR:** You made the announcement of the project on 24 October last year. When did you actually make the decision that this project would go ahead?

**Mr DAVID CAMPBELL:** The Government's decision-making was a factor of the mini-budget.

**CHAIR:** Is it fair to say that this was pretty much a rushed job, the announcement?

**Mr DAVID CAMPBELL:** Absolutely not.

**CHAIR:** Why do you say that?

**Mr DAVID CAMPBELL:** You asked the question; I gave the answer.

**The Hon. JOHN AJAKA:** You have indicated that reports were obtained. Are you able to produce those reports to the Committee? Could you produce the reports you have, that you obtained prior to the announcement?

**Mr DAVID CAMPBELL:** I have indicated that I will give some information to the Committee about the external consultants—

**The Hon. JOHN AJAKA:** Will you produce all the reports?

**Mr DAVID CAMPBELL:** —the external consultants who provided input into the policy direction, and I will provide that information.

**The Hon. JOHN AJAKA:** Will you produce all the reports that came before you from the external consultants?

**Mr DAVID CAMPBELL:** I will take advice on the status of those reports.

**CHAIR:** On 11 September this year you confirmed by the environmental impact statement document that the CBD Metro would carry up to 28,000 passengers in the peak hours. What modelling did you use to confirm those figures?

**Mr DAVID CAMPBELL:** There are a number of different ways this occurs. The Government has a transport plan for the future. Our plan includes the highly integrated network that I have been referring to. Having previously published a preliminary assessment, there have been some changes in a physical sense between that document and the final environmental assessment. So, there have been some physical changes in response to additional data gathered, as would always be the case—some additional information on a range of other aspects of that—and that has led from the preliminary environmental assessment to the final environmental assessment.

I can say that the environmental assessment as a result of that has a major Sydney metro stage one patronage modelling and shows as an impress. That is, one year after opening, between 29 million and 39 million trips are expected. By 2031 Sydney metro stage one is expected to have between 50 million and 65 million annual trips. As with all major projects of this nature, the modelling is refined and improved as you work through it, as I was explaining. We are using the most up-to-date information as part of the environmental assessment. As I understand it, the modelling that has been used is modelling that has been used in Victoria and in Queensland and is modelling around the patronage that people can expect for a project in a central business district location.

**The Hon. JOHN AJAKA:** What I am trying to understand is this: In September you came up with a figure of 28,000. I would like to know when did you first become aware of the 28,000, on what date, and what report did you rely on specifically to come up with that figure of 28,000?

**Mr DAVID CAMPBELL:** This information is in the environmental assessment. It is an extremely detailed document, as you would expect for a large project such as this.

**The Hon. JOHN AJAKA:** And the date of that document?

**Mr DAVID CAMPBELL:** The date of the environmental assessment is a couple of days before 11 September. It is dated 9 September with the final environmental assessment published on that date, and the Government did some media around it a couple of days later, on 11 September, as you indicated.

**The Hon. JOHN AJAKA:** That is the only document you relied upon to come up with a figure of 28,000 or is there another document or another set of research?

**Mr DAVID CAMPBELL:** No, there is research that informs the environmental assessment. The environmental assessment is essentially the development application. I am happy to ask Mr Staples to give more technical information about the nature of the modelling.

**The Hon. JOHN AJAKA:** What I am really after is a specific date, and specific research. I appreciate the generalisation of the answers but it is not helping me to understand when specifically this occurred. Did this research come in June or July, or did it just suddenly appear the day before the September announcement?

**Mr STAPLES:** There has been a substantial amount of technical work undertaken on the CBD Metro, or stage one of the network development, from February through to the release of the detailed environmental assessment: engineering, patronage, economics—a whole series of things. In terms of the demand work, that was progressively built up between February and July-August in the lead-up to the release of the environmental assessment. We used a higher-level model, a patronage model, based on a strategic travel model, which is within the Department of Transport and Infrastructure's transport data centre. We used that in the early phases of the design development. As we got into more detail, we moved to a more detailed modelling platform, which is known as a Zenith platform, to which the Minister referred. That was used, and the numbers were finalised in July-August in the lead-up to the preparation of the environmental assessment.

**The Hon. JOHN AJAKA:** Minister, let me tell you my concern. You make an announcement in October 2008 that you are going to build the CBD Metro. In May 2009, some six or seven months later, you are quoted as saying it is for 4,000 passengers, then 5,000 passengers. I think at one stage, in a newspaper article, you were even quoted as saying 8,000 passengers. Lo and behold, a few months later, in September, that 8,000 suddenly becomes 28,000. What I want to ensure, and what I think the people of New South Wales are entitled to be assured of, is that someone did not suddenly put the figure "2" in front of the figure "8" and that there is real substance to how you could possibly go from 8,000 passengers—your highest level at that stage—to suddenly 28,000. With all due respect, I want to ensure that this is not a case of creative bookkeeping or creative accounting. It just does not gel. This is why I need more specific information from you. How did you suddenly come to that wonderful figure overnight?

**Mr DAVID CAMPBELL:** It took a long time to get to a question that I think Mr Staples just answered.

**The Hon. JOHN AJAKA:** I do not think he did answer it, with all due respect. What I am seeking from you is an answer on how there could be such a huge change. I mean, even going from 4,000 to 8,000 is a 100 per cent increase. I do not have a calculator, but going from 8,000, or an original 4,000, to 28,000 is an increase of perhaps 500 or 600 per cent. Correct me if my mathematics are wrong, Minister.

**Mr DAVID CAMPBELL:** I think this demonstrates the naivety of the New South Wales Opposition, which thinks that you just wave a magic wand, or you fold your arms or nod your head, in an *I Dream of Jeannie* moment, and everything happens. A major project of this nature evolves in its design—it changes in its design as more information is gathered—and that is exactly what has happened here. So the naivety of the Opposition in thinking there is just a magic wand and it all happens, that there is no need to have a thorough budget in place and all those sorts of things, and there is no need to go through a procurement process, just startles me. As we have heard, there has been a gathering of information and a gathering of facts as this project has been planned, as the environmental assessment has been prepared, and as the preliminary environmental assessment has been updated in a range of ways following input from the community, following input from consultants and following the review and an assessment by the public servants who are working on it.

**The Hon. JOHN AJAKA:** Let me use your analogy of the magic wand; a lovely analogy. Let us look at this factually. First, you made the announcement—

**The Hon. PENNY SHARPE:** Is there a question coming?

**The Hon. JOHN AJAKA:** The question is coming.

**The Hon. PENNY SHARPE:** Well, there have been lots of statements.

**CHAIR:** Order!

**The Hon. JOHN AJAKA:** Minister, first you make the announcement. Then you come out, five or six months later, and say 4,000 to 5,000. Then you come out a few months later and suddenly it is 28,000—and I am assuming there is no magic wand by which it suddenly went from 8,000 to 28,000. Why was there not research to establish exactly how much patronage there would be, how many passengers would use the service, before you would even make the announcement? That is my question.

**Mr DAVID CAMPBELL:** The Government took a decision that it would allocate funding to construct stage 1 of the broader metro network. It decided to use a deal of information that had been gathered for the broader network. It decided to go through the planning process, as required by law. It has published the preliminary environmental assessment and continued to do the revision of the information as the project moved forward, and it has now published a detailed environmental assessment, which we are asking the community to comment on. We are anticipating that the Department of Planning will consider that and give a determination on it towards the end of this year.

**The Hon. JOHN AJAKA:** So you made the announcement, you said 4,000 or 5,000 passengers, and then, what, you personally or someone from the department went out and personally spoke to 24,000 people and asked them are they going to catch this metro, and then you made a decision?

**Mr DAVID CAMPBELL:** Again, I think that shows the naivety of the Opposition as to how to go about these things. There are clear modelling techniques for these things. Mr Staples has indicated the professional models that have been used in the preparation of the environmental assessment, which is now on public exhibition. I take this opportunity to encourage the community to have a look at it and comment on it.

**The Hon. JOHN AJAKA:** Will you produce those models, and the exact dates on which they were created, which brought up the initial 4,000, then the 6,000, then the 8,000, and then this wonderful and miraculous 28,000? If you could produce the exact models and the dates for those, I would be very grateful.

**Mr DAVID CAMPBELL:** The information is available in the environmental assessment, which is on line, or available from the Department of Planning or at the Metro office.

**CHAIR:** Minister, basically, you are saying that the Government committed to a project in the order of \$5 billion without knowing how many people would actually use such a service. That is right, is it not?

**Mr DAVID CAMPBELL:** No.

**CHAIR:** How can you say that?

**Mr DAVID CAMPBELL:** You asked the question, and I gave the answer.

**The Hon. JOHN AJAKA:** The Chair is asking another question: How can you say that?

**Mr DAVID CAMPBELL:** In answer to the question, that is what I say.

**CHAIR:** Nothing?

**Mr DAVID CAMPBELL:** No. I said the answer to your question is no.

**CHAIR:** How can you justify that? It is a massive project, and your passenger use figures are wildly out, so how can you say that?

**The Hon. HENRY TSANG:** Point of order: The Minister has repeated that Mr Staples has given an analysis of the process. I understand the process. If the Chair and other members do not understand it, they can ask Mr Staples to repeat his answer, and it will again be in the record. You cannot just keep grilling the Minister.

**CHAIR:** I can, actually. I am trying to figure out how the Government makes a \$5 billion announcement without knowing, in a pretty secure way, how many people will actually use such a service. What is the answer to that mystery?

**Mr DAVID CAMPBELL:** As I have explained a number of times, information was used. Mr Staples has explained the modelling, and that is the answer to the question. There is a modelling process, and we pursued it.

**The Hon. JOHN AJAKA:** Just so that I am very clear: there was no magic wand in any of that process? I repeat your words, Minister.

**The Hon. PENNY SHARPE:** That is not a serious question.

**The Hon. JOHN AJAKA:** Those are the Minister's own words. I think I am entitled to use the same words. If there is any objection to that, maybe the Minister should not have used the words.

**The Hon. PENNY SHARPE:** I am not objecting. I just think you sound silly.

**Mr DAVID CAMPBELL:** Chair, I am absolutely certain that the environmental assessment and the data that support it will stand up to rigorous scrutiny.

**Ms SYLVIA HALE:** Minister, I refer to the 2031 Transport Blueprint. Have any members of the Government Reference Panel for the Transport Blueprint been consultants on the Sydney CBD Metro?

**Mr DAVID CAMPBELL:** To the best of my knowledge, no.

**Ms SYLVIA HALE:** But you will take it on notice?

**Mr DAVID CAMPBELL:** I am happy to confirm it. But, to the best of my knowledge, no.

**Ms SYLVIA HALE:** Thank you. I would like to turn now to the proposed bill that will amend the Transport Administration Act to bypass the Parliament when it comes to the closure of rail lines. Have any developers made contact with you, Minister, or with any of the agencies or departments for which you are responsible, inquiring about rail lines that they are interested in purchasing or leasing?

**Mr DAVID CAMPBELL:** No contact from developers to my office. There has been a very public discussion and debate in the Southern Tablelands and in part of the Riverina about community desire to use rail corridors for rail trails, as are used in Victoria and as is the case internationally. The former Riverina Regional Development Board—an advisory body to the Department of State and Regional Development; not a property developer per se but an organisation with the word "development" in its name, and I want to make sure that is on the record—was very active in pursuing this project, and that led to a situation where I anticipate bringing to the Parliament legislation that would facilitate the transfer of some rail corridors to the Department of Lands so that the Department of Lands and community organisations can develop rail trails.

**Ms SYLVIA HALE:** Can you provide to the Committee the details of every group—community group or otherwise—that has contacted you, your department or any of the agencies in connection with the purchase, potential purchase or leasing of those lines?

**Mr DAVID CAMPBELL:** I can provide information to the Committee around organisations that have contacted agencies in my portfolio.

**Ms SYLVIA HALE:** And individuals?

**Mr DAVID CAMPBELL:** Yes.

**Ms SYLVIA HALE:** Could you specify the actual community groups that have approached your office in relation to this?

**Mr DAVID CAMPBELL:** I have just indicated that I will provide the information and I indicated in my earlier answer that a significant driver of this has been the former regional development board. I say "former": they have now combined with the Commonwealth program to form Regional Development Australia boards, but the former Riverina board was quite active on this.

**Ms SYLVIA HALE:** Will the new bill provide for the sell-off of land associated with the rail tracks?



**Mr DAVID CAMPBELL:** It does not provide that as a requirement but it provides if there were some land that, after community debate, it was agreed had a better use, a different use for a community and that the sale was the way to achieve that, then the bill makes provision for that.

**Ms SYLVIA HALE:** So it is not only the rail track itself, the corridor, but the bill will make provision for any ancillary land associated with it? It would make provision for its sale, is that what you are saying?

**Mr DAVID CAMPBELL:** The bill would make provision that, after a community debate, land associated with rail corridors may be sold. It does not make provision that it must be sold. To the best of my knowledge there are no approaches, no proposals, no discussions about such sites that have led to the formulation of this policy position.

**Ms SYLVIA HALE:** You say that it will be after a period of community debate, but the ultimate determination as to whether land will be sold, leased or whatever, will be made by you, as Minister for Transport?

**Mr DAVID CAMPBELL:** Made by the Minister of the day.

**Ms SYLVIA HALE:** We see this all the time with the planning Act. There can be something like 10,000 submissions against proposals but ultimately those proposals go through, so presumably we will have the same form of community participation?

**Mr DAVID CAMPBELL:** I think the community generally would have a look at this and say, "Look, there has been potentially some land that had been used as a railway and has not been used for 40 years. Is there a better way to use that in a local community?" And we would have a debate around it. At the end of that it may be that the Minister of the day makes one decision or the other, but certainly the overriding purpose of the bill is to facilitate the establishment of rail trails.

**Ms SYLVIA HALE:** Would the community debate take the form of just enabling the community to make submissions and, if so, would those submissions be made public?

**Mr DAVID CAMPBELL:** I could not foresee a circumstance where there were not public submissions taken and I could not foresee a circumstance where those submissions would not be made public.

**Ms SYLVIA HALE:** The rationale or the justification for the bill, according to you, is that it will allow for cycleways to be built. What does the bill stipulate that the land can be used for? Does it stipulate that it is only for cycleways or can it be for any use?

**Mr DAVID CAMPBELL:** I might include actually people walking on it, so that is another provision. In some instances they might ride a horse on it, perhaps.

**Ms SYLVIA HALE:** In answer to a question in budget estimates earlier this week, a question asked by my colleague Lee Rhiannon, she asked the Premier about what was involved in the bill and the Premier in his answer said:

There are more than 3,000 kilometres of disused rail lines across rural and regional New South Wales. The Government's proposal allows for the sale of disused rail corridors potentially, or for the development of such corridors, for rail trails and pushbike passes and so on.

Could you tell the Committee what "and so on" includes?

**Mr DAVID CAMPBELL:** As I say, it might include someone riding a horse. I would anticipate there would actually be a lot of people walking on these trails, as occurs right around Europe, as occurs in Victoria. The bill that we are bringing forward is somewhat modelled on a bill in Victoria, or a process in Victoria that has led to quite an active community involvement in managing these trails and in using these trails, whether it be by cycle, whether it be by walking between centres or overnight hikes, for example—very active forms of recreation. I would have thought there would be a lot of support for that concept.

**Ms SYLVIA HALE:** So can I take it that you are saying the bill will not allow for any use other than walking, trail rides, community purposes such as that?

**Mr DAVID CAMPBELL:** Where there is an establishment of a rail trail that would be the intention, a rail trail. Where you come across a former station building as part of that rail trail, for example, someone might see an opportunity to make that into a B and B, or into a coffee shop or a restaurant or something.

**Ms SYLVIA HALE:** So what you are saying is that in fact the bill will allow for commercial redevelopment of these lines or land associated with these lines?

**Mr DAVID CAMPBELL:** I did not say that.

**Ms SYLVIA HALE:** How else do you interpret what you called a B and B, I think?

**Mr DAVID CAMPBELL:** What I said was that a line to this, where there is a station building, it might have an alternative use that would build on the rail trail concept as bringing a new form to local economies.

**Ms SYLVIA HALE:** You are saying that the bill will allow for such associated uses?

**Mr DAVID CAMPBELL:** Yes. So if someone wants to stop and buy an ice cream on the way as they ride their pushbike or walk—buy an ice cream, some water, a soft drink or a cup of coffee—there may be someone who sees the opportunity to get some employment in a local community out of that. I think there will be a lot of people who will think that is a good idea.

**Ms SYLVIA HALE:** So you are saying that the bill will ensure that any commercial redevelopment of such an ancillary site will be limited. I am sure you are aware of the huge furore in Mullumbimby over the big box proposal there. You are saying that the bill will prevent any developments along those lines?

