

# **GENERAL PURPOSE STANDING COMMITTEE NO. 3**

**Tuesday 13 August 2013**

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

## **ROADS AND PORTS**

**The Committee met at 2.00 p.m.**

### **MEMBERS**

The Hon. N. Maclaren-Jones (Chair)

The Hon. N. Blair  
Dr M. Faruqi  
The Hon. P. Green

Mr S. MacDonald  
The Hon. P. Sharpe  
The Hon. M. Veitch

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### **PRESENT**

**The Hon. Duncan Gay**, *Minister for Roads and Ports*

## **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:** Welcome. I declare the hearing into the inquiry into budget estimates 2013-14 open to the public. I welcome Minister Gay and the accompanying officials to this hearing. Today the Committee will examine the proposed expenditure for the portfolio of Roads and Ports. In accordance with the Legislative Council's guidelines for broadcasting 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 the Committee, you must take responsibility for what you publish and what interpretation you place on anything that is said before the Committee. The guidelines for broadcasting the proceedings are available on the table by the door.

I note that today's hearing is open to the public and is being webcast live via the Parliament's website. Before we commence, I will make some comments about procedural matters. Any messages from advisers or members of staff seated in the public gallery should be delivered through the Chamber and support staff or Committee clerks. I remind the Minister and the officers accompanying you that you are free to pass notes and refer directly to your advisers seated behind you. Transcripts of the hearing will be available on the web from tomorrow morning. Minister, the House has resolved that answers to questions on notice must be provided within 21 days.

I remind everyone here today that they must turn off their mobile phones. All witnesses from departments, statutory bodies or corporations will be sworn in prior to giving evidence. Minister, I remind you that you do not need to be sworn in as you have already sworn an oath to your office as a member of Parliament. For all other witnesses, I ask that you state your full name, job title and agency; and, secondly, swear either an oath or an affirmation. The words of the oath and affirmation are on a card in front of you.

**PETER DUNCAN JOHN**, Chief Executive, Roads and Maritime Services,

**TIM REARDON**, Deputy Director General, Transport for NSW, and

**LESLEY ROBERT WIELINGA**, Director, Transport for NSW, sworn and examined:

**CHAIR:** The Committee has previously agreed to no Government questions. The questioning for the portfolio of Roads will run from 2 00 p.m. to 4 00 p.m., and the questioning for the portfolio of Ports will run from 4.15 p.m. to 4.55 p.m. I declare the examination of the proposed expenditure for the portfolio of Roads and Ports open. As there is no provision for the Minister to make an opening statement before the Committee commences questioning, I will begin with questions from the Opposition.

**The Hon. PENNY SHARPE:** Minister, I want to talk to you about the Community Road Safety Fund. The fund was started on 1 May 2013. Are you able to tell the Committee how much money is currently in the fund?

**The Hon. DUNCAN GAY:** Thank you for that question. I will hand over to the Deputy Director General in that area, Tim Reardon.

**Mr REARDON:** Thank you, Minister. The Community Road Safety Fund commenced last year and when it commenced on 1 May 2013, it was part year. Legislation was placed in Parliament in the second half of 2012 but its actual go live date was 1 May 2013, so it was a part year that it was established. In 2012-13 the expenditure was budgeted at \$231 million for the New South Wales Community Road Safety Fund, and for the year 2013-14, the expenditure budgeted for the New South Wales Community Road Safety Fund is \$238 million.

**The Hon. PENNY SHARPE:** Thank you, Mr Reardon. I want to know how much money is currently in the fund, not how much is budgeted for it.

**Mr REARDON:** In the 2013-14—

**The Hon. PENNY SHARPE:** Since 1 May, how much money has been put into the fund?

**The Hon. DUNCAN GAY:** We will take that one on notice.

**The Hon. PENNY SHARPE:** I want to know how much revenue has been collected from speed cameras, safety cameras, red light cameras and point to point cameras since 1 May 2013.

**The Hon. DUNCAN GAY:** Well, it is the same answer.

**The Hon. PENNY SHARPE:** You will take it on notice?

**The Hon. DUNCAN GAY:** The amount that you are asking for is the same amount as we took on notice with the previous question.

