



The Hon Gladys Berejiklian MP
Minister for Transport

PQ11/00382

**QUESTION: Budget Estimates
General Purpose Standing Committee No. 3**

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BE p 2-3 Request for Treasury Modelling

The Hon. PENNY SHARPE: I show you an email dated 29 July from Rodney Forrest from Treasury to Peter Crimp who I believe is at RailCorp, which states:

In 2021 the CityRail network is forecast to have approximately 391 million trips ... If the assumptions are sound the NWRL may carry only an addition 9 million new rail passengers ... representing only about 2.15% of total forecast rail patronage. The cost per trip may be around \$80 per new passenger (or \$30 for every passenger), compared with the 2010 average cost per passenger of \$10.61.

Are you aware of this modelling and are you able to provide it to the Committee?

Ms GLADYS BEREJIKLIAN: I am certainly not aware of the modelling as detailed in the email and I am not sure who the individuals are. Are you suggesting we should not build the North West Rail Link? The issue is, and I want to make this clear—

The Hon. PENNY SHARPE: I asked whether you would provide this modelling, which, given the email, I have every reason to believe exists.

Ms GLADYS BEREJIKLIAN: I stress that this is an important project for the future of public transport in our State. Hundreds of thousands of people who live in the north-west do not have access to a mass transit system. We are very pleased to have undertaken extensive work on this project since we came to office.

The Hon. PENNY SHARPE: I know you are very proud of the project, but I asked whether you are prepared to provide to modelling to the Committee.

Ms GLADYS BEREJIKLIAN: With all due respect, I would like the member to consider the point I made that the work the project team is currently doing is being undertaken to progress the essential design and planning work, and to finalise the project scope. We will be completely up-front with the public on all aspects of the project, including—

The Hon. PENNY SHARPE: Then why will you not be up front with this Committee about the modelling that has been done and which indicates that it will cost \$80 per new passenger?

Ms GLADYS BEREJIKLIAN: I am not aware of the modelling and I have not seen it.

The Hon. PENNY SHARPE: Will you take the question on notice and provide it if it exists?

Ms GLADYS BEREJIKLIAN: I am more than happy to take on notice questions about modelling. However, I make it clear that at every stage of the project and every time a milestone is reached this Government will be up-front with the public—

The Hon. PENNY SHARPE: So that is a "yes"?

Ms GLADYS BEREJIKLIAN: I would like to finish my sentence.

The Hon. PENNY SHARPE: I want to be clear—

Ms GLADYS BEREJIKLIAN: I would like to finish my sentence.

The Hon. PENNY SHARPE: I will let you finish.

Ms GLADYS BEREJIKLIAN: As you are aware, Sydneysiders have been told that a north-west rail link would be built since the 1990s. It was announced, reannounced and then axed. When the Coalition assumed office it made a commitment to build the line because we were disappointed about the previous Government's lack of progress on

the project. I am very pleased to say that in our first six months in office we have already awarded 15 tenders relating to detailed scoping and design work. I have always said that by the end of this year I would be able to give the community cost, time frame and other details about the project.

The Hon. PENNY SHARPE: But will you provide this information—which I assume exists—to the Committee on notice?

Ms GLADYS BEREJKLIAN: I am not aware that the information exists. If it does exist, I will obviously ensure that public information is made available—

The Hon. PENNY SHARPE: Will you provide it to this Committee within 21 days of this hearing?

Ms GLADYS BEREJKLIAN: I will not provide information to this Committee that is not accurate and that has not been the subject of thorough research.

The Hon. PENNY SHARPE: So you will not provide it.

Ms GLADYS BEREJKLIAN: We have been extremely up-front and said that any major project milestones will be made public. At the end of the day, commuters have suffered enough. Sydneysiders want to have confidence that this project will be built on time and on budget, which it will. After 16 years of being promised these rail lines, the public wants this Government to get on with the job, and that is exactly what we are doing.

Answer:

I am advised:

The North West Rail Link project team is currently developing the project scope and cost estimates for consideration by Government. This is being done in consultation with NSW Treasury, Infrastructure NSW and other agencies.

The work includes not just financial modelling but also economic modelling which takes into account the total benefits of the project and produces a benefit cost ratio.



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BE p 8 Greenway Costing

The Hon. CATE FAEHRMANN: I particularly want to know what information the Government had on costings of the Greenway and who did those cost estimates.

Answer:

I am advised that the engineering work and the cost estimates were commissioned by a private sector company (Metro Transport Sydney). No detailed cost estimates or engineering work was undertaken prior to the former Government's announcement of the Greenway, and there were a number of unresolved design issues that were causing delays to the light rail project.