**Mr DAVID CAMPBELL:** The bill per se will not, but the environmental planning and assessment legislation, local councils and local environmental plans will overlay it as well. I do not for a minute envisage that the rail trails that people are working on and want to see established in the Southern Tablelands or the Riverina will see any significant development whatsoever.

**Ms SYLVIA HALE:** Will the bill have application to the Rozelle goods line, the goods yard and any other disused goods lines in Sydney?

**Mr DAVID CAMPBELL:** Chair, I noted the sort of almost hysterical conspiracy theory of the mayor of Leichhardt around this the other day. We just spent a deal of time talking about the step change in public transport for New South Wales to a metro style of operation. The environmental assessment for that project demonstrates that the former Rozelle goods yard becomes a stabling yard for the metro trains. So I do not see that there is going to be a rail trail established in the Rozelle goods yards. They were used for railway purposes, and I anticipate that when the metro is completed and in operation they will be used for rail purposes again.

**Ms SYLVIA HALE:** You are saying the bill will have no application whatsoever to the Rozelle goods yards?

**Mr DAVID CAMPBELL:** The Rozelle goods yards, as outlined in the environmental assessment for the metro, become the stabling yards for metro train carriages.

**Ms SYLVIA HALE:** Minister, I now turn to the Taxi Transport Subsidy Scheme. Can you confirm and provide details as to whether wheelchair-accessible taxi drivers are being paid \$8.47 as an incentive payment for every passenger picked up and transported who uses a wheelchair?

**Mr DAVID CAMPBELL:** Taxi licence holders do in fact receive a payment under the Taxi Transport Subsidy Scheme, which in 1981 was introduced to assist persons who are unable to use conventional public transport because they have a qualifying severe or permanent disability. The Government provides to those who have that qualifying disability a subsidy of 50 per cent of the fare, up to a maximum of \$30 a trip. During 2008-09 almost \$24 million was spent under the scheme and just over \$22 million was spent under the scheme in 2007-08.

In 2008-09 New South Wales Transport and Infrastructure approved 9,624 new applications for the scheme. There were 71,071 persons registered under the scheme as at the end of June 2009. Just over 21 million trips were recorded in the 2008-09 financial year. New South Wales Transport and Infrastructure is considering options for the introduction of an electronic payment system to replace the current manual voucher system.

**Ms SYLVIA HALE:** Minister, without wishing to interrupt you, my question was whether an incentive payment of \$8.47 was paid to drivers of wheelchair-accessible taxis who transport wheelchair-bound passengers.

**Mr DAVID CAMPBELL:** I understand that there is a payment for wheelchair-accessible taxi services. Whether it is the exact amount you have referred to I would need to check to confirm.

**Ms SYLVIA HALE:** If you could get back to the Committee with that. While you are doing so, could you confirm whether that payment is made regardless of whether the passenger is picked up on time, the passenger has had to wait an extended period of time before being picked up, the passenger engages the wheelchair-accessible taxi from a taxi rank or a street hail, or if the passenger is picked up through a private arrangement with the wheelchair-accessible taxi driver? Could you indicate whether, regardless of those circumstances, the payment is made.

**Mr DAVID CAMPBELL:** I will ensure that detailed information around each of those issues is provided to the Committee.

**Ms SYLVIA HALE:** Minister, what is the cost of stage one of the new CityRail website?

**Mr DAVID CAMPBELL:** I might ask Mr Mason to give some information on that.

**Mr MASON:** We have redeveloped our CityRail website over the last year, to make it more customer friendly, to make sure people have access to the right level of information as fast as possible, and also to put links across to the other transport agencies. We have completed that stage. I believe the figure was around \$1.3 million to complete the CityRail website's update.

**Mr DAVID CAMPBELL:** May I add, my understanding is that there are about 40,000 visitors every day to the CityRail website.

**Ms SYLVIA HALE:** You said the cost has been \$1.3 million. What will be the cost when it goes to stage two?

**Mr MASON:** We have no formal program to go to a stage two. We generally upgrade the website on a daily basis, but there is no formal project to update it beyond this at this stage.

**Ms SYLVIA HALE:** Mr Mason, are you aware of suggestions that have been circulating that stage one of the website actually cost \$4.3 million?

**Mr MASON:** I am not aware of that figure.

**Ms SYLVIA HALE:** And you have no reason to think that that figure would be correct?

**Mr MASON:** I have no reason to believe that that figure is correct.

**Ms SYLVIA HALE:** So there are no ancillary works associated with the construction of that site that have not been included in the figure of approximately \$1 million that you told me about earlier?

**Mr MASON:** To the best of my knowledge, that is correct. But we do a lot of work on all our information technology platforms, as they are called. I am certainly not an IT expert on this sort of thing, but my understanding is that it is \$1.3 million.

**Ms SYLVIA HALE:** Could you provide the Committee with information on the expenditure on information technology that has been undertaken in each of the last three years?

**Mr MASON:** On the whole of the IT systems?

**Ms SYLVIA HALE:** Yes.

**Mr MASON:** I certainly could not do it here.

**Ms SYLVIA HALE:** No. Could you take it on notice?

**Mr MASON:** Yes.

**Ms SYLVIA HALE:** I turn to the metropolitan bus system contract. Minister, it is my understanding that following the request of the director general under clause 5.6 (a) an operator of a bus service must provide up to 400 community transport kilometres per week, but no more than 20,000 community transport kilometres in a financial year, to approved community transport organisations or other uses approved by the director general. Further, the community transport kilometres should be charged by the operator to the director general in accordance with schedule 17. The operator is paid an amount calculated according to the number of transport kilometres provided. What is the breakdown of community kilometres by contract region per financial year?

**Mr DAVID CAMPBELL:** The current financial year?

**Ms SYLVIA HALE:** Yes, thank you.

**Mr DAVID CAMPBELL:** I will give that to the Committee.

**Ms SYLVIA HALE:** Thank you. When was the last occasion on which you activated that clause in the contract?

**Mr DAVID CAMPBELL:** As you indicated in your earlier question, it is activated by the director general, not by the Minister. We will provide that information to the Committee as well.

**Ms SYLVIA HALE:** Could you provide an indication of on how many occasions that clause was activated in the last two years? Could you also indicate whether there is an intention to fund any community kilometres for the remainder of the contract term? If you could take those questions on notice.

**Mr DAVID CAMPBELL:** Yes.

**The Hon. PENNY SHARPE:** Minister, could you update the Committee on recent changes to concession products in New South Wales?

**Mr DAVID CAMPBELL:** I certainly can. New South Wales has the most generous transport concession scheme in Australia. We spend almost \$900 million annually to provide more transport options to more categories of concession beneficiary than any other jurisdiction. The New South Wales Government aims to ensure that the transport concession scheme covers all sectors of the community with a general need. The Government has done much in recent years to establish fare arrangements across all modes of public transport, whether privately owned or Government owned. In 2005 the Government introduced the Fairer Fares policy, part of the New South Wales Government's successful Bus Reform Program. This meant that, for the first time, residents of west, south-west and north-west Sydney paid the same fare as residents served by the Government bus operator for trips for the same distance. The Government's bus reform strategy has aligned student concession arrangements delivered by private buses, including in rural and regional areas, with those already available on the Government rail, bus and ferry network. As a result of that initiative of the Government fares have now been harmonised across operators and concession entitlements are now more consistent.

A particular focus of the reform effort has been the extension of benefits to young people, including secondary and tertiary students, such as people in vocational training, apprentices, trainees, university and college students. Previously many of these tertiary students were restricted to travel only from their home to their place of study at specific times of the day. Now these students may travel at any time and anywhere in the State across all modes of public transport. The Government has also improved the benefit for older tertiary students using private buses. Those students who are 30 and over can now, for the first time, access concession benefits which were once only available to younger tertiary students.

The Government has also introduced the pensioner excursion ticket. The \$2.50 pensioner excursion ticket [PET], the CountryLink pensioner excursion [CPE] and the regional excursion daily [RED] ticket recognise the contribution that seniors and pensioners make to community life, and the importance of their remaining active and having good access to services and support. As part of this, under the new contracting arrangements the \$2.50 pensioner excursion ticket was expanded to areas served by privately owned bus companies. PET is available on all bus services in metropolitan Sydney and in the outer metropolitan areas, which includes Newcastle, Wollongong, the Central Coast, the Blue Mountains and the lower Hunter, all CityRail services and Sydney and Newcastle ferry services. RED is available on regular route bus services in country towns and services operating between villages and country towns. CPE is available on CountryLink services outside of areas serviced by the CityRail network.

Another initiative of the Government has been the Family Funday Sunday ticket, which is an economical way for families to enjoy travel around Sydney on a Sunday. This ticket is a special offer designed to provide a discount to families travelling with children on a wide range of public transport services. The Government aims to encourage families to travel together and make use of Sydney's varied public transport services and facilities rather than use private vehicles for recreational purposes. For only \$2.50 per person families comprising one or more adults and one or more children travelling together can purchase the Family Funday Sunday ticket. This ticket entitles holders to all day unlimited travel in the Sydney metropolitan and outer metropolitan areas on CityRail services, regular route government and private bus services and Sydney and Newcastle ferry services. It excludes private ferry operators. The Family Funday Sunday ticket was made available to all registered participants in this year's City to Surf event. This initiative was designed to encourage greater numbers of participants to access the event by public transport and leave their private vehicles at home.

**The Hon. PENNY SHARPE:** I can you confirm that bus operators in the regions have commented very highly on the RED ticket and the increased patronage. That leads me to my next question: How is the Government meeting the increased bus passenger demand in metropolitan Sydney, the Hunter, the Central Coast and the Illawarra?

**Mr DAVID CAMPBELL:** Chair, as has been well debated and documented, it is well-known that the Government has allocated funding for 300 growth buses. For the benefit of Ms Sharpe, there is a diagram which shows how they are spread out: 113 into the north-west of Sydney, 20 into the Central Coast area, 20 into the southern parts of Sydney, a total of 62 in the west and south-western suburbs, and 20 into the Illawarra and, as I say, 20 into the Hunter and Central Coast. The graphic shows that these buses are being brought into service in those locations. I might point out that 60 of those 300 growth buses are already in service—I rode on the sixtieth one from Bella Vista to the city on Monday of this week—and with that comes additional jobs.

Bus patronage has increased. In 2008-09 across the Sydney metropolitan bus network there were almost 3.4 million extra passenger boardings, excluding free school student travel, compared with the 2007-08 period—3.4 million extra passengers in 2008-09 over 2007-08. As I have indicated, to cater for those growing numbers of passengers we have those 300 growth buses spread across the metropolitan area. These buses were to be introduced over a two-year period but the bus industry has been able to build and deliver them at a much quicker rate than they had previously advised the Government. I understand that all 300 buses will now be in service by July 2010. Bear in mind that they are not shelf items; they are not sitting in a showroom as you might buy a small hybrid car, for example. The chassis are imported and are constructed by skilled trades people in western Sydney. As a consequence of the Government's contract for these 300 growth buses and 150 bendy buses for Sydney Buses a new facility has been established in the Hunter. It has been operating in temporary facilities but a new factory is being constructed in the Port Stephens local government area.

This new fleet of buses that we will bring on line can take thousands of cars off Sydney streets every day. Of the 300 new growth buses, 260 have been allocated to the private bus operators in metropolitan Sydney, the Hunter, Central Coast and Illawarra, while 40 have been allocated to State Transit. As part of the separate project I have just mentioned State Transit will also see 150 additional bendy buses brought into service. These buses are in addition to the 1,450 replacement buses being funded for the operators of contracts under the metropolitan and outer metropolitan bus contracts. The new buses are not only good news for communities; they will give an important boost to the economy, with 1,900 new buses hitting the road in New South Wales over this period.

The delivery of the 300 growth buses will translate into around 400 new jobs for bus drivers—which is significant. Because the 300 buses operate over more than one shift and staff have to take leave 400 new jobs for

bus drivers, 150 new jobs in the bus building industry and 700 existing bus building jobs will be sustained. I believe this is a great initiative and, as I have said, the Government is delivering ahead of schedule.

**The Hon. HENRY TSANG:** Minister, can you please update the Committee on improvements in on-time running of the CityRail network?

**Mr DAVID CAMPBELL:** Again, a demonstration of a result of investment in capital and the effort of people. This graph shows that in the 2005-06 financial year we had on-time running at about 88.6 per cent. In the financial year just completed, 2008-09, we had on-time running at about 95.4 per cent, against a benchmark of 92 per cent. By any measure we are seeing people commenting on that. I was on a service yesterday morning from my home to the city and a number of school students were approached. They said that on-time running is fantastic and they know they will get to school on time. A woman got onto the train at Sutherland and sat next to me on that service. She had not been in the workforce for about 12 years. She made the comment that having recently gone back to work she was absolutely amazed and impressed at the improvement in on-time running.

I have to say that service reliability and on-time running are critical to attracting more people to public transport. As the Committee I am sure would be aware, the Government has created the new agency, New South Wales Transport and Infrastructure, to improve transport across the State. One of that department's first major initiatives has been the establishment of the transport coordination group. That group brings together senior representatives of the Roads and Traffic Authority, CityRail, State Transit, Sydney Ferries and the private bus operators to oversee the movement of people from home to work and school and then back home again in the peak periods. This is a massive task, with more than 180,000 people travelling into the CBD every morning. This dedicated and experienced group means that during peak travel hours our best and brightest are focused on keeping the transport services running smoothly and keeping an eye on what matters most to commuters—that is, improving their daily travel to work and home.

When a disruption occurs the group rolls into action, ensuring the blockage is cleared as soon as possible, getting replacement services out to commuters and aiming to provide fast, accurate and reliable information to passengers so that they can make informed decisions about how to travel. As I indicated, and that graph indicates, last financial year CityRail trains ran on time at record levels. It has been quoted that they were the best levels in a decade, at 95.4 per cent. CityRail also ran 99.6 per cent of timetable services and skipped only 0.3 per cent of peak schedule stops during the last financial year. We have a clear, positive trend of improvement. While we need to ensure continuous improvement, what we have seen to date is welcome news by commuters, as demonstrated by the anecdotal comments I made earlier. These improvements come at a time when more and more people are using the network as well.

It is important to point out that the on-time running improvements for CityRail come as a result of strong capital investment—the Bondi turn back, the Macdonaldtown turn back, the work on the Revesby turn back, the Hornsby platform 5 work, a number of projects under the Clearways program and more of those to come, with work very well underway on a \$350 million-plus project on the Cronulla line. There has certainly been investment and infrastructure that have led to improvements in on-time running. There have also been huge improvements in productivity in RailCorp. I pay attention to and recognise the efforts of a whole range of people in the workforce—tradespeople at the workshop level through to levels of management and senior management. They have a continued focus on this. With people continuing to work together, I am very confident that we will see continuous improvement in on-time running. I am very pleased when I see the reports come through each day. In recent times we have had 100 per cent in both morning and afternoon peak on a number of occasions. That is welcome.

**CHAIR:** Minister, would you like to table those graphs?

**Mr DAVID CAMPBELL:** I am happy to.

**Documents tabled.**

**The Hon. HENRY TSANG:** Minister, could you update the Committee on the implementation of prepaid tickets for State Transit buses?

**Mr DAVID CAMPBELL:** Prepaid bus tickets is a program we have introduced into the Sydney CBD. Again, it is about improving the performance of buses, reducing congestion and making it easier for vehicles to get out of the city. The feedback to me on this new prepaid system has been overwhelmingly positive. The use

of prepaid tickets means that passengers are not waiting as long at bus stops, they are boarding faster and they are getting to where they want to go more efficiently. We also have had positive reaction from our bus drivers, who have seen improved reliability of their services and less bunching of buses. The New South Wales Government is working to complete the prepaid ticket program in Sydney's CBD by the end of the year, as recommended at the CBD Mobility Forum. That program has been delivered ahead of schedule. Already the entire CBD is prepaid each weekday between 7.00 a.m. and 7.00 p.m. The prepaid program began in March at Wynyard and moved forward to George Street at the Queen Victoria Building precinct in April and the Pitt and Castlereagh streets corridors in May. The final stage along Elizabeth Street and Eddy Avenue was completed in June.

State Transit has carried out some comparisons of running times before and after the program was implemented. Results show that the prepaid program has cut travel times for commuters in the CBD. For example, an analysis of the travel times for the route 440 bus service, which runs along George Street from Circular Quay to Rozelle, shows an average time-saving for both morning and afternoon periods of around four minutes. There are now over 150 outlets across the CBD selling prepaid bus tickets, including newsagents, convenience stores and other retail enterprises. Just recently the 11 Australia Post offices across the CBD have commenced selling prepaid bus tickets. So it is easy for commuters to purchase a ticket before they get on a bus. I understand the Australia Post outlet here at Parliament House sells prepaid tickets as well.