**The Hon. PENNY SHARPE:** In that case, given that you will take all these questions on notice, by the sound of it, I want to know how much revenue has been collected since 16 October 2012 when the bill was passed by the Parliament. Can you take that on notice?

**The Hon. DUNCAN GAY:** Yes, certainly can. I dispute that this is revenue. This is money that has been collected from people that are doing the wrong thing and it is reinvested in road safety initiatives across this State.

**The Hon. PENNY SHARPE:** That is fine, Minister. I want to know how much money is actually in it.

**The Hon. DUNCAN GAY:** Revenue is money that goes into consolidated revenue. This does not.

**The Hon. PENNY SHARPE:** Minister, as you know, you had to amend your own legislation to ensure that would happen with this fund. Minister, if you are going to take these questions on notice, would you also be

able to let the Committee know how much money has been collected in the 14 months since you announced this fund, which was on 1 June 2012?

**The Hon. DUNCAN GAY:** Yes.

**The Hon. PENNY SHARPE:** I would like to ask you about some industrial action being taken today by some of your members at Parramatta in the passenger services area. Minister, as I understand it, the concern of the staff there is about loss of jobs but, importantly, there is a particular safety concern around the auditing of medical checks and criminal checks as a result of the cut in staff. Can you guarantee the Committee that this cut in staff is not going to lend itself to police checks not being audited?

**The Hon. DUNCAN GAY:** First of all, I indicate to the Committee that it is interesting that this strike coincides with your questioning at budget estimates today. It is a walkout for one day only, and, in fact, they are coming back tomorrow morning.

**The Hon. PENNY SHARPE:** Minister, can you confirm that they have taken previous industrial action as a result of raising concerns with you about this?

**The Hon. DUNCAN GAY:** Would you like me to answer the first question?

**The Hon. PENNY SHARPE:** Yes.

**The Hon. DUNCAN GAY:** And then the second question?

**The Hon. PENNY SHARPE:** Yes.

**The Hon. DUNCAN GAY:** Thank you. Give me a little bit of a chance as we go. This is a very involved one. I think their initial concerns about this were quite appropriate. We pride ourselves on doing things pretty well in Transport, but we were not quite as good as we could have been in this particular area. Since then, we have made huge steps to make up for it and to talk to them. The Public Passenger Services [PPS], as you call them, is a section that administers the requirements of the Passenger Transport Act 1990 across a range of transport industries, including buses, taxis, private hire vehicles and tourist vehicles. The accountability for these functions was part of the former Department of Transport and, since November 2011, the functions are the responsibility of Roads and Maritime Services.

**The Hon. PENNY SHARPE:** Minister, can I stop you there on that issue? Is all of the PPS staff within Roads and Maritime Services or are some of them attached to Transport for NSW in other parts of the State?

**The Hon. DUNCAN GAY:** That is a third question. I will go back and answer the first question. There are 55 positions—

**The Hon. PENNY SHARPE:** The first question was about police checks and criminal checks and the auditing of those and the cuts to staff—

**Mr SCOT MacDONALD:** Point of order.

**The Hon. PENNY SHARPE:** —not a general background on PPS, which I know.

**The Hon. DUNCAN GAY:** That was the second question.

**Mr SCOT MacDONALD:** If we are going to have an hour of asking questions then the start of an answer and the Minister not being allowed to finish the answer, we will not make any progress.

**CHAIR:** Yes, I uphold the point of order.

**The Hon. MICK VEITCH:** We will make plenty of progress.

**The Hon. PENNY SHARPE:** We will make plenty of progress if the Minister answers the questions asked.

**CHAIR:** I remind members asking questions to please allow the Minister ample time to answer the question as he sees fit.

**The Hon. MICK VEITCH:** He is an experienced performer. He knows what he is doing.

**CHAIR:** Minister, please continue.

**The Hon. DUNCAN GAY:** Thank you, Madam Chair. The Public Service Association raised concerns that a number of positions were vacant in the licensing and accreditation areas of the PPS section. Since that time, skilled hire staff have performed the work of some of the current positions. On 4 July this year Roads and Maritime Services advised the PSA and the PPS employees that once a proposal for the future had been developed, they would be consulted on the impact of that proposal on staff. In July, PPS implemented work bans which were lifted after consultation with management—including Peter Duncan who went down there. Staff received the new structure and impact tables on 5 August.