Gladys Berejiklian MP
Minister for Transport

PQ11/00383



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Minister for Transport

QUESTION: Budget Estimates

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Question:

The Hon. PENNY SHARPE: My question is whether you will take on notice how much progress has been made on each of the 59 recommendations and provide that to the Committee?

Ms GLADYS BEREJIKLIAN: Sure.

The Hon. PENNY SHARPE: In particular, I am interested in the recommendation from the committee that was to increase the number of wheelchair accessible taxis from 11 per cent to a minimum of 50 per cent in New South Wales?

Ms GLADYS BEREJIKLIAN: Accessibility to public transport is something that I feel very passionate about because not only does public transport offer opportunities to make us all more productive, but social inclusion and quality of life are very important, and accessibility—whether it is wheelchair accessibility for taxis or other parts of public transport—is a key priority for this Government. I appreciate that a few of the recommendations of that inquiry relate to that issue—

The Hon. PENNY SHARPE: So you will get back to us?

Ms GLADYS BEREJIKLIAN: I think it is linked to the previous question and I will definitely take that on notice and I am happy to provide the Committee with an update on the action I have taken to date.

Answer:

I am advised:

The Legislative Council's Select Committee of Inquiry into the NSW Taxi Industry made 59 recommendations in its 2010 report and I am advised that substantial progress has been made in the implementation of many of these recommendations.

Through the creation of Transport for NSW, this Government is putting the customer at the centre of everything that we do in transport, including customers who rely on wheelchair accessible taxi services.



Gladys Berejiklian MP
Minister for Transport

PQ11/00319



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QUESTION: Budget Estimates

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Question:

Mr LOCK: To understand your question as to where the Government gets pricing information from it is helpful to understand the whole of the light rail deal as it stands at the moment. The light rail is a private-sector project, owned and operated by the private sector. That contract, which has been in place for many years now, gives the private sector the right to continue with any further light rail extensions. The department went to the private sector—Metro Transit Sydney—and asked for a price for developing the whole of what is now called the inner west extension. Metro Transit Sydney used its engineering firm to determine specification and to detail the scope of the works, and it used another private sector firm to quantify and price those works. It then bundled that up into an estimate, which the department received, reviewed and advised the Minister of the contents of.

The Hon. CATE FAEHRMANN: Can you provide that information to the Committee on notice?

Mr LOCK: Given that that is information given by the private sector as part of a commercial deal that is currently being negotiated—because it is wrapped up in the whole of the inner west extension—I would take advice on it but my strong preference would be not to at the moment.

Answer:

I am advised that the engineering work and the cost estimates were commissioned by a private sector company (Metro Transport Sydney). No detailed cost estimates or engineering work was undertaken prior to the former Government's announcement of the Greenway, and there were a number of unresolved design issues that were causing delays to the light rail project.

Gladys Berejiklian MP
Minister for Transport

PQ11/00321



The Hon Gladys Berejiklian MP
Minister for Transport

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BE p 18 Replacement of XPTs

The Hon. PENNY SHARPE: Since becoming a Minister have you received advice from RailCorp about the anticipated replacement date for the XPTs?

Ms GLADYS BEREJIKLIAN: I have received advice obviously from RailCorp on a whole range of issues. I will hand over to Rob Mason to provide an answer on that issue.

The Hon. PENNY SHARPE: Mr Mason, have you provided advice to the Minister?

Mr MASON: Clearly the XPTs are now approaching 25 years. They have done a lot of kilometres compared with their United Kingdom equivalent. We have certainly been looking at what the next generation of CountryLink long distances could be and we have provided draft reports to the director general on XPT and other things as well.

The Hon. PENNY SHARPE: Will you provide those to the Committee?

Mr MASON: I will take advice on that.

Mr WIELINGA: A submission is being put together for Cabinet on this issue. It will be subject to Cabinet-in-confidence and I need to take advice on that.

The Hon. PENNY SHARPE: But if you are able to, you will?

Mr WIELINGA: I will take advice.

Answer:

I refer the Honourable Member to my answer to Budget Estimates Question on Notice number 36.

Gladys Berejiklian MP
Minister for Transport

PQ11/00384



The Hon Gladys Berejiklian MP
Minister for Transport

QUESTION: Budget Estimates

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BE p. 23. Height of tunnels for the North West Rail Link

The Hon. CATE FAEHRMANN: What is the proposed height of the tunnels for the North West Rail Link. Do you have that information?

Mr WIELINGA: No, I do not have it with me; we would have to come back to you on that. That is still being finalised as part of the scoping process at the moment. In relation to the size of tunnels, it depends on whether they are lined, it depends on the shape of the tunnel—there are a number of factors, and it is still being finalised.

Answer:

I am advised the North West Rail Link is currently in the scoping phase and these details have not yet been defined. However, North West Rail Link services will integrate with the CityRail Network.