The New South Wales Government has also extended TravelTen tickets to allow pensioners, job seekers, apprentices and other concession holders to access them on a prepaid basis. Now that the prepaid program has rolled out across the CBD, the Government will look to other parts of the city. From July the Bondi Junction interchange bus stops changed over to prepaid each weekday between 7.00 a.m. and 7.00 p.m. as well. In October 2008 the first new Sydney Metro bus service commenced on new bus route 10. This is a prepaid service connecting places of work, shopping districts, hospitals, and entertainment and dining venues and delivering high-frequency, high-capacity services not requiring a timetable. Metro 10 runs from Leichhardt to Kensington and provides interchange opportunities.

An important part of the metro service is that it provides interchange for passengers at Central railway station so that they can join the CityRail network and it provides an opportunity to exchange with other bus services as it travels through the city. A number of bus drivers and people at State Transit, led by Mr Rowley, have worked extremely hard to make sure that prepaid tickets are a success. I talk to bus drivers when I board buses and insert my prepaid ticket. They have explained to me how it helps them in their task of getting the buses away and getting people home more quickly.

**The Hon. LYNDIA VOLTZ:** Minister, can you update the Committee on whether the extensions to the current light rail network will go ahead?

**Mr DAVID CAMPBELL:** There has been a lot of discussion about a potential extension of light rail from Rozelle. I have had people in my office who have said to me this could be done for \$17 million, it might be done for \$70 million, it might be done for \$170 million. I think the Committee would agree that you would not make a decision to invest on that sort of speculation.

**The Hon. JOHN AJAKA:** You did it with the CBD to Rozelle metro, Minister.

**The Hon. LYNDIA VOLTZ:** Point of order—

**The Hon. JOHN AJAKA:** I withdraw the comment.

**Mr DAVID CAMPBELL:** I refer to my earlier answers: there was a clear process and demonstrated use of modelling on that. In the face of people speculating about the cost of the metro, I approached a number of local government authorities and asked if they are as confident of this as they believe, are they prepared to assist in a cost study to understand exactly what are the costs and the work that is required to achieve it? We cannot speculate that the overhead wiring is in order and can just be hooked up. We need to understand that if we do this it will work. There has been agreement to a program around a cost study, and that work is about to start. We have called for tenders for consultants to do the work. We will do that with a group of people overseeing the work and I will report back to our partners in the funding process and the broader community when that work is complete.

*[Short adjournment]*

**CHAIR:** If I could return to the CBD Metro Rozelle project. You have tabled some lovely graphs this morning showing bus growth and on-time running. If the Committee would like to prepare a graph in terms of the timeline for this project, to date, in our report to Parliament, what would you say is the conception date of the project that we can put on the lovely graph?

**Mr DAVID CAMPBELL:** The funding date is 11 November in the mini-budget.

**The Hon. JOHN AJAKA:** I think the question was about the conception date, Minister.

**CHAIR:** I want to know the essence of the beginning of this project—the conception date.

**Mr DAVID CAMPBELL:** The Government's conception of metros for Sydney was in 2006.

**CHAIR:** What part of 2006?

**Mr DAVID CAMPBELL:** I will check the specific decision date of Government. It predates my time as Minister for Transport. The conception date of metros for Sydney is in 2006.

**CHAIR:** And you are going to get back to us with a specific date? You will not come back with a graph on it?

**The Hon. PENNY SHARPE:** You do your own graphs.

**CHAIR:** We can do our own graphs if there is information to put on the graphs. We would like to have accurate information. Minister, when you unveiled this project you said it was the biggest project undertaken in the CBD in terms of scale and complexity since the construction of the Sydney Harbour Bridge. Is that correct?

**Mr DAVID CAMPBELL:** When I publicly released the environmental assessment I made that comment.

**CHAIR:** It is fair enough, I think, for the Committee to have specific information about the conception date, and I would be interested to know who was the father of this project. Was it just a one-night stand and now we are stuck with a \$5 billion bill? Can you provide those specific dates—each of the critical dates—in the timeline to date?

**Mr DAVID CAMPBELL:** Sure.

**CHAIR:** Minister, can you tell the Committee why you put out a tender for a light rail extension assessment study 11 months after you announced the Rozelle metro project? Why did you not do that before the metro was announced?

**Mr DAVID CAMPBELL:** I had taken a decision earlier in my term as the Minister for Transport to excise the Rozelle goods line—because it is a freight line—from a decision to lease it to the Australian Rail Track Corporation. That decision had been taken to ensure that it was available if a cost study was done and if funding was available for an extension to light rail. I had taken that decision. There were a number of people wanting to see me about light rail, as I said earlier, and I had those conversations and considered their views. I listened very carefully to comments and representations by the member for Marrickville and the member for Balmain, who urged me very strongly to consider light rail. As I said, I went and asked some local councils whether they would support a cost study, and it has moved from there.

**CHAIR:** So why was a cost analysis not done between the light rail concept and the metro project before you made your announcement about the metro?

**Mr DAVID CAMPBELL:** Because the two projects are entirely separate. There has been strong analysis of metro operations, and they do not have the same task. It is unfortunate that people who do not have a sense of a future for Sydney refuse to understand that metro stage one is enabling projects for a larger metro operation that will be built in stages over a number of years.

**CHAIR:** So the latter-day discovery of an integrated transport system does not really apply.



**Mr DAVID CAMPBELL:** I do not think there is a logical question there.

**The Hon. JOHN AJAKA:** You do not understand the question, Minister?

**Mr DAVID CAMPBELL:** I said I do not think there is a logical question there.

**The Hon. JOHN AJAKA:** So you do not have an answer for that?

**Mr DAVID CAMPBELL:** If there was a specific question rather than a rhetorical, illogical statement I would be happy to answer it.

**CHAIR:** If you do support an integrated transport system, how can you have two such significant projects that are so divorced, as you are indicating to the Committee?

**Mr DAVID CAMPBELL:** I think if people took the time to have a look at the two projects they would see that they serve two different markets. They would see that there is integration and interchange between light rail, heavy rail and metro at Central station.

**CHAIR:** Would you say it is in an integrated way—in a way that is really helpful to commuters?

**Mr DAVID CAMPBELL:** The Committee might want to adjourn and go and have a look at what happens at Central railway station. There are heavy rail services that come into Central railway station and there are a great number of bus services that come into Central railway station, including the metro bus operation that I referred to in an earlier answer. Light rail goes through the portico at Central railway station. As we sit here today, passengers can interchange between all of those modes of transport at Central railway station. Once stage one of the Sydney metro is built, with a station that interchanges at Central, people will be able to interchange between all of those modes at Central railway station as well. That is a significant part of the planning for stage one of the metro.

**CHAIR:** When do you propose to sign the CBD Metro Rozelle contracts?

**Mr DAVID CAMPBELL:** The Government has a tender process underway and we intend to ensure the probity around that process. We have a target to sign contracts for construction early next year and that will be a factor in the tender process.

**CHAIR:** In the first three months of next year?

**Mr DAVID CAMPBELL:** Potentially.

**The Hon. JOHN AJAKA:** Given the concern expressed about the project by transport experts, community organisations, local councils and urban planners, why are you rushing to sign the contracts, especially keeping in mind that the Government has announced the construction of at least nine rail lines in the past 10 years that have not seen the light of day? Why the rush for this one?

**Mr DAVID CAMPBELL:** This question yet again demonstrates the way that the New South Wales Opposition talks down New South Wales and says to the business community that it cannot be trusted to work with them, as I heard the other day.

**The Hon. JOHN AJAKA:** Minister, do you disagree with me or do you agree that your Government has announced the construction of at least nine rail lines in the past 10 years that have never seen the light of day?

**Mr DAVID CAMPBELL:** It would be particularly difficult for you and me to agree on just about anything.

**The Hon. JOHN AJAKA:** Do I take it that you do not agree with me? Is that your answer?

**Mr DAVID CAMPBELL:** What I do know is that the Government has made a policy decision to move to a metro style of rail operation and it has allocated funding to do that. As the Minister of the day, I have

responsibility to work with public servants to ensure that the Government's policy is implemented. We will do that in a logical, consistent, professional manner having regard to the issues of probity and the community demand for investment in public transport infrastructure. We will do it strong in the knowledge that a significant construction project such as this has the potential to employ 2,000 people each year over the period of construction.

**The Hon. JOHN AJAKA:** Let us look at it this way: We had the Bondi Beach rail link promised in 1998, axed; the high-speed rail link to Newcastle/Central Coast promised in 1998, axed; the Hurstville to Strathfield line promised in 1998, axed; and the high-speed rail link from Sutherland to Wollongong promised in 1998, axed. Of course, Wollongong is your responsibility. We also had the Parramatta to Epping rail link promised in 1998, axed; the CBD new harbour crossing promised in 2005, axed; and the north-west heavy rail link promised in 1998, axed. Minister, please feel free to interrupt me if you disagree with any of this. We also had the north-west metro link promised in 2008, axed; the Penrith fast rail link promised in 2008, axed; and the south-west rail line promised in 2004, axed. Can you please explain to me again why you are rushing this and how we can possibly have confidence that this is not just another project that will turn into white elephant or that will also be axed?

**Mr DAVID CAMPBELL:** I also have a list: Epping to Chatswood rail link costing \$2.3 billion carrying 10,000 passengers a day, constructed to be integrated into the broader CityRail network from 11 October with a new timetable that provides additional services and capacity across the network; \$300 million plus for the Cronulla line duplication, under construction and expected to come into service next year; the south-west rail link, stage one funded in Budget Paper No. 4 this year, construction expected to commence later this year; the Richmond line duplication stage one, funded in Budget Paper No. 4; the Bondi turn-back and the Macdonaldtown turn-back; the East Hills line quadruplication project under construction; Hornsby platform No. 5, under construction; working with the Commonwealth on southern Sydney freight line, under construction; working with the Commonwealth on the strategy for the northern Sydney freight line, which involves the Commonwealth funding but a New South Wales government agency doing the planning; and the airport line completed.

I note that the airport line was committed to by the previous Coalition Government. The contract was signed about two hours before the writs were issued for the election. We were told that that project would not cost taxpayers anything, but it ended up costing the best part of \$300 million. All of that rail work is under construction, completed or in operation. Myriad other work is being done or has been done that, as I said, has improved on-time running from 88 per cent about five years ago to 95.4 per cent now.

**The Hon. JOHN AJAKA:** We will come to that in a moment. I made a mistake and I apologise. I said nine projects had been promised and axed; the correct figure is 10. I note that the Minister has not disagreed that they have all been axed. Why will you not wait to sign the metro contracts until after the next State election once you have a mandate—if you have a mandate—from the public to proceed with the project?

**Mr DAVID CAMPBELL:** We hear in that question evidence of an opposition that wants to set a benchmark that a government stops making decisions and investing in improving services 18 months before an election. That is what is behind that question. That is an absolutely populist, naive policy position from the bereft New South Wales Opposition. They are saying that decision-making under a Coalition government would stop 18 months before an election. This Government has a very strong capital program, we have funding available to invest in public transport infrastructure and we have a responsibility to get on with the job. And that is what we are doing.

**The Hon. JOHN AJAKA:** Why do you continue to refuse to include a termination clause in the proposed metro contracts? Nathan Rees did that with the desalination project and it would be consistent with other projects of this scale. Why would you lock this State into a contract that could not be terminated if it is clearly demonstrated there is no need for it?

**Mr DAVID CAMPBELL:** Again, behind that question is the populist nonsense of the New South Wales Opposition. It does not understand our system of government or the notion of sovereign risk. It also does not understand that governments of the day enter into contracts and subsequent governments usually honour those contracts, just as we had to do with the airport railway line. The previous Coalition Government entered into a contract that it said would cost the community nothing. This Government has also had to honour the contract for the Port Macquarie hospital. The Auditor-General said that it was paid for three times over because of the Coalition's nonsense. Sovereign risk is a fundamental part of our system of government. It seems that

there is some conspiracy by the New South Wales Opposition to change the constitutional arrangements in New South Wales.

**The Hon. JOHN AJAKA:** Are you saying that even Nathan Rees did not understand the fundamental concepts when he included a termination clause in the desalination plant contract? Was he so wrong?

**Mr DAVID CAMPBELL:** This contract will be a—

**The Hon. JOHN AJAKA:** If you could answer the question I would be grateful. I am asking a simple question. Did Nathan Rees get it wrong? By your own definition he got it wrong.

**Mr DAVID CAMPBELL:** This contract will contain the contractual obligations of the two parties and it will comply with the New South Wales Government's procurement guidelines. It will be a commercial contract with the private sector and the usual clauses that are in those contracts will apply.

**The Hon. JOHN AJAKA:** So you are saying that it is good for New South Wales to be locked into a contract for the construction of what could clearly be a white elephant railway line to nowhere without any possibility of being able to terminate it. Do you think that is good governance?

**Mr DAVID CAMPBELL:** This is an enabling project for a huge shift in mass public transport in Sydney. Future governments will allocate funding to extend it at either end. It will play a significant role in transporting passengers around Sydney. Any contract we enter into will be legal, it will have relevant business clauses and it will have a commercial base.

**CHAIR:** Can you explain why the chairman of Sydney Metro recently resigned so suddenly?

**Mr DAVID CAMPBELL:** Because he took up a new job with another organisation and if he took that paid position there would be potential for perceived conflict of interest. He did exactly the right thing when he took the new role, and he offered his resignation because he had a new career opportunity. You will appreciate that being the chair of the Sydney Metro board is not a full-time job; it is a job that is on a part-time basis. I understand he took a full-time job with an organisation that may end up being a contractor—it is in the tender process—and he did the right thing and resigned.

**CHAIR:** Was there any way of anticipating that potential conflict of interest might have occurred?

**Mr DAVID CAMPBELL:** Given the recruitment processes of private companies, that is a matter for them. As I understand it, he has taken a role with the company that will build a significant infrastructure project in Victoria. The Victorian Government announced the successful tenderer just recently. He was subsequently recruited to that role. He did the right thing, advised of that, and resigned. That is the be all and end all of that. You can try to chase that down any foxhole you like—there is nothing there.

**CHAIR:** When the Sydney metro project was first announced, it was supposed to cost \$4 billion, then it went up to \$4.8 billion, now we are talking about \$5.3 billion. Can you take the Committee through how you arrived at the original costings and why they keep going up in the way they have?

**Mr DAVID CAMPBELL:** The mini-budget allocation was \$4.8 billion and that is the public budget we are working towards. As I have said a number of times, we are working on this metro system, which will be the future of transport for the city. A range of cost estimates for the capital of this project was determined and range from \$4.8 billion to \$5.3 billion. The range allows for different levels of contingency, risk and changes to the scope of the project. This is not uncommon or new. With major projects of this kind it is important to have a range of estimates produced for the assistance of computer modelling, calculating a number of different scenarios. We must be prepared for any uncertainties that can occur with major projects over long time frames, including environmental factors, ground conditions, costs of materials and equipment, labour, energy and economic conditions.

**CHAIR:** But not a change of government?

**Mr DAVID CAMPBELL:** I do not anticipate there will be one.

**Ms SYLVIA HALE:** You must be one of the few, Minister. I would like to return to the issue of the proposed amendment to the Transport Administration Act. Will the bill allow the Government to tear up disused rail lines and sell them off for development? Will the Government be permitted to tear up these disused rail lines and potentially sell them off for development? The land I am particularly interested in is the Special Uses B land in urban industrial or regional areas that are not so suitable because of their location for recreational, bike, pedestrian or horse riding to serve your rail trail plans. I am talking about Special Uses B land in urban industrial or regional locations that is not suitable for the rail trail proposals. What will you be doing with those lines?

**Mr DAVID CAMPBELL:** This proposal around the disused rail lines is in response to the community. They want the legislation changed so they can make use of these disused rail corridors for community recreational activities. They want to be able to convert them to what are referred to as rail trails for recreational tracks that can be used for bike riding, walking, horse riding as I said earlier, potentially buying an ice cream or other recreational purposes. I have also been approached by people who want to buy corridor land or the remnant rail infrastructure on such land. As I said, people in the community want this to occur. Across regional and rural New South Wales we currently have over 3,000 kilometres of disused rail lines. Currently there are at least eight proposals for rail trails in New South Wales, and I am aware that most of the States have supported the rail trail concept, as I said earlier.

**Ms SYLVIA HALE:** I do not want to be rude by interrupting, but my question was regarding land that is unsuitable for such rail trail proposals. Would the bill enable you to dispose of such land?

**Mr DAVID CAMPBELL:** In the absence of having a specific site, I can simply say there are no proposals to deal with anything other than the rail trails concept.

**Ms SYLVIA HALE:** But the bill introduces a regime whereby it empowers the Minister for Transport to do certain things. I am just asking—you do not need a specific site for this—whether the bill will empower you to dispose of land, former rail lines, rail corridors, that are not suitable for rail trail proposals?