The new structure has been developed to group similar functions across the Safety and Compliance Division in order to achieve flexibility and consistency in the delivery of efficient operations. Within the proposed structure the accreditation branch will audit public passenger services and the customer and support services branch will manage the medical aspect of bus, coach and taxi driver licensing authorisations. Affected staff have been updated throughout the process. Except for the two senior managers, all permanent PPS staff have been matched against positions in the new structure or have been placed in expression of interest pools.

**The Hon. PENNY SHARPE:** Thank you, Minister, but that answered none of my questions. I ask you to take on notice the information I would like to know. Would you be able to provide to the Committee how many audits of police checks are currently undertaken by the PPS and how many audits of medical checks are currently undertaken by the PPS for the year 2013 and to date?

**The Hon. DUNCAN GAY:** I will happily take on notice the actual numbers. Obviously we are prepared to answer some questions but a question of that detail is one I would need to take on notice.

**The Hon. PENNY SHARPE:** I turn to WestConnex. I am wondering whether you can provide any information to the Committee about work done on patronage figures.

**The Hon. DUNCAN GAY:** I cannot because it is still subject to Cabinet confidentiality. We have received the business plan from the steering committee and it is currently going through the business process. But I can tell you it is a damn good project and it is going to be pretty popular.

**The Hon. PENNY SHARPE:** Are you telling us that you are going to be releasing that and, if so, when?

**The Hon. DUNCAN GAY:** When it is completed.

**The Hon. PENNY SHARPE:** What is the time frame for that?

**The Hon. DUNCAN GAY:** When it has completed the Cabinet process.

**The Hon. PENNY SHARPE:** Is that two months, six months, 12 months, two years?

**The Hon. NIALL BLAIR:** Point of order: We have already addressed the issue of allowing the Minister the opportunity to answer the question. It is also very difficult for Hansard to record two conversations at once. I ask that the member be asked to give the Minister an opportunity to try to answer the question before he is interrupted.

**CHAIR:** The Minister is to be allowed an opportunity to answer the question. The Minister may continue.

**The Hon. DUNCAN GAY:** It is information that is normally placed in the planning procedure and as soon as we enter the planning procedure, which will not be that far away—

**The Hon. PENNY SHARPE:** Weeks, months?

**The Hon. DUNCAN GAY:** I would not say months. It will be soon, very soon. You will be as excited as anyone when you see it.

**The Hon. PENNY SHARPE:** We will see about that. Minister, you would be aware that the WestConnex project does not actually create a direct connection to Port Botany. What work, if any, has the Government carried out relating to WestConnex and its connection to Port Botany and the options there.

**The Hon. DUNCAN GAY:** Thank you for the question; it is an interesting question. In part it is inaccurate because it reflects some of the current Federal Government's feeble mind meanderings that happen in this area. But where the direct question is—

**The Hon. PENNY SHARPE:** Minister, you want to spend \$10 million on a road that does not go to the port. I want to know whether you are doing any work to see whether that is possible.

**The Hon. DUNCAN GAY:** This is the most important road link that will be going into Sydney. It is one that is supported by Infrastructure New South Wales [INSW]. It is one that is supported—

**The Hon. PENNY SHARPE:** At least they got one project up.

**The Hon. DUNCAN GAY:** —by Infrastructure Australia. It is supported by the Opposition and the Federal Government has pledged money to it so—

**The Hon. PENNY SHARPE:** Which you have been complaining about at length.

**The Hon. DUNCAN GAY:** But the Labor Opposition in New South Wales—

**The Hon. PENNY SHARPE:** Minister, what I want to know is whether you have done any work around the Port Botany connection.