Gladys Berejiklian MP
Minister for Transport

PQ11/00386



The Hon Gladys Berejiklian MP
Minister for Transport

QUESTION: Budget Estimates

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Question:

The Hon. CATE FAEHRMANN: My next questions relate to the Port Botany freight line duplication. In an answer to a question I submitted on notice in August this year about the Port Botany freight line duplication I was informed that the project submission to Infrastructure Australia by the former Government included component planning funding of \$30 million, which would form a detailed cost assessment. It was said that this planning, if provided, would cover detailed project cost estimates including engineering feasibility, confirmation of the appropriate alignment and securing the planning approvals. Considering no detailed cost assessment had been done at that time—the submission was clearly after component funding to undertake that detailed cost assessment—how did the Government come up with the figure of \$210 million for the three kilometres of Port Botany freight line duplication and the additional \$120 million for the General Holmes Drive level crossing?

Mr WIELINGA: They were Federal Government allocations and they put broad figures on those. There are a couple of small projects on that line that it was funding and that is being managed by the Australian Rail Track Corporation—the Federal agency.

The Hon. CATE FAEHRMANN: But it was a Transport NSW funding submission to Infrastructure Australia.

Mr WIELINGA: We put a submission in for the development of the container strategy for Port Botany.

The Hon. CATE FAEHRMANN: Yes, and that is the one I am referring to.

Mr WIELINGA: That is a broader strategic thing. You are talking about some separate Federal Government funding. The \$200 million is out of the Nation Building Program.

The Hon. CATE FAEHRMANN: The \$210 million for the duplication of the freight line was in the Transport NSW document that went to Infrastructure Australia. My question is: If part of that submission was to receive \$30 million to undertake a detailed cost assessment how was that \$210 million for the three kilometres of track determined within the department?

Mr WIELINGA: It was done by the Australian Rail Track Corporation. It was going to undertake the work on that particular part of the network. We used the Federal Government allocations for that in the submission because it was allocating the money for it. We asked for money to develop a long-term strategy

to make sure that we appropriately serviced that port precinct. Part of that allocation was to undertake the investigation work and to do the modelling et cetera to determine what would be needed in the medium and long term. The two projects you are talking about with the \$210 million were projects to be done in the immediate future to help improve the capacity on that line: a grade separation down near Mascot and some additional duplication of the line.

The Hon. CATE FAEHRMANN: Are you saying that the Australian Rail Track Corporation came up with the figure of \$210 million? Is that correct?

Mr WIELINGA: To the best of my knowledge that is where that came from. But I will confirm that and come back to the Committee.

Answer:

I am advised that the initial costing of \$210 million for the rail line duplication, which included a component for planning intended to cover detailed costings, was developed by the then Department of Transport based on a desktop estimate of potential costs. This costing will be subject to technical investigations, engineering assessment and design during development of the project.

I have asked Transport for NSW to consult with the Australian Rail Track Corporation and identify a potential delivery strategy and timing for this project, and to develop a more detailed cost estimate.



Gladys Berejiklian MP
Minister for Transport

PQ11/00324



The Hon Gladys Berejiklian MP
Minister for Transport

PQ11/00325

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The Hon. CATE FAEHRMANN: What was the figure you quoted in terms of the freight target?

Ms GLADYS BEREJIKLIAN: Currently about 14 per cent of containers are moved by rail and our target is to double that proportion.

The Hon. CATE FAEHRMANN: Is that out of Port Botany?

Ms GLADYS BEREJIKLIAN: Out of Port Botany. We also have specific targets in our overall State Plan as well. But it is the Government's aim to double the 14 per cent of containers moved by rail.

The Hon. CATE FAEHRMANN: Do you know whether that is less ambitious than the previous Government's freight target out of Port Botany?

Ms GLADYS BEREJIKLIAN: I will have to take that on notice. Previous targets like that have been made and not achieved. I am keen to ensure that we move a greater proportion of our containers by rail.

Answer:

I am advised that over the last 10 years the mode share percentage of rail freight moving through Port Botany has dropped from around 25 per cent in 2000/01 and 2001/02 down to its current level.

In 2010/11, 14 per cent of container freight travelling through Port Botany moved by rail. The NSW Government is working to increase this to help reduce road congestion.

In *NSW 2021: A Plan to Make NSW Number One* the Government has committed to enhance rail freight movement and to double the proportion of container freight movement by rail through NSW ports by 2021.



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Mr WIELINGA: I will be brief. The third tenet adhered to in administering these contracts is that the selection process and how we use the information obtained to make a decision is spelt out upfront and signed off by the probity auditor before each of the key bids is received. Therefore, how that decision is made is known before the information comes in. The fourth tenet adhered to is the appointment of the right sort of people who understand the business and how ferries operate. We must have capable people who can be informed buyers in these circumstances. We also ensure that we have an appropriate interaction process with all tenderers and that it is managed equally in the presence of the probity auditor. I can provide further detail about how we ensure that with safe rooms and so on. At the end of the day we are looking for a value for money outcome and we will make a recommendation to the Government.