**Mr DAVID CAMPBELL:** As we talked about earlier, following community debate, where there is some land that had a previous use and that use is no longer appropriate, there is potential for it to have another use, and this bill would facilitate that.

**Ms SYLVIA HALE:** Earlier when we were talking about this you mentioned the development of cafes or bed-and-breakfasts. Is this the extent of the development? Will you guarantee here today that no land associated with disused rail trails will be sold off to developers for commercial or residential use?

**Mr DAVID CAMPBELL:** There is no intention to do that.

**Ms SYLVIA HALE:** No, but will you guarantee that? I am not interested in your intentions; I want to know whether the bill will prohibit such use?

**Mr DAVID CAMPBELL:** There is no intention to do that, and debate around the bill, quite clearly, will occur in Parliament rather than here. This is not the forum that will debate the bill, and the bill may or may not pass through both Houses of Parliament.

**Ms SYLVIA HALE:** I would say there is a strong possibility of it not passing through both Houses of Parliament, but that is to one side. Would you not agree that given the significance of such proposals for the community, the people of New South Wales, that now is an ideal opportunity to allow you to fully explore the implications, the full ramifications, of the bill?

**Mr DAVID CAMPBELL:** That is what the parliamentary process is about.

**Ms SYLVIA HALE:** And that is what committee estimates are about too, presumably. I understand that in the Riverina, for example, instead of rail lines being literally torn up before they are put to other uses such as rail trails, they are simply covered over with materials which can later be taken up and removed if the rail line becomes needed in the future. Is this an approach the Government will consider?

**Mr DAVID CAMPBELL:** The manner in which a rail trail might be established is, you will appreciate, not something that is going to be detailed in a bill before Parliament. The work that is done to

establish a rail trail will change in various circumstances. From what I understand in an engineering sense, from what I have learnt as I have talked to rail engineers over the past 12 months, if you had a rail line that had been not used for 30, 40 or 50 years and had then been covered over with some spoil material of some sort in the manner you have just described, and then in another 10 or 20 years—or up to perhaps 70 years—you dug up that material, I suspect you would have to dig up the underlying rail lines also. You would not simply start running trains over it. There is a deal more engineering and maintenance required than that.

**Ms SYLVIA HALE:** But by not disposing of the land you would have retained the ability to re-establish such a rail line should it prove necessary?

**Mr DAVID CAMPBELL:** As I indicated earlier, the intention with rail trails is to convert those corridors to Crown land and to transfer them to the Department of Lands, and the Department of Lands would then lease that land under its provisions for the use of a rail trail.

**Ms SYLVIA HALE:** So, you are saying it would only be leased, rather than sold entirely?

**Mr DAVID CAMPBELL:** In the rail trails concept, that is the intention, as I said earlier.

**Ms SYLVIA HALE:** But it is possible, is it not, for leases to be of say 99 years duration, effectively removing this asset from public ownership?

**Mr DAVID CAMPBELL:** There are provisions of the Lands Act whose detail I am not conversant with, but the Lands Act has provisions as to the way in which these things are dealt with.

**Ms SYLVIA HALE:** Minister, from your experience in the Illawarra, you would know that the proposals for the Killalea State Park will alienate Crown land there, and that it is a cause of huge community concern that such public assets can be removed from public control.

**Mr DAVID CAMPBELL:** I understand absolutely that, where someone looks to the future and proposes change by doing something a bit differently, there are all sorts of debates in the community. A lot of people get concerned about that. But I also understand that the world changes. It was not that long ago that Mr Ajaka would not be able to use his Blackberry in the middle of an estimates committee hearing because that technology did not exist. The fact is that the world changes, we get these innovations and life is made simpler and we move on. The fact is that thinking that is the way it has always been is not the way of the world today, and it is not the way of the world for a government that seeks to serve the community and seeks to be innovate and reforming in its policy approach.

**Ms SYLVIA HALE:** Minister, would you agree that 70 or 80 years after the event the construction and opening of the Sydney heavy rail system still is a major boon and benefit to the people of New South Wales as a whole but particularly to the people of Sydney?

**Mr DAVID CAMPBELL:** And, I might say, there is a lot of investment by this Government in the city rail network to ensure that it introduces new technology. That new technology is in a sense a change, and often we see people get upset when that new technology comes along.

**Ms SYLVIA HALE:** But nowhere near the degree of investment that accompanied the construction of that city rail network, would you agree?

**Mr DAVID CAMPBELL:** I think most people would acknowledge that the original capital investment of a project is more than the maintenance of that project over its life.

**Ms SYLVIA HALE:** But you would agree that if there were a similar amount of investment, we would in fact see heavy rail constructed out to the north-west of Sydney. Minister, can I move on and talk to you about the Casino-Murwillumbah rail corridor? Are there any plans on the table to dispose of that rail corridor?

**Mr DAVID CAMPBELL:** No.

**Ms SYLVIA HALE:** None whatsoever?

**Mr DAVID CAMPBELL:** Not from my point of view, although I note in some of the Northern Rivers papers that some people in the community there advocate rail trails. That is my only source of information around that. There are no proposals by Government.

**Ms SYLVIA HALE:** But, equally, you are aware of moves by the Queensland Government to extend its rail system down to the border with New South Wales?

**Mr DAVID CAMPBELL:** Yes.

**Ms SYLVIA HALE:** And it would be a rational decision for New South Wales to attempt to link to that extension?

**Mr DAVID CAMPBELL:** The information available to me is that there is insufficient patronage demand to see investment of the nature that you have just described.

**Ms SYLVIA HALE:** Minister, is this not one of the areas of the State where population increase is greatest?

**Mr DAVID CAMPBELL:** I understand—and my observation comes from visiting that part of the State—there are a range of disparate towns and villages that are spread out and there is population growth in them. But, as I understand it, there is not a concentrated growth in population in a sufficient number of locations to support the type of investment that would be required in a rail line at this stage. But I go back to your first question: I am unaware of any formal proposals to do anything with that rail corridor.

**Ms SYLVIA HALE:** Minister, would you agree that it has been the consistent practice of the Department of Transport to discourage patronage of rail in the north of New South Wales, largely by altering timetables and making it very difficult for people who wish to catch trains to do so?

**Mr DAVID CAMPBELL:** I know personally a number of people who use the CountryLink service to travel from Sydney to Brisbane, and they tell me that it suits their journey patterns particularly well.

**Ms SYLVIA HALE:** Minister, you will no doubt have to take my next question on notice. Would you provide the Committee with the numbers and locations of disused rail and goods lines in the Sydney metropolitan area? Similarly, would you provide the Committee with details of the numbers and locations of disused rail and freight lines in rural areas of the State?

**Mr DAVID CAMPBELL:** My understanding is that there are 3,000 kilometres of disused rail line, most of it closed by the Greiner Government, I would point out. But we will provide some detailed information to the Committee.

**Ms SYLVIA HALE:** Were any of the lines closed by the Greiner Government ever reopened by the Labor Government?

**Mr DAVID CAMPBELL:** Not that I am aware of. But, again, I will check that.

**Ms SYLVIA HALE:** One of the problems, of course, with the rural branch lines is that they are not officially closed; they are just allowed to fall into disuse. Which rural branch lines in New South Wales have not been used at all by any train in the past year?

**Mr DAVID CAMPBELL:** Again, I will take the question on notice and provide details to the Committee.

**Ms SYLVIA HALE:** For these lines that have fallen into disuse, is there a budget for their ongoing maintenance so that they can be reopened, or is it the intention to let them fall into such great disrepair that in fact they would need to be rebuilt?

**Mr DAVID CAMPBELL:** The Rail Infrastructure Corporation has a budget allocation that it utilises to maintain those freight lines in the country. It obviously focuses its resources first on safety of the lines that are in use. It does spend some of its allocation on the corridors that are not in use.

**Ms SYLVIA HALE:** How many train lines have been downgraded to class 4 or class 5 tracks since 2005?

**Mr DAVID CAMPBELL:** I will take that question on notice.

**Ms SYLVIA HALE:** Of course, class 4 and class 5 tracks are restricted lines that can carry only partly loaded trains at low speeds. Given those restrictions on those tracks, how is it possible for rail freight to compete with road freight under those conditions?

**Mr DAVID CAMPBELL:** The significant part of the country rail network that carries freight is under the responsibility of the Australian Rail Track Corporation [ARTC]. I understand that some years ago there was a decision nationally to transfer the country rail network that carries the major freight task to the ARTC. Some of that freight task is on track that RailCorp operates as part of its network. The more minor lines are the ones that you have just asked questions about, and I have indicated that I will bring back further information.

**Ms SYLVIA HALE:** Minister, do you acknowledge that the current fix-when-fail maintenance policy cannot sustain these lines in a fit-for-purpose condition, and that the current patch-up strategy is both expensive and inadequate?

**Mr DAVID CAMPBELL:** The Rail Infrastructure Corporation is working within its budgetary allocation to provide the maintenance and the improvement to rail lines within that budget allocation, and it is doing a great job about it.

**Ms SYLVIA HALE:** What percentage of grain hauled over 2008-09 was moved by rail compared to grain hauled by road, and how does this percentage compare with the previous two years?

**Mr DAVID CAMPBELL:** I will seek to get information for the Committee.

**Ms SYLVIA HALE:** While we are on the subject of the Australian Rail Track Corporation [ARTC], what moves are you undertaking to ensure that noise barriers are provided to the residents of Casula as a result of the upgrade of the freight line, the south western freight line?

**Mr DAVID CAMPBELL:** I have made strong representations to the ARTC whose project that is. I have made strong representations to them that they should listen to the arguments of the community, the arguments that we have put in place.

**Ms SYLVIA HALE:** Have ARTC indicated that they are listening?

**Mr DAVID CAMPBELL:** They have indicated that they are listening but they have not yet given the outcome that I would prefer and I suspect that you are pursuing. That is why I continue to be in dialogue with them.

**Ms SYLVIA HALE:** If they refuse to provide those noise barriers, will you, as the Minister of the Government that was responsible for allowing them to use the rail corridor, step in and provide those noise barriers?

**Mr DAVID CAMPBELL:** I have taken this position publicly and I find it a little intriguing that the Greens would be suggesting that the Government step in and provide funding to a private operator. The ARTC is a private company and they have development approval to build the southern Sydney freight line and operate the southern Sydney freight line. I have said publicly and I say here that I do not see at this stage it appropriate that the New South Wales Government would be providing funding for a private developer for their project in this circumstance.

**Ms SYLVIA HALE:** I assume that view is not shared by Dr McDonald, the local member. Yet the Government was responsible for initiating a contract or agreeing to a contract that did not oblige the ARTC to provide those noise barriers. Surely it is a responsibility of the Government to establish those barriers because the residents out there will be subjected to noise levels that are somewhere like 40 to 50 times in excess of the World Health Organisation minimum for noise exposure. Are you just going to leave the residents sick?

**Mr DAVID CAMPBELL:** Again, I find it intriguing that the Greens—

**Ms SYLVIA HALE:** We are concerned about the community.

**The Hon. HENRY TSANG:** Do you want to close down the line?

**Mr DAVID CAMPBELL:** Are the Greens advocating that a developer be subsidised by government in the way outlined? I find that intriguing.

**Ms SYLVIA HALE:** We are concerned that the Government do something about the residents in the area who are suffering as a result of the Government's incompetence.

**Mr DAVID CAMPBELL:** I just find it intriguing that the Greens argue that government would subsidise in the manner described a private development. I will continue to argue the case to that private developer, ARTC, for them to provide additional noise mitigation. [*Time expired.*]

**The Hon. PENNY SHARPE:** Minister, there have been significant changes in relation to the new super agency. I would like to just generally ask you to update the Committee on what the Government is doing to plan for the future transport needs to create a more integrated transport network.

**Mr DAVID CAMPBELL:** I appreciate that. The Government has put in place New South Wales Transport and Infrastructure and the Premier made it clear that a key feature of that new department's work would be the transport blueprint. Indeed, Sydney is fortunate; it benefits from a well-established public transport system. Already it handles 77 per cent of journeys to work in the central business district [CBD] during the peak, and 24 per cent of all journeys to work are trips across the metropolitan area. That 77 per cent of trips to work in the CBD by public transport is up there with the best of them in the world, I might say. I might also say that it is above the target that was set in the State Plan.

Usage of Sydney's public transport system is increasing, with CityRail recording 2.9 per cent growth, and Sydney Buses with 0.7 per cent growth and 5.6 per cent growth across the Sydney metropolitan private bus work in 2008-09. This follows on from higher levels of growth in previous years. I show the Committee a graph of the patronage by RailCorp. For example in 2005-06 you can see this mark here and then in 2008-09 you can see an increase of 11.8 per cent in patronage numbers. Patronage numbers are going up very strongly and on-time running is improving significantly as well. That demonstrates why the community is responding to the Government's initiatives.

**CHAIR:** Minister, would you like to table that graph?

**Mr DAVID CAMPBELL:** I might table the same graph in a different form because it might be easier for the Committee staff to work with. I am certainly happy to provide it.

The Government, as I talked about earlier, recognises the importance of an integrated and planned approach to transport services and infrastructure in Sydney. That is why the New South Wales Transport and Infrastructure super agency is developing the transport blueprint. The blueprint will map out the actions and strategies necessary to ensure our transport system continues to grow and adapt to change to achieve better transport outcomes for Sydney passengers and the movement of goods.

The blueprint will set the Government's strategic transport planning agenda for the next 25 years. It will build on the networks and initiatives already in place or underway. The blueprint will be developed alongside the major review of the Metropolitan Strategy so that Sydney's transport and land use planning are linked. That is an important point for me to tease out a little bit in this discussion; the whole purpose of this blueprint is to overlay the urban development of Sydney, as demonstrated in the Metropolitan Strategy with what we need to do as a community and certainly as a government in regard to public transport infrastructure and services, and also to factor into that the way that the roads task will provide for people to move around Sydney as well.

A significant part of this work is to ensure that the public transport effort and roads effort are linked to the Metropolitan Strategy. We have put in place some strong cooperation between New South Wales Transport and Infrastructure and the New South Wales Department of Planning to ensure that is the case. The establishment of New South Wales Transport and Infrastructure is part of the Government's overall strategy to create 13 major departments. The New South Wales Transport and Infrastructure was established by administrative order on 1 July 2009. New South Wales Transport and Infrastructure brings together strategic



policy, transport planning, transport budget coordination, public transport service procurement, transport services coordination and coordination of capital works expenditure. The new agency will take the lead on all policy and planning functions for the former Ministry of Transport, RailCorp, the Roads and Traffic Authority, the State Transit Authority, Sydney Ferries, the Public Transport Ticketing Corporation and New South Wales Maritime.

Immediate priorities, as I have indicated, include the development of the transport blueprint that integrates urban growth, transport delivery and freight delivery. Of course, establishing a transport coordination group within the transport management centre was an early key initiative. That body I referred to a little earlier, I think, is that group of public servants working extremely well to manage each peak in a stronger and more coordinated way. These changes, in my view, will improve transport in New South Wales, with the funding of transport projects being driven by the best overall transport outcome rather than by a mode-funding approach.

**The Hon. PENNY SHARPE:** Minister, could you expand on the issue of patronage levels across the network, given that they are so significant?

**Mr DAVID CAMPBELL:** Again, I think that is a matter that is best demonstrated by this graph. The graph shows that between 2005-06 and 2008-09 patronage on the CityRail network, for example, was up by 11.8 per cent. We also know that where we have put in place strategic corridors—for example, for the bus network—we have seen very significant increases in the number of people travelling by bus on the network. CityRail patronage for the 2008-09 financial year was 304.8 million passenger journeys. This is a 2.9 per cent increase compared with 2007-08. That means 8.6 million extra passenger journeys. We have seen sustained growth for a number of years, including very high growth of 5.7 per cent from 2006-07 to 2007-08. The global financial crisis has led to a reduction in those high levels over the last financial year, as I think most reasonable people would appreciate.

With regard to CountryLink patronage, I am advised by RailCorp that CountryLink's 2008-09 patronage increased by 8 per cent compared with the patronage figures for 2007-08. I think that is likely to increase further, given the Government's changes to the cost structure for pensioners travelling on CountryLink services. With regard to State Transit bus patronage, State Transit has advised that on all State Transit bus services for 2008-09, including Newcastle, it recorded almost 208 million passenger boardings, including school student travel. That figure is up by over 1.5 million on the previous year, representing an increase of 0.7 per cent. This was a pleasing result for State Transit bus services in light of the current economic climate. This continues the higher growth of 3 per cent experienced in the previous year.