**The Hon. DUNCAN GAY:** If you let me answer that. The Government will provide \$30 million in the State budget for enabling works around Port Botany and the airport as part of the WestConnex project. We have already committed \$1.8 billion to WestConnex, which as I indicated earlier is our centrepiece road infrastructure project. We have set aside \$111 million this year for WestConnex enabling works. Sydney airport is the nation's busiest and Port Botany is the country's second busiest container port and both are set to get even busier over the next 20 years. The Government will prioritise four key road pinch points around Sydney airport and Botany Bay. We have already begun preparing for these projects, which cost \$300 million and will take between three and five years to complete.

Nine million dollars has been provided for planning work to widen Mill Pond Road, which will improve the efficiency of access to Botany Road and Southern Cross Drive; \$4.8 million has been provided for planning work to remove the rail level crossing on General Holmes Drive—that has a dual benefit: it helps people to get to the airport and it also helps to get trains in and out of Port Botany—which will improve road movements; and \$1.5 million has been allocated for planning work to improve Joyce Drive between O'Riordan Street and Mill Pond Road. A further \$14 million has been provided for the Port Botany and Sydney Airport Transport Improvement Plan. These works will improve congestion around the precinct and will eventually be linked to the WestConnex project. This thought bubble by some—I know it would not be you—that there is no connection to the ports and that somehow the vehicles that currently get there do not get there and we will not have anything better is dramatically wrong.

**The Hon. PENNY SHARPE:** Are you saying that the WestConnex project creates a direct connection to Port Botany?

**The Hon. DUNCAN GAY:** What I am saying is that as part of WestConnex enabling works we are enhancing our connections to the airport and to Port Botany. There are some that have thought bubbles that do not want any tolls; they want a direct link to the city, ignoring the fact that you already have City West Link and Parramatta Road, and a new direct link to Port Botany, which would cost another \$2 billion just for Port Botany, and the others adding between \$6 million and \$8 million. These are the same soothsayers that are saying we should not toll it or the tolls are too dear. How could you pay for something that is not \$10 billion, \$11 billion or

\$12 billion but which has blown out by another \$6 billion to \$8 billion under a Labor Party that does not want to put a toll on it? How many hospitals in New South Wales could you contribute to with that?

**The Hon. PENNY SHARPE:** That is well above and beyond. What I know—

**The Hon. DUNCAN GAY:** This is Labor voodoo economics.

**The Hon. PENNY SHARPE:** No, it was a very basic question about whether there will be a direct connection to Port Botany.

**The Hon. DUNCAN GAY:** There is and will be.

**The Hon. PENNY SHARPE:** Given that you have apparently a business case, which we have not seen, and there are patronage figures, which we have not seen, are you able to tell us whether there are dedicated public transport lanes as part of the business case for WestConnex?

**The Hon. DUNCAN GAY:** That is part of the business case but certainly there will be dedicated bus lanes on Parramatta Road.

**Dr MEHREEN FARUQI:** Good afternoon, Minister. Minister, why is the government splitting up the functions of the Public Passenger Services division [PPS] of Roads and Maritime Services [RMS] into three different sections under three general managers? What effect will this have on public safety?

**The Hon. DUNCAN GAY:** Thank you for that question—it is probably the best question that we have had today.

**The Hon. PENNY SHARPE:** Do you need a scorecard so that you can give us all a score for our questions, Minister?

**The Hon. NIALL BLAIR:** I would give that question a six. I think it was pretty good.

**The Hon. DUNCAN GAY:** I reckon that question would score at least a six. Or are you self-scoring? The Public Passenger Services unit will stay in the one division: the customer and compliance area. It is not being split out from that division. In fact what is happening is that it is being aligned with other similar areas of the traffic modes that we deal with, whether that is the tow truck industry or all sorts of other areas. So we are putting the same functions together in the same areas. I have been out once to see the group in the last two weeks, and the director of that unit has been out three times, to assure them that we are actually going to provide better services in the future. At the moment they are dealing with 90,000 paper-based files. We have reassured them that we are going to make sure those are all electronic within 12 months and we will ensure that their work is operated a lot better in future.

**Dr MEHREEN FARUQI:** Minister, I am aware that you have been asked by the Public Service Association of NSW [PSA] to meet with the staff there. Have you been able to meet with them yet?