The Hon. GREG DONNELLY: On notice—

CHAIR: No, there will be no more questions from the Opposition. I now invite crossbench members to ask questions.

The Hon. GREG DONNELLY: It relates directly to the point he raised.

CHAIR: Mr Wielinga has answered the question that you asked. You will not ask any subsequent questions.

The Hon. GREG DONNELLY: The question was—

CHAIR: You are now encroaching on crossbench time. Unless the crossbench members are happy for you to ask your question, I will start the clock on their time.

The Hon. CATE FAEHRMANN: I am happy for the Hon. Greg Donnelly to ask a question on notice.

The Hon. GREG DONNELLY: Mr Wielinga, you stated that a certain number of people with expertise would oversee the process. Can you provide a list of the names of those people?

Mr WIELINGA: We can do that after the tender process is completed. I will take some advice and see what we can do to get that information to you.

Answer:

I am advised:

The franchising of Sydney Ferries is overseen by a Whole-of-Government Steering Committee made up of senior representatives of Transport for NSW, Department of Premier & Cabinet, NSW Treasury and Roads and Maritime Services.

The project team within Transport for NSW is supported by external expert advisers.



**Gladys Berejiklian MP
Minister for Transport**

PQ11/00326



The Hon Gladys Berejiklian MP
Minister for Transport

QUESTION: Budget Estimates

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The Hon. PENNY SHARPE: So, remind me of the time frame for when that would be on all the private buses for integrated ticketing?

Mr WIELINGA: Well, the integrated ticketing gets under way with ferries next year and then buses the following year, but we have already started installing these boxes associated with integrated ticketing into private buses already.

The Hon. PENNY SHARPE: Will it be 2013 before that is switched on?

Mr WIELINGA: We want to do segments of Sydney at a time, so it will depend on how quickly we get all of these boxes in and we make sure they are working and the integrated ticketing people are happy to hand it over to us early, but we are talking to them about that.

The Hon. PENNY SHARPE: Are you able to provide a list of the roll out of the areas in which you think that is going to roll out through 2013?

Mr WIELINGA: I will take that on notice and we will go and have a look for you.

Answer:

After a suitable period of testing, Sydney Ferries customers will be the first to use the Opal smartcard. There will then be a progressive rollout to trains, and then buses.

The order of sequence for the rollout across Government and private bus operators has not yet been finalised, but Transport for NSW has been working closely with State Transit and private bus operators.

Gladys Berejiklian MP
Minister for Transport

PQ11/00327



The Hon Gladys Berejiklian MP
Minister for Transport

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Question:

The Hon. PENNY SHARPE: Can I just ask then about bus contracts? Obviously bus contracts, as I understand it, are currently being negotiated. Are you able to give some milestone time frames on that process?

Mr WIELINGA: Yes. The bus contracts have just been extended by 12 months in accordance with the contract. Discussions are happening with the bus industry about the performance elements of those contracts. We have instigated an independent review of on-time running by having independent auditors out there at the moment to check what those figures are. That is part of the process. There are several issues we want addressed in the new contracts to improve the performance. Those discussions are under way. The contracts will start coming on line in about 12 months' time and for the metropolitan ones they are spread over about 12 months—they are all on different timings.

The Hon. PENNY SHARPE: Are you able to provide the Committee with a list of the time frames for each of those different types of contracts?

Mr WIELINGA: Yes.

Answer:

The key contract dates for the current Metropolitan Bus System Contracts are shown below. Transport for NSW is issuing letters to each operator prior to the contract end date advising that contracts have been extended for up to 12 months. The "End Date Following Extension" relates to the contract end date with the maximum allowable 12 month extension period.

REGION	CONTRACT COMMENCEMENT	CONTRACT END DATE	END DATE FOLLOWING EXTENSION
1	07-OCT-05	06-OCT-12	06-OCT-13
2	01-JUL-05	30-JUN-12	30-JUN-13
3	14-OCT-05	13-OCT-12	13-OCT-13
4	01-AUG-05	31-JUL-12	31-JUL-13

5	01-JUL-05	30-JUN-12	30-JUN-13
6-9	01-JUL-05	30-JUN-12	30-JUN-13
10	01-JAN-05	31-DEC-11	31-DEC-12
11	01-APR-05	31-MAR-12	31-MAR-13
12	01-JUN-05	31-MAY-12	31-MAY-13
13	01-MAY-05	30-APR-12	30-APR-13
14	01-APR-05	31-MAR-12	31-MAR-13
15	01-JUN-05	31-MAY-12	31-MAY-13



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