State Transit has also advised that on Sydney buses for 2008-09 it recorded 192.8 million passenger boardings, including school student travel. The figure is up by 1.5 million on the previous financial year, representing an increase of 0.8 per cent. State Transit has also advised that patronage on its Western Sydney buses for 2008-09 was up by 4 per cent over the previous financial year, including school student travel. I am advised that in the last three months of the 2008-09 financial year patronage on Sydney buses declined slightly due to the impact of the global financial crisis on unemployment. As a result the increase in patronage in 2008-09 was slightly lower than forecasts given at the end of 2008.

With regard to the Sydney metropolitan private bus network, I am advised that for the financial year 2008-09 total patronage on all bus services recorded almost 40.4 million passenger boardings, excluding free school student travel. The figure is up by over 2.1 million boardings on the previous year, representing an increase of 5.6 per cent. While recent growth in bus patronage has not been as large as in previous periods, there are still unprecedented increases in people choosing to use bus transport. General social factors such as rising unemployment and the state of the economy all affect the overall results.

With regard to ferries patronage, I am advised by Sydney Ferries that it recorded 14.3 million passenger boardings in 2008-09, an increase of 2.5 percent on the previous year. Excluding the Manly JetCat service, which has now been discontinued, Sydney Ferries recorded 13.9 million passenger boardings in 2008-09, an increase of 5.8 per cent on the previous year. There are some strong figures there that demonstrate that the Government's investment in ongoing improvements in infrastructure, together with the continuous focus on customer service on the part of businesses, whether they be government-owned or private, is attracting new passengers notwithstanding the difficult economic times.

**The Hon. HENRY TSANG:** Minister, can you update the Committee on the success of the CBD and Gong shuttle bus services?

**Mr DAVID CAMPBELL:** I certainly can. These are two initiatives of the Rees Government. The CBD shuttle in Sydney, for example, commenced on 2 December, giving people in the central business district—shoppers and tourists, and indeed office workers—a convenient trip around the city. These highly visible green buses have made getting around the city simpler and easier for people. The new CBD shuttle helps to take cars off the road in the central business district, lessens traffic congestion, and helps reduce greenhouse gas emissions.

In terms of the Wollongong shuttle—known as the Gong shuttle—it commenced operation in March 2009. It is a key initiative for the Illawarra region and a major boost to public transport for Wollongong. It is an investment by the Rees Government in Wollongong's transport and economy. This premium bus service is funded by the Government and runs seven days a week on a 14.7 kilometre loop of the city. The shuttle improves access across Wollongong by providing connections to key destinations—the Wollongong central business district to Wollongong station, providing inter-modal shift, Wollongong hospital, the University of Wollongong and the innovation campus, Wollongong TAFE, and two high schools. The service has been extremely well received. As I said, it interchanges with CityRail services at Wollongong railway station. There is also a simple and easy interchange at North Wollongong railway station.

The service also connects with a number of local bus services to both the northern suburbs and the southern suburbs, making it more convenient for commuters. The service takes students, workers and shoppers around the city quickly and efficiently, encouraging business and attracting tourists. The Gong shuttle also serves North Wollongong railway station on weekends. The shuttle operates between 7.00 a.m. and 10.00 p.m. from Monday to Friday, running every 10 minutes during the peak and every 20 minutes during the off-peak periods. The weekend service operates every 20 minutes between 8.00 a.m. and 6.00 p.m. Nine brand-new, low-floor, state-of-the-art route buses are used on the service. All nine buses are wheelchair accessible and Euro 4 compliant, which means they meet the latest environmental regulations for exhaust emissions of new vehicles.

The free Gong shuttle is clearly encouraging many more Wollongong residents to make the switch to public transport. As at July 2009 the Gong shuttle, which commenced in March 2009, had carried 711,558 passengers, averaging about 5,200 passenger boardings per day. What we are seeing with that service is a number of elderly people driving to the route of the Gong shuttle and then taking it to the hospital. It means that they are not driving into the central business district where the hospital is located. As people have explained to me, it means that they arrive for their appointments at the hospital, or they arrive to see people as visitors, much less harassed—they have not had to look for a car park. That is an initiative. As I said, the service links the hospital, which is a major traffic generator in that community, with the railway station, the central business district, the major tourism and recreation aspects of the city at the foreshore, along with the innovation campus, the TAFE college, the Wollongong High School of the Performing Arts, Keira High School, the main university campus, and back to the hospital. It is pleasing to note that the Vice Chancellor of the University of Wollongong publicly referring to it as Wollongong's subway. The Vice Chancellor is a strong advocate and regular user of the CBD shuttle.

**The Hon. HENRY TSANG:** Minister, can you please update the Committee, and perhaps the Hon. John Ajaka, on the progress with the Government's step change to a metro network for Sydney?

**Mr DAVID CAMPBELL:** I think we have talked very strongly about this project. It is a project that in the discussion this morning we have been able to demonstrate is well conceived, has clearly been well-planned and we are getting on with that task. There has been a deal of discussion around patronage and it is my observation from earlier questions that there is an attempt to compare apples with oranges in some of these questions. I think it is important to clarify that the Government is not going to go down the path of the Opposition of comparing apples with oranges. I might get Mr Staples to give some more technical clarification around that. Then I might provide some other comments after Mr Staples to further answer the Hon. Henry Tsang's question.

**Mr STAPLES:** The patronage information that needs to be referred to is information provided in the environmental assessment, which is on exhibition at the moment. We started out at the beginning of the year on a program of updating the patronage work progressively as we went on so that would be available for the environmental assessment. There are some numbers I would like to refer to and put on the record so they are very clear. In 2031, a little over 20 years from now, we are forecasting peak hour usage on the State metro between 21,000 and 28,000. The reference to 28,000 is the upper end of the range. That is included in the

environmental assessment to quite clearly give a range. The basis of the range is that there are inherent uncertainties when you forecast 20 to 25 years out: the price of oil, the number of—

**The Hon. JOHN AJAKA:** Just pick a figure.

**Mr STAPLES:** —people working in the city at a given time. It is very clear that they are the numbers we have confidence in on the basis of the model we have been building up over the last six months.

Also provided in the environmental assessment is patronage around about the time of opening in 2016. We have got a range in there of between about 12,000 and 16,000 users in the peak hour. Now that reflects a tighter range because the uncertainties going forward are not as large over a shorter timeframe. Those are the numbers—the 12,000 to 16,000 range—that need to be compared with the quoted figure of 8,000 and that 8,000 is an extract of a range. We provided some advice in February-March of a patronage estimate of about 8,000 to 11,000 as a working number at the time, on the basis of the preliminary environmental assessment and the concept that is in the preliminary environmental assessment. So the comparison needs to be made between the range of 8,000 and 11,000 in the year of opening that was quoted in February-March with the numbers now shown in the environmental assessment of 12,000 to 16,000.

The reasons for change: there are some sound reasons around that. We have done a lot of work on the development of the concept and the refinement of the concept. We will give you a few examples of those. At Roselle we have looked at the interchange between the bus network and the metro station and we have refined the layout of the station. We have also provided better access for the 10,000 or so residents that can walk to the station around Roselle. So that has provided opportunity for additional people to use the metro at Roselle—

**CHAIR:** Thank you, Mr Staples.

**The Hon. PENNY SHARPE:** No, he can finish the answer.

**The Hon. HENRY TSANG:** This is a very important question that the Hon. John Ajaka was desperate for the number—

**CHAIR:** He was not that desperate. He has got another question.

**The Hon. HENRY TSANG:** Mr Staples has very important information.

**The Hon. PENNY SHARPE:** To be fair, we have actually been quite polite during this hearing in letting people finish the answer they were giving after the bell goes off. You have just cut off Mr Staples and I believe he had a little bit more information to go. I do not think there is any problem in allowing him to finish his answer to that question.

**CHAIR:** Mr Staples, is the remainder of your answer very quick?

**Mr STAPLES:** I can make it very quick. I will give you one more example in the city. We have refined the location of the station around Wynyard-Barangaroo, where we now have an entry that goes directly into the new development down at Barangaroo, whereas before we were some distance from that. With the development in that area we have got more than 20,000 people going to work in that area so, as a result, the metro will be more attractive. So—

**CHAIR:** Thank you. Mr Ajaka?

**The Hon. JOHN AJAKA:** Minister, if I can go back to your earlier comments about your Government's investment in new technology. Can you please tell me: How much money has the Government spent to date on the terminated Tcard project and integrated ticketing?

**Mr DAVID CAMPBELL:** Integrated ticketing is an important initiative and it is well-known that the previous process did not go to the conclusion that that people would have wanted—

**The Hon. JOHN AJAKA:** Thank you. I am only after the actual figure spent at this stage.

**Mr DAVID CAMPBELL:** The project was not delivered by the private sector contractor—

**The Hon. JOHN AJAKA:** I am only after a figure, Minister.

**The Hon. PENNY SHARPE:** Just let him answer the question.

**Mr DAVID CAMPBELL:** The contract was terminated and is subject to litigation. Obviously, I will be very careful about saying anything further than that.

**The Hon. JOHN AJAKA:** You cannot give me a figure, Minister, of how much has actually been spent to date? A figure? A dollar sum?

**Mr DAVID CAMPBELL:** The electronic ticketing system is currently being procured and the current process is running to schedule. The Government is on track to sign a contract with the successful entity in 2010.

**The Hon. JOHN AJAKA:** Point of order.

**Mr DAVID CAMPBELL:** In March 2009 the Government announced that another milestone has been reached—

**The Hon. JOHN AJAKA:** I have asked a specific question. It is a very simple question. We have got a limited amount of time. All I am asking the Minister to do is tell me the amount the Government has spent to date on the terminated Tcard. Either he can get me the amount or he is unable to give me the amount. I do not need to hear about anything else. That is what I have specifically asked for. We are limited for time so I would be very grateful, Minister, if you would actually answer my question.

**Mr DAVID CAMPBELL:** In March 2009 the Government announced that another milestone has been reached and that was the qualification of entities to participate in the next stage of the procurement process—

**The Hon. JOHN AJAKA:** I take it you cannot answer the question?

**Mr DAVID CAMPBELL:** —the request for proposal stage. The successfully qualified entities are the Pearl Consortium and Scheidt and Bachmann. These companies have demonstrated proven experience delivery capability as well as corporate stability.

**The Hon. JOHN AJAKA:** Minister, I did not ask you a Dorothy Dixier; I asked you a specific question.

**Mr DAVID CAMPBELL:** Both companies submitted a detailed request—

**The Hon. PENNY SHARPE:** The Minister is entitled to answer it in the way he wishes to.

**The Hon. JOHN AJAKA:** He is not answering the question at all. If he wants a Dorothy Dixier he can take that from your time. He should have at least the decency to answer my question on my time. Stop interrupting my time.

**The Hon. PENNY SHARPE:** He can answer it any way he wishes.

**The Hon. JOHN AJAKA:** What is the amount, Minister? Do you know an amount or not or do you just not want to tell us? It is one of those three. It is very simple.

**Mr DAVID CAMPBELL:** Both companies submitted a detailed request to the proposal—

**The Hon. JOHN AJAKA:** Clearly you do not want to tell me. Let me move on then—

**Ms SYLVIA HALE:** Point of order.

**Mr DAVID CAMPBELL:** —on 28 July 2009 and these are currently being evaluated.

**Ms SYLVIA HALE:** I believe the Minister is being deliberately contemptuous in his treatment of this Committee. He is not answering the questions as put. I would request you to ask the Minister to either answer the question posed by the Hon. John Ajaka or to cease reading out this prepared script, which has nothing to do with the question.

**The Hon. LYNDA VOLTZ:** To the point of order: Ministers have a right to answer in the way they feel fit. You have a right to ask a question. The Minister has a right to answer the question in the way he feels fit. He is already going through the details of the project and the process that the Government has been through. He has already pointed out to you a number of points such as litigation and the fact that contracts are pending. You have put the question and the Minister has the right to answer it in the way he feels fit.

**CHAIR:** Minister, it is true you can answer the question in the way you feel fit. It is also true that successive Ministers for Transport have come before this Committee and given us an update on the amount of money spent to date on the terminated Tcard project and the project before it was terminated. All Mr Ajaka is doing is asking you to give us the latest figure for that project.

**Mr DAVID CAMPBELL:** As I indicated earlier, and as the Hon. Lynda Voltz has pointed out, the previous process is subject to litigation and that litigation is on foot in the Supreme Court and it would be inappropriate to go into any detail around what led to that litigation.

**The Hon. JOHN AJAKA:** So you are not prepared to answer the question?

**The Hon. PENNY SHARPE:** No, he is not required to under the standing orders if—

**The Hon. JOHN AJAKA:** Please do not take my time!

**The Hon. PENNY SHARPE:** —it is actually in court.

**The Hon. JOHN AJAKA:** You can ask your questions in your time, thank you. Minister—clearly this cannot be a problem from a litigation point of view—what is the total cost for legal fees paid to date in relation to these court proceedings by the Government?

**Mr DAVID CAMPBELL:** The court proceedings are ongoing and the cost obviously of mounting those court proceedings changes as each step occurs before the court.

**The Hon. JOHN AJAKA:** Do you have any idea what the cost is to date?

**Mr DAVID CAMPBELL:** I will seek advice as to any implication on the litigation, if I were to provide the amount to date. If that advice indicates there will not be an impact on the litigation, I will provide information to the Committee.

**The Hon. JOHN AJAKA:** How much money has the State Government set aside in the event that the court proceedings are not found in the Government's favour? You have not budgeted for that.

**Mr DAVID CAMPBELL:** It would be inappropriate in terms of the litigation to speculate around matters such as are invited by that question.

**CHAIR:** Minister, in relation to the Tcard contract, why have you specifically excluded light rail, particularly in light of the fact that you have announced a feasibility study for the potential expansion of light rail services?

**Mr DAVID CAMPBELL:** The Government has made it clear that the light rail operation is not one that would receive a government subsidy. The other forms of transport receive government subsidy. It is open to the light rail operator to negotiate access to the Tcard system.

**CHAIR:** Given that many commentators have said that the huge number of fare products and the complexity involved in the fare structure that has existed to date was part of the reason why the Tcard project collapsed, what action are you taking to address that now?

**Mr DAVID CAMPBELL:** Again, it would be inappropriate to talk about it in the context of the previous contract. The fare products that operate, the fare products that are available across the modes of transport, are part of the discussion and negotiation with the current tenderers. Those tenders are being assessed. In terms of the procurement process and to ensure probity around it, it would be inappropriate to go into any detail, other than to say that we called for expressions of interest and for requests for proposals based on the fare products in the market.

**CHAIR:** Would it be fair to say that you asked such expressions of interest and proposals to focus on the need for a simpler fare structure?

**Mr DAVID CAMPBELL:** The documentation around the contract is available to the Committee. It is publicly available: it is a public process. Given the stage that the contractual negotiations are up to, from a probity perspective I want to be extremely careful about public comments regarding the process. But the details of what was asked for are publicly available to the Committee.

**CHAIR:** What is the latest estimate you have as to when commuters in Sydney will be able to use the Tcard or its equivalent?

**Mr DAVID CAMPBELL:** As I indicated in an earlier answer, expectation is that we would go to contract in 2010 and the expectation is that the product would commence operation in 2012.

**The Hon. JOHN AJAKA:** Minister, can I go back to an earlier question in relation to your not wanting to go on the public record because of litigation. Could you please explain why on 19 February Premier Nathan Rees was quoted in an article saying:

"One of the reasons we have not been able to introduce the Tcard, as I understand it, is because we couldn't get fare harmonisation across the different sectors," Mr Rees said on September 18.

"Well, we're going to fix that."

**The Hon. PENNY SHARPE:** September or February?

**The Hon. JOHN AJAKA:** How does that fit with the situation that you put earlier?

**Mr DAVID CAMPBELL:** As I recall it, you are quoting an article published in February referring to a comment from September.

**The Hon. JOHN AJAKA:** I am just reading the quote.

**Mr DAVID CAMPBELL:** I just want to understand the dates.

**The Hon. JOHN AJAKA:** That is how I read it. It is quoted on 19 February—

**Mr DAVID CAMPBELL:** You are quoting an article on 19 February referring to a comment allegedly made by the Premier in September last year?

**The Hon. JOHN AJAKA:** So you are not aware of the comment he made in the article?

**Mr DAVID CAMPBELL:** Because you keep interjecting. I am just trying to understand the time sequence. Can I seek clarification again? You are quoting from an article from—

**The Hon. JOHN AJAKA:** Elizabeth Sexton, an article on 19 February 2009, and I quote:

"One of the reasons we have not been able to introduce the Tcard, as I understand it, is because we couldn't get fare harmonisation across the different sectors."

Can you at least comment on that?

**Mr DAVID CAMPBELL:** But you went on to say—

**The Hon. JOHN AJAKA:** That is the second part of the question.

**Mr DAVID CAMPBELL:** You went on to say that that was a comment made by the Premier in September.

**The Hon. JOHN AJAKA:** Minister, it is very simple. Are you aware of the article? Are you aware of the quote? Yes or no?

**Mr DAVID CAMPBELL:** The question—

**The Hon. JOHN AJAKA:** If you are not aware of the article—

**Mr DAVID CAMPBELL:** The question keeps changing and that creates some difficulty. As I understand it, that is an article with a quote, but your original explanation of it said that the comment was made in September last year.

**The Hon. JOHN AJAKA:** I will take it you are not aware of the quote.

**Mr DAVID CAMPBELL:** No, you have made—

**The Hon. JOHN AJAKA:** Are you going to answer the question, Minister, or do you just want to play this roundabout game until time runs out? What are you going to do?

**Mr DAVID CAMPBELL:** I just want to seek—

**The Hon. JOHN AJAKA:** I have told you what it is.

**Mr DAVID CAMPBELL:** You have said the quote. You have said when it was published. But when you first asked the question, and you have changed the question a number of times—

**The Hon. JOHN AJAKA:** Minister, you have made your position clear about how you want to cooperate.

**Mr DAVID CAMPBELL:** When you first asked the question you indicated that the article refers to that quote as having been made in September last year. Is that accurate?

**The Hon. JOHN AJAKA:** Minister, I have already said it to you three times. I am not going to waste any more time. We are running out of time.

**Mr DAVID CAMPBELL:** I am simply trying to get—

**The Hon. JOHN AJAKA:** I will read it to you one more time, Minister, and hopefully you will get it this time.

**Mr DAVID CAMPBELL:** You mentioned two dates in the original question. I am just trying to make sure that I understood those dates.

**The Hon. HENRY TSANG:** Just quote the date if you know it.

**Mr DAVID CAMPBELL:** The question was obviously wrong and he has had to make it up on the run.

**The Hon. JOHN AJAKA:** I am not making up a quote on the run. Minister, you have been very clearly pretending. I will read it to you one more time, Minister, and you can keep going around in circles.

**Mr DAVID CAMPBELL:** It would be helpful if you asked the original question.

**The Hon. JOHN AJAKA:** Elizabeth Sexton, 19 February 2009—

**Mr DAVID CAMPBELL:** If you asked the original question it would be helpful.

**The Hon. JOHN AJAKA:** He is not going to listen.

**CHAIR:** Do you want to move on?

**The Hon. JOHN AJAKA:** Yes, I will move on.

**Mr DAVID CAMPBELL:** He obviously had the question wrong. He has made a mistake and he will not admit it.

**CHAIR:** Order! Minister, you are taking up time.

**The Hon. JOHN AJAKA:** I will put it to you on notice, Minister. Madam Chair, I want to go to issues relating to the Illawarra. I have received a message that the shadow Minister the Hon. Greg Pearce, who was to replace me, has been held up in another budget estimates hearing.

**Mr DAVID CAMPBELL:** He told me that in the morning tea break.

**The Hon. JOHN AJAKA:** As the Minister for the Illawarra, have you made any representation on behalf of any applicant for a grant from the Illawarra Advantage Fund? If so, when did you make those representations and on whose behalf?

**Mr DAVID CAMPBELL:** To the best of my recollection I have not made such representations.

**The Hon. JOHN AJAKA:** At all?

**Mr DAVID CAMPBELL:** I would stand corrected, but to the best of my recollection I do not believe that I have.

**The Hon. JOHN AJAKA:** Would you take the question on notice to give you time to check and get back to us?

**Mr DAVID CAMPBELL:** Sure.

**The Hon. JOHN AJAKA:** Minister, the Opposition's analysis of the budget showed that the Hunter with a population of approximately 600,000 people received nearly \$200 million, or roughly \$300 per head, whereas the Illawarra with a population of 420,000 people received only \$50 million, or less than \$100 per head. Do you consider that is a successful outcome for the Illawarra?

**Mr DAVID CAMPBELL:** The New South Wales budget is structured on different years and different projects in different parts of the State having a focus. Some are coming on stream, some are peaking in their construction period, and some are declining in different parts of the State. In the Illawarra there have been some significant infrastructure projects over recent years that are tailing off. For example, the northern distributor road project, worth about \$100 million, is tapering off after several years of construction. The latest stage of the Princes Highway upgrade in this current financial year is tapering off in its construction, the next phase is tapering up in its planning. People in the Illawarra understand that in a given year there will be money spent on particular projects in their part of the world and in a given year there will be money spent on projects in another part of the State.

**The Hon. JOHN AJAKA:** Can explain to me why the *Illawarra Mercury* summed up the budget with the headline "Record spending but for us crumbs"?

**Mr DAVID CAMPBELL:** I think you had best put the question to the *Illawarra Mercury*.

**The Hon. JOHN AJAKA:** So you do not agree with it?

**Mr DAVID CAMPBELL:** I do not represent the *Illawarra Mercury*. I did not write the editorial; I did not write the article. I am not able to speculate as to what was in the mind of the individual who did.



**The Hon. JOHN AJAKA:** What do you say to the people of the Illawarra in relation to the Princes Highway, WIN Stadium, Picton Road, and the F6 extension, which were all identified as priorities but are not receiving funding?

**Mr DAVID CAMPBELL:** What I say is that if you were taking notice of what is happening in the Illawarra you would know that several safety projects on the Picton Road have been completed or are under construction, with the New South Wales Government providing a \$12 million package and leveraging off a further \$3 million from the Commonwealth Government for safety upgrades on the Picton Road. So the premise of your question is demonstrated by that part of the answer as being absolutely false and demonstrating that you do not quite understand what is happening down there.

As I said in my earlier answer, the stage of the Princes Highway Oak Flats to Dunmore is tapering off because it is nearing completion and in the near future, as I understand it, will be brought into use. Planning for future stages of works on the Princes Highway is underway as well. The people in the Illawarra know that there has been a contract entered into for an overpass at the foot of Bulli Pass—a significant project that will provide both congestion relief and a significant improvement in safety. So there are a whole range of projects such as that before we get to work, as outlined in the budget, on improvements to Unanderra railway station, for example; work just coming to completion on the Woonona railway station; work about to come to completion on commuter car parking at the Helensburgh railway station; and funding in the budget for commuter car parking at Wollongong railway station. The list of projects that are now under construction and coming to a conclusion is somewhat endless.

**CHAIR:** Was Matt Brown correct when he said on 16 June 2009 on ABC Radio that an upgrade of the Princes Highway between Gerringong and Bomaderry will not be built in the near future?

**Mr DAVID CAMPBELL:** As I understand it, there are land acquisitions required for that stage of the Princes Highway and they have not occurred. There has been a significant amount of public discussion around some preferred routes and that, as indicated in a couple of previous answers, is part of the planning work that is underway and ramping up for future stages of upgrade of the Princes Highway.

**The Hon. JOHN AJAKA:** In your capacity as Minister for Transport, and Minister for the Illawarra, in relation to the Waterfall recommendations, why are some of the key recommendations still outstanding at this stage?

**Mr DAVID CAMPBELL:** The Independent Transport Safety and Reliability Regulator publishes quite frequently reports into the implementation of the recommendations of the Waterfall commission of inquiry and—as I understand it and as I interpret from looking at that report—it acknowledges the progress made in that work. The final report was released on 17 January 2005. As I say, it reports regularly—in fact, quarterly—on progress made. The latest report covering the period 1 April to 30 June 2009 was released on 5 August. As at 30 June, of the total 177 recommendations, 97 per cent—or 172 of the recommendations—are verified and closed. No recommendations were closed during the quarter but continued progress was made towards implementing the remaining five recommendations.

In regard to recommendation 32, in-principle funding approval for the introduction of automatic train protection has been given by government and the preparation of a full business case for the first stage of the rollout of the program is now underway. The next key milestone for this is the New South Wales Treasury gateway review of the business case. Recommendations 36 and 37 require mandating the use of data loggers and the data collected by them. Data loggers record information on a train's operations, such as speed during a journey. These recommendations were referred to the National Transport Commission, which had previously agreed to incorporate development of the regulations into its 2008-09 work program. However, the National Transport Commission recently suggested that the making of regulations should instead be incorporated into legislation to be administered by the proposed National Rail Safety Regulator.

Given that implementation of the National Rail Safety Regulator proposal is not expected until mid-2012, the Independent Transport Safety and Reliability Regulator is considering whether any further action should be taken, given data loggers and their use are already specified in New South Wales through the network access agreements. The interim target for these recommendations is now 30 September 2009. Recommendation 38 comprises two parts: the first requires compatibility of communication systems throughout the rail network; and the second requires that those working in the New South Wales rail network are able to communicate using the same technology.

In regard to the first part of the recommendation, the Australasian Railway Association is working with operators and rail safety regulators to develop a national approach on communications systems to ensure that agreed functionality and compatibility requirements are included in the national standard. In regard to the second part of the recommendation, trains can currently communicate with other trains operating on the New South Wales rail network through network control using compatible technology but not the same technology. The introduction of digital technology requires the purchase and installation of digital train radio communication equipment. Recommendation 38 is scheduled for completion in December 2012, with the full implementation of the new digital train radio system, GSMR, for the RailCorp fleet. Similarly, the Australian Rail Track Corporation is in the process of implementing a new digital train radio system, Telstra 3G, due for completion in early 2012, which will be compatible and interoperable with RailCorp's new system.

**CHAIR:** Is that answer going to go on forever? Can you table the rest of it?

**Mr DAVID CAMPBELL:** I will quickly refer to just one more recommendation. Recommendation 43 concerns the mandating of communication technology protocols and procedures through regulations. The Rail Industry Safety and Standards Board is developing communications protocols in its Australian Network Rules and Procedures, which will meet the intent of the recommendation.

**Ms SYLVIA HALE:** Minister, I would like to ask you a question for the sake of clarity—and a yes or no answer would be more than sufficient. Would you agree that covering disused rail lines that have the potential to be rail trails, as has occurred in the Riverina, would obviate the need for any amendment to the Transport Administration Act?

**Mr DAVID CAMPBELL:** I am not aware that a rail trail has been established in the Riverina.

**Ms SYLVIA HALE:** Ignoring the reference to the Riverina, would you agree that covering any disused rail line that has the potential for use as a rail trail would do away with the need to amend the Transport Administration Act?

**Mr DAVID CAMPBELL:** The advice to me is that the most appropriate way to facilitate the establishment of rail trails is through the provisions contained in a bill, which we discussed earlier, which the Parliament will debate in the near future.

**Ms SYLVIA HALE:** But if there were alternative ways of making those lines available for rail trails it would do away with the need to amend the bill?

**Mr DAVID CAMPBELL:** The advice to me is that the most appropriate way to facilitate the community's desire for rail trails is to proceed along the lines as outlined in the bill.

**Ms SYLVIA HALE:** I am not sure that many members of the community would agree with you. I now turn to the issue of the potential compensation for the operators of the Sydney light rail, should the CBD Metro proceed. Have you or any members of your department had any discussions with the operators on this aspect of the CBD?

**Mr DAVID CAMPBELL:** I have not had any discussions with the operators about that; they have not approached me.

**Ms SYLVIA HALE:** Has any member of your department, an agency representative or anyone from the CBD Metro?

**Mr DAVID CAMPBELL:** I have no advice that that is the case. I will need to check whether any individual has. No-one has brought that to my attention.

**Ms SYLVIA HALE:** So you will take that question on notice and get back to us if there have been any discussions. Is it correct that under the contract with the operators of the Sydney light rail if the CBD Metro impacts on its passenger numbers, or has the potential to do so, the Government would be liable to pay compensation?

**Mr DAVID CAMPBELL:** I will check, but I am not aware that the contract with the operators of the Sydney light rail system has any clauses about a metro operation.

**Ms SYLVIA HALE:** What about a competing transport service?

**Mr DAVID CAMPBELL:** That is different from the question you asked. I do not know the specifics of the clause, but I understand that the contract contains a general clause that provides the light rail operator with the opportunity to pursue a remedy, perhaps compensation, if it believes there is a competing form of public transport.

**Ms SYLVIA HALE:** Will you make that clause available to members of the Committee and to the public?

**Mr DAVID CAMPBELL:** I will need to check the commercial aspects of that. You will appreciate that there is a commercial arrangement between the light rail operator and the Government. If there is no commercial difficulty in doing that, I will do so. If there is a commercial difficulty, I will advise the Committee.

**Ms SYLVIA HALE:** You would equally appreciate that, in light of the very considerable costs associated with the Sydney Metro, if we were to add the cost of compensating the light rail operators it would be a matter of considerable public interest and something that not only members of Parliament but also the community as a whole should be made aware of.

**Mr DAVID CAMPBELL:** As I indicated, I will check my ability to provide that information to the Committee. If it is not a commercial problem, I will provide it. If it is, I will advise the Committee accordingly.

**Ms SYLVIA HALE:** The Reliance Rail project is under a \$9.5 billion public-private partnership [PPP] contract to deliver some 626 new railcars by 2013.

**Mr DAVID CAMPBELL:** I think that figure might be a bit high.

**Ms SYLVIA HALE:** It would be useful if you could provide the Committee with the actual cost of the contract. It was reported in February and May of this year to be running months behind schedule. Will you update the Committee on the current timetable for the delivery of the new trains?

**Mr DAVID CAMPBELL:** New South Wales has a \$3.6 billion contract for the delivery of next generation, air-conditioned trains onto the CityRail network. It is expected that Reliance Rail, the private sector contractor, will do that from next year. The 626 new Waratah train carriages represent the biggest-ever delivery of rolling stock in Australian history, representing about 60 per cent of Sydney's suburban electric fleet. The consortia—that is, the private sector business Reliance Rail, which has the contract—remain committed to the delivery of 78 sets from late 2010. There are 626 carriages making 78 sets. The delivery of all the sets is anticipated around the end of 2013.

Reliance Rail has confirmed that there are delays and advises that it remains confident that the first new train will be available for passenger service from late 2010. As has been reported publicly, Reliance Rail and the train builders—Downer EDI Rail and Hitachi in a joint venture—have experienced some delays in the ramp up of design resources and supply contracts. RailCorp continues to work to ensure that the consortia meet the standards required in the contract. Safety, reliability and value for public money are priorities that must come before rushing the trains into passenger service. The fact remains that Reliance Rail has a contract with the Government to begin rolling out the new carriages from next year. I will be continuing to work as best I can to ensure that that contract provision is met.

Tangible progress has been made in recent months on the delivery of the next generation Waratah train. I am advised that with the achievement of the critical design review milestone in June 2009 the focus of the PPP project has now shifted from design to ramping up to the steady-state manufacturing phase, both locally and internationally. The first four carriages of the Waratah train are expected to arrive in Newcastle in about mid November. The prototype test vehicle was delivered on 29 July and is at the Downer EDI Rail Cardiff manufacturing facility for final assembly and commissioning. The Waratah preproduction test vehicle will be fitted out with a suite of technical testing equipment, electric motor controllers and a low-voltage auxiliary power supply. Two carriages will also be fitted with drivers' cabs. We expect the preproduction test vehicle to be pushed to its limits and beyond on the CityRail network from early next year. In readiness for the prototype

vehicle tests on the Sydney network, a maintenance facility is being constructed at Auburn, and it will be the home of the new Waratah fleet. It will be operational in early 2010 following construction works and fit-out.

**Ms SYLVIA HALE:** I am disturbed about the discrepancy between the \$9.5 billion figure that I have referred to and the \$3.6 billion figure that you used. An article in the *Sydney Morning Herald* of 28 February 2009 entitled "Train deal five months behind schedule" states:

Downer EDI, which delivered Sydney's troubled Millennium trains, owns 49 per cent of Reliance Rail, the consortium with which the NSW Government signed a \$9.5 billion contract to deliver 626 new rail cars by 2013. A prototype is due in Sydney in the second half of this year, and the first passenger trains are to be delivered progressively from next year.

The agency put the debt associated with the \$9.5 billion PPP on watch "mainly due to a slower than expected design approval process".

Minister, are you suggesting that that \$9.5 billion figure is a fantasy concocted by a journalist? Is there any basis for that figure?

**Mr DAVID CAMPBELL:** Part of the contract provides for the ongoing maintenance of the carriages once they arrive. Over the extended lifetime of the contract, if you take into account the construction and maintenance costs, it is likely that the overall commitment is in the order of \$9 billion.

**Ms SYLVIA HALE:** So the contract, if it has these various provisions, is \$9.5 billion?

**Mr DAVID CAMPBELL:** It is of that order.

**Ms SYLVIA HALE:** Why did you give me the lesser figure?

**Mr DAVID CAMPBELL:** That is known as the construction cost.

**Ms SYLVIA HALE:** I do not think giving me that figure was a particularly helpful exercise. However, I am glad that you have given me some indication of the current timetable for the delivery of the trains. Was the rollout of the 131500 service to rural and regional areas included in the recent tender process?

**Mr DAVID CAMPBELL:** The 131500 number is the Transport Infoline and it takes a number of hits both by phone and by the Internet. It is a project that is currently out to tender in an effort to provide an upgrade. The contract period has come to an end. I will check for the Committee the extent that it covers regional services.

**Ms SYLVIA HALE:** You will get back to us as to the extent of the provision of those services to rural and regional areas.

**Mr DAVID CAMPBELL:** I will do so.

**Ms SYLVIA HALE:** I would like now to turn to patronage of public transport in this State. There are reports in Victoria and in Queensland that have shown that public transport patronage on trams, trains and buses has increased significantly. It was reported in May that public transport has seen a 13.2 per cent increase in the 12 months to March, more than double the previous year's growth. How many trips were made on the Sydney train, bus and ferry networks in the year to 30 June 2009?

**Mr DAVID CAMPBELL:** If someone is pretty good at their mental arithmetic they might add these up for me. Someone else might jot it down and add it up. Rail patronage was 304.8 million passenger journeys. State Transit bus patronage for Sydney was 192.8 million passenger boardings. Private bus patronage for Sydney was 40.4 million passenger boardings. Ferries patronage was 14.3 million passenger boardings, as I indicated in a quite detailed answer a little earlier.

**Ms SYLVIA HALE:** I have not added up those figures but I assume one of your many assistants will do so. I am particularly interested in whether this figure is an increase on last year. If so, what is the percentage of that increase?

**Mr DAVID CAMPBELL:** CityRail patronage for 2008-09 was 304.8 million passenger journeys. This is up 2.9 per cent compared with 2007-08, which means 8.6 million extra passenger journeys. We have

seen sustained growth for a number of years, including very high growth of 5.7 per cent from 2006-07 to 2007-08. This last year was a little lower than the previous year because of the global financial crisis. CountryLink's patronage increased by 8 per cent in 2008-09 compared with 2007-08. State Transit has advised that all State Transit bus services for 2008-09, including Newcastle, recorded—as I indicated a moment ago—208 million passenger boardings, including school student travel. That is up by over 1.5 million on the previous year, representing an increase of 0.7 per cent. This continues the high growth of 3 per cent experienced in the previous year.

State Transit has also advised that Sydney buses for 2008-09 recorded 192.8 million passenger boardings, and that was up 0.8 per cent over the previous financial year. Patronage of Newcastle buses remained steady at 12.4 million passenger boardings. State Transit also advised that patronage on its western Sydney buses for 2008-09 was up by 4 per cent over the previous year, including school student travel. In the last three months of the financial year that patronage on Sydney buses declined due to the impact of the global financial crisis.

**Ms SYLVIA HALE:** What percentage was the decline?

**Mr DAVID CAMPBELL:** I will need to double-check that, but it did not decline hugely because overall there was a slight increase.

**Ms SYLVIA HALE:** My maths may be sorely lacking but from my rough calculations that represents overall a 3 per cent increase in public transport usage. This seems to compare very poorly with the 13 per cent increase that has been reported in other States. If that is the case, has the department conducted any comparative studies of trends in patronage in New South Wales as compared with other capital cities?

**Mr DAVID CAMPBELL:** The trends in New South Wales are strong. They are off a significantly higher base than the other States, which came from a lower base to start with. As I indicated in an earlier answer, journeys to work in Sydney's central business district are about 77 per cent by public transport, and that is up there with the best in the world, as I am advised.

**Ms SYLVIA HALE:** Would you take on notice and provide to the Committee the percentage increase or decline in comparable public transport services between this State and other States for each of the last five years?

**Mr DAVID CAMPBELL:** I will seek to get some comparative data. I will not undertake to go back five years. You will appreciate the resources we have to put into that might not justify doing that, but we will seek to provide some comparative data that may be useful to the Committee.

**Ms SYLVIA HALE:** As to the expansion of Port Botany, do you expect the Government to meet its target of a 40 per cent increase in freight onto rail going to Port Botany?

**Mr DAVID CAMPBELL:** The expansion of Port Botany is a project that is the responsibility of the Minister for Ports. But the Government will continue to work with the Australian Rail Track Corporation, for example, to get up the southern Sydney freight line, which will have impacts for work on the northern Sydney freight line with the Australian Rail Track Corporation and the Commonwealth, with the aim of meeting that target.

**Ms SYLVIA HALE:** You would be aware that one of the great concerns when it comes to freight rolling stock and engines is the absence of emissions controls, particularly on the diesel engines. Have you had any input or discussions with, say, the Department of Environment and Climate Change—[*Time expired.*]

**The Hon. LYNDIA VOLTZ:** Point of order: The member's time for questions has expired.

**Ms SYLVIA HALE:** I was in the middle of asking the question.

**The Hon. LYNDIA VOLTZ:** You were in the middle of it; you have not asked the question.

**Ms SYLVIA HALE:** I said, "Have you had any discussions with the Department of Environment and Climate Change." That seems to me to be the first half of the question. I have extended the courtesy to the Minister and allowed him to continue his answer after time has expired. I think it should be mutual.

**CHAIR:** That is true. The Minister gave a very long answer that took up Ms Hale's time at the beginning of this segment. I suggest that if Ms Hale has a quick question—

**Ms SYLVIA HALE:** Yes, I will be very quick. Have you had any discussions with—

**The Hon. LYNDIA VOLTZ:** Point of order: When the Minister has gone over time on our questions, the Committee has ruled that the Minister's time does not interfere with anything. You let the Minister go when he was answering a question and you were perfectly happy with the answer; you do not let him go when he is answering our questions.

**Ms SYLVIA HALE:** I could have asked my question 10 times over. Minister, have you had any discussions with the Department of Environment and Climate Change on emissions control?

**The Hon. LYNDIA VOLTZ:** Point of order: This is inappropriate. We have time constraints and we have our own questions. The member will get another opportunity. It is the Government's turn to ask questions.

**CHAIR:** I think a few seconds latitude is courteous and should be allowed. If Ms Hale's question is short, the Minister may have a short answer. If he does not, we will go straight to Government questions.

**Mr DAVID CAMPBELL:** RailCorp does not operate the freight network. It does not operate diesel freight engines. They are provided by the private sector and would have to comply with legislation for which I do not have responsibility. Whether the Department of Environment, Climate Change and Water licenses them would be something to ask in that forum.

**The Hon. PENNY SHARPE:** Minister, would you please update the Committee on the work done by the regional transport co-ordinators in country New South Wales?

**Mr DAVID CAMPBELL:** Given your work as Parliamentary Secretary on this issue of recent times, it might be better that you update the Committee, Ms Sharpe. I am grateful for the work that you undertake in your role as Parliamentary Secretary for Transport and on this particular project. But, for the Committee's benefit, I will respond. The Government has 11 regional transport co-ordinators working throughout rural and regional New South Wales. Regional transport co-ordinators work closely with local transport providers, community groups, government agencies and local government to develop practical transport options, with a focus on utilising existing local resources in a more efficient and flexible way to address local issues affecting the community.

Over four years, close to 400 initiatives to improve local transport options for disadvantaged groups in rural and regional New South Wales have been funded, ranging from taxi voucher schemes to bus services into isolated Aboriginal communities. They are even negotiating for a bus stop to be located in the middle of a bus route, where the bus had run for 30 years or so but had never stopped there. So, simple things such as that to more diverse programs have been put in place. In some cases, these projects have provided local communities with transport for the first time, as in the example that I referred to, or have made a range of transport options available.

For most in the community, getting around on public transport is something they do every day. It is an easy part of their life. But, for others, catching public transport can be daunting or it is perhaps inaccessible. That is why the regional transport co-ordinators are there assisting people to get around and helping them to access services. As I indicated, the Hon. Penny Sharpe can attest to the work that is undertaken. In recent months she has visited and spent time with many of our regional transport coordinators to see first hand the work that they do. Some of that work will now be more substantially shared with other regional coordinators. What has been successful in one community we would look to make successful in another. This program is one of particular value. It supports transport options in communities where a full-on public transport service could never be afforded. It is a valuable program, and I am grateful for the work that Hon. Penny Sharpe has done on it. We will continue to encourage those interactions at the local level.

**The Hon. HENRY TSANG:** Minister, would you please update the Committee on the progress of the Government's commuter car parking program?

**Mr DAVID CAMPBELL:** The Government has a program to construct over the next two or three years in the order of 7,000 commuter car parking spaces across Sydney, the Blue Mountains, the Central Coast and the Illawarra. An allocation of \$170.6 million to this program has been made in the State budget. It represents a major step in the Government's work to provide that sense of integration of modes of transport. In May, we saw the opening of a 160-space commuter car park at Wentworthville. That marked the completion of the first project under the program.

Construction is now well underway on commuter car parks at Tuggerah, Morisset, Holsworthy, Campbelltown, Helensburgh, Windsor and the Seddon Park project at Glenfield, all of which are due for completion in the 2009-10 financial year. Construction is also anticipated to start later this year on additional commuter car parking at Werrington and Katoomba, with completion scheduled for the first half of 2010. In the 2010-11 financial year, I anticipate that commuter car parks will be completed at Woonona, Ourimbah and Berowra, with the multi-storey car park at Glenfield. In the 2010-11 financial year, I anticipate car parks will be completed also at Waterfall, Emu Plains, Macarthur, Wyong, Quakers Hill, St Marys, Seven Hills, Wollongong, Revesby, Woy Woy, Blacktown, Penrith and Warwick Farm.

A new car park at Schofields will also be opened to the public in late 2011, in conjunction with the commissioning of stage 1 of the Richmond line duplication project. The Transport Infrastructure Development Corporation is in the process of preparing designs and acquiring land for many of these commuter car parks. Let it not be forgotten that this work will create jobs and stimulate local economies, and that is certainly welcome news. I might say that you cannot build a car park overnight, but the Government has streamlined the delivery process for these parking spaces. It is a significant investment in improving facilities for the growing number of commuters who are choosing to use the rail network. It is a program that is funded substantially from the parking space levy.

**The Hon. LYNDIA VOLTZ:** Minister, could you let us know the status of the station staff review?

**Mr DAVID CAMPBELL:** This is a project committed to by the workforce of City Rail as part of its last EVA. It is about ensuring that staff are available on stations when customers are there. It is about relocating staff. In one instance, a station with three allocated staff had less than 70 passengers a day. We are moving to re-allocate that staff. The claim made by the New South Wales Opposition that 600 people will be sacked is absolutely untrue. It is scaremongering at its worst. I have challenged the Opposition on a number of occasions to come up with the name of one person who will be sacked as part of this process. They have failed to do so and continue to pursue their alarmist, opportunistic attempt at achieving some relevance in the public transport debate.

When the station staff reviews for section 1, the Illawarra and South Coast lines for example, were completed and the results were implemented, those lines had an extra 49 staff members, compared with the previous staffing. The station staff reviews for sectors 3 and 5, for the north, north-west, Central Coast and the Hunter, have been completed; and sector 5, the Hunter, was implemented on 30 August 2009. As a result, sectors 3 and 5 stations will have around 80 extra staff members, compared with current numbers. Planning continues on the implementation process for section 3, north, north-west and Central Coast, and will be undertaken in three phases.

The timing of these phases is designed to ensure minimal impact on the introduction of the new timetable to be introduced on 11 October 2009. October 11 will be a significant event with the introduction of a new timetable that will see something like 100 additional services on the City Rail network. It will also see the integration of the \$2.3 billion Epping to Chatswood line into the overall Sydney network. The station staff review for sector 2 has been completed, and the results have now been published. Work is now being commenced on the implementation of this sector. Station staff reviews for sector 4, which includes the CBD and the eastern suburbs railway stations, commenced in late July, and the on-site reviews have been completed for all but Central, which is expected to be completed by the end of this month.

The translation process to match staff to vacancies has commenced, and this work will continue up to and beyond sector 4 implementation. There has been extensive consultation with the unions about these proposals, staff reviews, significant site visits and input from individual staff. Drafts are prepared and changed as a response to that input. RailCorp will continue to provide a range of safety and security measures for its customers at CityRail stations, including Transit officers, joint Transit and NSW Police operations, CCTV coverage, and help points which are linked to the CCTV system and to the rail management centre, for example. It is a significant project to reshape this frontline service provision. It is being done in consultation with the

staff, and the outcome will be one that will match the allocation of station staff resources to when passengers are travelling. As I have indicated, it has seen the recruitment of additional workforce as a result of bringing some science to the allocation of station staff.

**The Hon. LYNDIA VOLTZ:** You mentioned the Epping to Chatswood rail line in that answer. Given that it is a new line, could you give the Committee an update on its performance since it has opened?

**Mr DAVID CAMPBELL:** It opened as a shuttle service for the first 100 days in February this year. It was fare free for the first 100 days. We saw about 12,000 passengers a day using it. After the first 100 days it then had the normal fares allocated to it and at the moment I understand passenger numbers are about 8,500 a day. On 11 October we will see the integration of the Epping to Chatswood rail line into the broader timetable. Anybody who has used the line has had positive comments to say about it. Its performance has been very strong. I think it has better than 99 per cent in terms of on-time running on it. It is a significant piece of railway engineering.

It is complex; it is very technologically advanced. We look forward to it playing its role in the broader CityRail network from 11 October. With its introduction, there will be additional services on the western line and additional services, I think, on the south-western line—a total of 100 additional services across CityRail on a daily basis. It also provides the capacity to increase the number of cars on some carriages from six to eight. That will increase the capacity of the network. It is a project, in its construction, in its commissioning and now in its operation that the community can be proud of and of the public servants who put so much work into it.

**The Hon. PENNY SHARPE:** Minister, can you update the Committee on the progress of the CityRail customer charter?

**Mr DAVID CAMPBELL:** The first-ever CityRail customer charter was put in place in December last year. There is a brochure around it. We have reported twice on the customer charter at quarterly intervals and each time we have been able to give a tick to the commitments made in the customer charter being met. We know as a Government that delivering reliable, safe and clean services to the more than 500,000 people who catch the train every day is one of the most important priorities.

There is no doubt that improvements have been made in many areas, such as on-time running. I am pleased to advise, as I indicated earlier, that on-time running for CityRail trains is at record levels, with 95.4 per cent in the last financial year against a benchmark of 92 per cent. These results are being sustained, with the current on-time running this year to date, the 2009-10 year to date, being 96.6 per cent. We recognise that we need continuous improvement to focus on improving the service that we provide to passengers. The customer charter sets out CityRail's commitment to make improvements in seven key areas: on-time trains; to manage crowding; to provide fast, accurate and useful information; to ensure secure and safe travel; clean trains and stations; fast ticket sales; and quick and fair complaints handling. These are the areas customers have told RailCorp and the Government that are most important to them.

There are specific targets for improvements in each of the customer service areas and commuters will be able to see how CityRail is performing against those targets. As I say, at the first two quarters we have reported back on, we have had ticks on all of these. The charter is also backed by operational initiatives such as reforms to maintenance and cleaning. The customer charter holds RailCorp accountable by setting clear and measurable targets and specifying the actions committed to in 2009. In July the Premier and I released the second quarterly update, which showed that all 15 initiatives committed in the first six months have been delivered. As part of the second quarterly initiatives 24-hour automatic indicators and announcements were installed at 10 additional stations; EFTPOS facilities have been upgraded for speedier ticket sales and this is now available at over 80 stations; new EFTPOS are now available at automated and ticket vending machines at over 20 stations; works on signalling circuits across the CBD mean that there are likely to be 25 fewer circuit failures a year and fewer delays for commuters as a result.

This is just a sample from some of the initiatives that are delivering real improvements for customers, and there will be more to come in the next quarter. Since the last quarter update we have continued to roll out faster EFTPOS at over 100 ticket offices across the network, as well as deploy EFTPOS on over 20 more ticket machines. Following an upgrade, Central station toilet facilities on the main concourse were reopened in June. Works have now commenced on toilet facilities at Town Hall station. I would like to take this opportunity to thank the staff of RailCorp for their hard work so far and encourage them to continue this effort on this new



initiative of a customer charter, a new initiative brought forward by the Government at the instigation of the Premier and me.

**The Hon. PENNY SHARPE:** I would like you to provide the Committee with more information about the changes to the timetable. At various times today we have referred to it coming in on 11 October and that people can check it out by ringing 131500. Could you give the Committee more detail on the changes?

**Mr DAVID CAMPBELL:** Sure. The new timetable will be introduced on Sunday 11 October, as I have said. It provides over 100 additional weekday services. It will integrate the now operational Epping to Chatswood rail link, the Revesby turn back, and the Hornsby platform 5 and stabling project. The new timetable will introduce additional peak hour services on the western line, the south line, the East Hills and the lower North Shore lines. In a number of instances six-car trains will be increased to eight-car trains on more services, providing extra capacity. Additional off-peak services will be added to the late morning period on the western, northern, lower North Shore and south lines. Weekend service frequency on the Bankstown and inner west lines will increase to 15-minute intervals from the current half-hourly intervals from approximately 7.30 a.m. to 5.30 p.m.

The timetable provides for trains from Hornsby to travel on the Epping to Chatswood rail link to the city via the North Shore, therefore improving peak hour service capacity on the western line, which is a great outcome for commuters in the west. The new Epping to Chatswood rail link extends the reach of the CityRail network. It introduces frequent direct train services to and from Sydney's expanding economic and education centres at Macquarie Park, providing access to approximately 35,000 jobs and to Macquarie University, which is attended by 26,000 students and staff.

Furthermore, it preserves CountryLink services to regional New South Wales, Queensland and Victoria, as well as providing the same level of freight excess throughout the Sydney metropolitan network. Starting on Monday this week—the Monday just gone—150 volunteers will be on platforms throughout the CityRail network distributing new timetables for all of the lines and answering commuters' questions. The new timetable marks the next step in the continued delivery of improved public transport services by the New South Wales Government for the people of New South Wales wherever they live.

There is an extensive program of community awareness about this timetable. We have had some signage on train carriage windows, some bright signage, which a number of people have commented on as being helpful in raising their awareness that there is a new timetable coming. There will be some advertising of this. When we make a significant change like this, it is important to ensure that customers become aware of it. There is obviously strong information on the Internet, either at [www.131500](http://www.131500) or by ringing 131500, the CityRail site as well. Information will be provided to schools so it can be clear to them that the timetable will have impact. I am very pleased to say that there is significant cooperation and effort between the agencies to coordinate and integrate the bus, ferry and rail timetables as part of rolling out the 2009 CityRail timetable from 11 October.

**CHAIR:** Minister, with respect to the Epping to Chatswood rail link, do you have any concerns about that link being successfully integrated into the network by and from 11 October?

**Mr DAVID CAMPBELL:** There is no advice that would lead us to be concerned. Where you make a change to a timetable that is as complex as the CityRail timetable, there may be some challenges at the beginning. A lot of effort has been taken to mitigate any of those challenges. All the advice to me is that on a technical basis there should be no problem at all in integrating the infrastructure. Indeed, there was a disruption following a self-harm incident at Roseville, I think, recently. The infrastructure of the Epping to Chatswood rail line was used to take train paths around that particular incident. So, from a technical point of view and an infrastructure point of view, there is extreme confidence. The timetable has been well planned, and it has been well communicated. The timetable has been put in place after substantial consultation with the community, and we are confident about it. However, until it is put in place, it is something we will continue to monitor in case something has been missed in the design of the timetable.

**CHAIR:** Minister, why did you choose that date for the integration of that rail link's timetable into the CityRail network?

**Mr DAVID CAMPBELL:** The date was chosen so that it coincided with the overall program of possessions. The possessions are where RailCorp has to do work in its network. The date was chosen because

we always undertook that there would be a shuttle service, to ensure that the technology works. So there are a range of factors that brought together the date 11 October.

**CHAIR:** Minister, with respect to the problem of the strobing lights in the Epping to Chatswood tunnel—which were causing driver and commuter discomfort and putting both passengers and drivers at risk—what action has been taken to fix that problem and is it completely fixed?

**Mr DAVID CAMPBELL:** Mr Mason might address that.

**Mr MASON:** Some drivers raised this with us a few months ago. We immediately put in place some mitigation. We restricted the number of trips that a driver would do down the tunnel. We have reduced some reflection off the dash board, essentially from the lights, and we are working on mitigation to reduce that flickering for drivers. But once we go to an integrated timetable, they will go straight through the line; they will not be coming straight back again.

**CHAIR:** Was there any cost attached to fixing the problem, and if so what was that cost?

**Mr MASON:** No. We simply reduced the number of trips for drivers during the shuttle, and we pulled the blinds down inside.

**The Hon. JOHN AJAKA:** When you say you reduced the number of trips for drivers, I assume they were allocated a specific number of trips as part of their duties. You said they will be doing fewer trips. What happens during the time they are no longer working, given that the number of trips has been reduced? Do they drive elsewhere?

**Mr MASON:** There are plenty of opportunities for them to drive elsewhere, or we just give them a meal break at that stage. It is a matter of reducing the exposure going to and from.

**The Hon. JOHN AJAKA:** There is no cost to you in having to switch drivers or change their timetables?

**Mr MASON:** We move drivers around constantly in terms of our rosters. We have received very good cooperation from the drivers, and they like the new conditions; it is a very smooth ride.

**CHAIR:** Minister, what rolling stock will be used on that line following the integration of the CityRail network from 11 October?

**Mr DAVID CAMPBELL:** That is a detailed operation. I will ask Mr Mason to explain.

**Mr MASON:** The main type of rolling stock will be what we refer to as the K sets. They are air-conditioned cars, and they are suitable for running up and down the Epping to Chatswood rail link. There will be an occasional OSCAR as well going through, but primarily the K sets will run through the Epping to Chatswood rail link when it is integrated with the new timetable on 11 October.

**The Hon. JOHN AJAKA:** Minister, I take you to the Keith Clark report, which was released in October 2008. Firstly, is the report still being used as the main point of reference for rail maintenance? What action has been taken following the recommendations of the report?

**Mr DAVID CAMPBELL:** The Clark report is being used to inform some job redesign and some restructure around rail maintenance. Indeed, the facts on rail maintenance are simple. For too long RailCorp's in-house rolling stock maintenance has not kept pace with New South Wales private sector practices. That is why, following the Government's decision to DeSOC RailCorp, the Rees Government decided that enough was enough and it would act to fix this issue one way or another. RailCorp and the unions had been through 20 hearings in the Industrial Relations Commission since October 2007 only to have achieved little agreement, and RailCorp abandoned the negotiations. The Government was not prepared to sit idly by and let rolling stock maintenance reform slip away. I instructed both the unions and RailCorp that they had one last chance to reach agreement on reforms in the maintenance depots.

The Rees Government announced an ambitious plan to finally implement rail maintenance reform into the RailCorp maintenance depots. The Premier has made it clear that failure by the unions to reform would

result in outsourcing the rail maintenance, and also that failure by management to undertake the implementation of these reforms would result in their replacement. Part of the reform process included the engagement of independent experts to benchmark RailCorp's maintenance practices against those of the private sector. The independent experts published their report on 19 November 2008. The report identified improvements that should be made to RailCorp's rolling stock maintenance practices to bring these into line with the private sector.

An implementation plan, including key milestone dates, has been developed for these maintenance improvements to be implemented across RailCorp's maintenance centres. If the maintenance improvements identified fail to be implemented in accordance with the implementation plan, the Government will review its options on internal maintenance of rolling stock. So far I am pleased to advise that significant progress has been made to date. Representatives of the workforce and RailCorp management have worked together to redefine the technical maintenance plans that form the basis for the new working practices to be implemented. Contractors have been introduced to work alongside existing RailCorp staff, to provide additional coverage whilst RailCorp staff undertake training.

Stage one of the cross-skilling training started in March 2009, with implementation commencing in July 2009. Stage two of the cross-skilling training has now also commenced, as of the week commencing 31 August 2009. A new classification structure and corresponding rates of pay, commensurate with private sector rates, have been developed. Improved processes and systems have been developed for managing work, with a number of pilots commencing in the depots since July 2009. This reform is indeed underway. I might say that the Clark report was not the benchmark; we undertook a separate independent benchmarking process, as I explained in my answer. Those benchmarks with the private sector, some of which relate to other aspects of rail maintenance, are being put in place.

**Ms SYLVIA HALE:** Minister, I return briefly to Reliance Rail. As you know, Reliance Rail is a consortium comprising Downer EDI, AMP Capital Investors, ABN AMRO, and Babcock and Brown. Given that Babcock and Brown is under administration and that, I believe, there are some doubts hovering about AMP Capital Investors, are you concerned about the stability of that consortium and its ability to deliver the project, particularly given that in May this year Moody's was talking about lowering the credit rating of the \$2.6 billion of debt attached to the project because of the delays in delivery?

**Mr DAVID CAMPBELL:** There is no doubt that there have been significant issues in the economy over the last 12 months—we have seen the global financial crisis. Reliance Rail has assured the Government that they can deliver the project. The advice that we have is that the entity Reliance Rail is solid and able to meet its contractual obligations.

**Ms SYLVIA HALE:** When was the Government advised of that?

**Mr DAVID CAMPBELL:** There is an ongoing discussion with this company as the provider of the biggest ever rolling stock project in the country, and there is ongoing dialogue to monitor their performance against the contract.

**Ms SYLVIA HALE:** You said the Government was advised. I am asking was that a month ago, six months ago, how long ago?

**Mr DAVID CAMPBELL:** As I have said, it is an ongoing process.

**Ms SYLVIA HALE:** So you are completely satisfied with the stability of the consortium?

**Mr DAVID CAMPBELL:** The advice I have is that the consortium is stable, is strong and is able to comply with its contractual obligations.

**Ms SYLVIA HALE:** Minister, as you no doubt know, Redfern Station—one of Sydney's busiest—is completely inaccessible to people with disabilities. What is the schedule for upgrading that station? I think it has been proposed for the last 10 years?

**Mr DAVID CAMPBELL:** There is a strong Easy Access program for RailCorp and the Government has allocated over \$30.1 million for the Easy Access program this financial year.

**Ms SYLVIA HALE:** Thank you, but I am just really interested in Redfern at the moment.

**Mr DAVID CAMPBELL:** I am pleased to say that RailCorp has recently completed Eastwood urban, Belmore, Bowral, Emu Plains, Seven Hills, Penshurst, Turramurra and Werrington—

**Ms SYLVIA HALE:** I do not want to be rude, Minister, but I am asking you specifically about the ten-year-old proposal to upgrade Redfern?

**Mr DAVID CAMPBELL:** The exact status of the Redfern project I will undertake to provide to the Committee. I might say though that the 131500 service provides the opportunity for people to establish where their closest accessible railway station is. I am also advised the new 131500 service will give the ability of the whole of New South Wales to use 131500. This is a supplementary answer to your earlier question.

**Ms SYLVIA HALE:** I am sorry, Minister, if you could supply me with that information later on. I have very limited time.

**Mr DAVID CAMPBELL:** I will certainly do that.

**Ms SYLVIA HALE:** Minister, is there any proposal to provide new trains to CountryLink?

**Mr DAVID CAMPBELL:** The CountryLink fleet has recently undergone a significant refurbishment but there is not a Government decision to replace the fleet. It has recently undergone a refurbishment—the XPT and Explorer trains.

**Ms SYLVIA HALE:** There is a public perception that the Government has embarked on a program of scrapping CountryLink rail services. Could you provide the Committee with a list of CountryLink ticketing offices in regional areas that have been closed since 2007?

**Mr DAVID CAMPBELL:** I will provide the Committee with some details of the CountryLink ticketing arrangements that are in place. I did advise the Committee a little earlier though that patronage on CountryLink in 2008-09 increased by 8 per cent compared with 2007-08. I think that belies the conspiracy theory that people sit around in back rooms in this building plotting. It belies the conspiracy theory that there is an intention, as you outlined in your question, to downgrade CountryLink services. The other action that the Government has taken, which is in fact in this budget, that belies that theory is that the Government has reformed from 1 July the pensioner travel voucher booking fee. From July this year there is no longer a booking fee for pensioners using their free vouchers when they choose to travel—

**Ms SYLVIA HALE:** Without being rude, can I suggest—

**Mr DAVID CAMPBELL:** —in economy class on CountryLink and that demonstrates—

**Ms SYLVIA HALE:** With that increase in patronage, will you provide the Committee with a list of the additional or new CountryLink offices that have been opened since 2007? So a list of those that have been closed and a list of those that have been opened—

**Mr DAVID CAMPBELL:** I have indicated I will give the Committee that information—

**Ms SYLVIA HALE:** Okay, fine.

**Mr DAVID CAMPBELL:** But the original question also sought to perpetuate some sort of conspiracy theory that there was a proposal to downgrade CountryLink. I will give another example of a Government initiative to support the operation of CountryLink and encourage passengers to use it. That is, the Government has expanded its popular train \$1 fare for kids deal, which means that children aged 16 years and under, accompanied by a full fare paying adult, are able to travel to 370 rural and regional destinations across New South Wales for \$1 at any time of the year.

**Ms SYLVIA HALE:** Thank you, Minister. I am delighted that you should be—

**Mr DAVID CAMPBELL:** The extension of the \$1 fare for kids deal makes CountryLink a very affordable way for families to travel around the State and it is again a demonstration of this Government's support for CountryLink.

**The Hon. PENNY SHARPE:** Minister, can you update the Committee on the latest efforts to reduce graffiti and vandalism on the rail network?

**Mr DAVID CAMPBELL:** Graffiti and vandalism, both activities that impact on the rail corridor and on the provision of services. We know that rail passengers do not like it when their trains are vandalised, and I certainly do not like it either. I especially do not like it when vandalism takes trains out of service. New South Wales is tackling the problem using a two-pronged approach: we are removing graffiti and repairing vandalism and we are working to prevent the attacks by prosecuting offenders. RailCorp works closely with the New South Wales Police through the Rail Vandalism Taskforce to gather extensive intelligence concerning activities of vandals. The task force readily conducts joint operations with RailCorp's plain clothes transit officers to detect, apprehend and prosecute these vandals.

Recent successes of this operation include the arrest of a man and two youths related to train vandalism at Doonside, Penrith, Werrington and Richmond in January. The man in question was also arrested for the theft of train keys at Kingswood. In January 2009 he was sentenced to 12 months imprisonment with a 14-week non-parole period, 250 hours of community service and ordered to pay \$2,300 in compensation for damages. One youth was sentenced to a two-year probation period and 350 hours of community service and was ordered to pay \$4,630 in compensation for damages. The other youth was ordered to participate in a rehabilitation program.

The arrest of two men for damaging trains and obstructing the railway at Emu Plains: in January 2009 one man was sentenced to six months periodic detention and the other man was placed on a section 9 bond for 12 months. The arrest of a man for train damage and trespass at Liverpool in January 2009: he was sentenced to eight months periodic detention and ordered to pay \$2,000 in compensation for damages. The arrest of a man for damage to trains at Macdonald Town in February 2009: he was linked to other damage to trains. He received an 18-month suspended sentence and 500 hours community service and was ordered to pay \$2,500 in compensation for damages.

As far as the Government is concerned the gloves are off in relation to rail vandals. This is clearly evident by the increase in the numbers of such offenders proceeding to court. The New South Wales Bureau of Crime Statistics and Research data shows that between the calendar years 2005 to 2008 there was an increase of 81 per cent in matters proceeding to court for the offence of malicious damage to property on railway premises. RailCorp also undertook a major window replacement program to replace windows that had been scratched or etched. We are focusing on getting graffiti off our trains faster. RailCorp has developed a new anti-graffiti paint, which only requires one coat and dries faster. This means we can get trains back into service more quickly. We have also seen the trialling and now the rolling out of strengthened windows in some of the carriages so they cannot be kicked out as easily as some people have done in the past. We know that graffiti and vandalism cost and we work every day to tackle the problem. In the month of June 2009 alone approximately 86,000 graffiti tags were removed from RailCorp assets.

**The Hon. LYNDA VOLTZ:** Minister, could you update the Committee on what is happening with the clearways program?

**Mr DAVID CAMPBELL:** The clearways program has seen a number of significant projects put in place, and others continue. This program when completed will simplify Sydney's existing rail network and improve capacity and service reliability. It is important to note that many clearways projects have been completed, as I have said, such as, Berowra, Bondi, Macdonaldtown and Revesby turn back projects, the Hornsby platform No. 5 and the Hornsby stabling projects, and the Macdonaldtown stabling project, all of which already are delivering benefits for commuters across Sydney. The benefits of these completed projects can be seen in CityRail's on-time running data. Major construction works for the Homebush and Lidcombe turn backs have been completed and handed to RailCorp. Those remaining works will be integrated in the network in the coming period of time. In addition, works on the Cronulla line duplication will be completed early next year.

Major construction activities for the Kingsgrove to Revesby quadruplication project, which involves the construction of additional track between the two stations, have commenced. Planning approval for the Richmond line duplication is expected in the near future. Stage one includes the provision of an additional track between Quakers Hill and Schofields. That project is scheduled to be delivered in 2011. Additionally, planning approval has been granted for both the Liverpool turn back and the Macarthur station upgrade. All of these projects, as I indicated earlier, are on the back of the recent opening of the \$2.3 billion Epping to Chatswood rail

link, which provides additional capacity on the CityRail network and has brought rail to a new and expanding area of Sydney for the first time.

**CHAIR:** Thank you, Minister. That brings us to the conclusion of this hearing. On behalf of the Committee I thank you for your attendance and your officers for their assistance.

**(The witnesses withdrew)**

**The Committee proceeded to deliberate.**

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