**The Hon. DUNCAN GAY:** No, I have not. Belatedly, I have had two offers to meet with the PSA, however I have not had a chance to do that. As I indicated in answer to a question earlier from the Hon. Penny Sharpe, I think that, unusually, we did not get onto the issues that were affecting people early; and the staff had a genuine concern. Now those genuine concerns of the staff have been picked up by RMS. Certainly the Chief Executive of RMS and others have been out to the offices there. Coincidentally to spring a one-day strike for no particular reason indicates that the PSA is all over this.

**Dr MEHREEN FARUQI:** Is the Minister aware of the recommendations of the Bus Safety Investigation Report into the STA bus collision on Spit Road in Mosman in November 2005? There were safety recommendations and investigations in that report.

**The Hon. DUNCAN GAY:** I could not tell you off the top of my head that I am aware of that particular report. If there are certain things that you wish to draw to my attention then please do so.

**Dr MEHREEN FARUQI:** The report recommended that the government establish an independent capacity to undertake medical checks, especially for public passenger vehicles. I am aware that this particular

medical assessment capacity that the PPS had is now being merged with the general RMS. I think you indicated that a bit earlier. So what will happen to this recommendation and the safety of passengers?

**Mr DUNCAN:** This work will still occur. There is no change to this work, and we have reassured the staff of that. Whilst I say that this area will be merged, it will be part of our customer and compliance area—and we do safety checks on all parts of the road-using sector. So there is nothing different in this except that we are putting like functions with like functions. Furthermore, this process is only at proposal stage at the moment. We are seeking feedback from staff. That is why I personally went out to talk to them over two weeks ago when I heard that they had concerns. And that is exactly why the director general has been out there three times to discuss it with them.

**Dr MEHREEN FARUQI:** But you would accept that the checks are quite different for heavy vehicles and for passenger vehicles?

**Mr DUNCAN:** They are all very serious and very important. We need to take that seriously. We are making sure that we have the right functionality and the right capacity to deliver those checks. So there is no diminution of services in this process. In fact, as the Minister has just stated, all of the positions there, except for some management positions that are contestable in the merge, will remain in place and staff have been assured of that.

**Dr MEHREEN FARUQI:** So 12 staff from PPS are not being made redundant?

**Mr DUNCAN:** No. There are some contractor positions there that will not continue, but the staff have all been reassured that they either have a position assigned or an expression of interest for a position.

**Dr MEHREEN FARUQI:** Is there a restructure of the road maintenance and design divisions of RMS currently underway?

**The Hon. DUNCAN GAY:** I do not know that I would call it a restructure—unless that is what you would call going out to maintenance contestability, because we are certainly doing that. We have issued a contract. In 2013-14 we will invest \$1.5 billion to maintain and improve the existing roads in this state. Frankly, it is essential that we get the best value for this investment. As I indicated, we have made no secret of our focus on repairing the transport network of this state. We inherited a pretty major backlog of maintenance repairs, which has been compounded, as you would be aware, by the wet weather in the past 18 months. We are looking for a better road maintenance solution that provides value for money and optimum service outcomes. We believe this will be achieved by involving the private sector and setting clear and measurable performance outcomes.

**Dr MEHREEN FARUQI:** Minister, could you confirm whether staff currently in these divisions of road maintenance and design have received letters explaining redundancy options?

**The Hon. DUNCAN GAY:** Yes, they have; and there has been ongoing dialogue with the union involved. Certainly, at this stage, the union involved, whilst it may not be supportive of what we are doing, is accepting of what we are doing. They have sought assurances in this area and the Director General, Les Wielinga, has met with them, as have our other senior staff and as has Peter Duncan. We have been very upfront about this. This was a policy that we announced upfront. In fact I think this is the third budget estimates that I have been asked about this, before we had actually sent these letters. So there is nothing secretive or sneaky here. We have engaged in proper dialogue and proper consultation, and we are working with our staff in this area.

**Dr MEHREEN FARUQI:** How many staff are losing jobs?

**Mr DUNCAN:** In the area there is a total of 702 staff affected by this process. The majority of those staff will be offered jobs under the new contract. Redundancy is only an option for the staff. They will either get offered a job or look at other transitional opportunities within the organisation. Subsequently, if that is unsuccessful then they have an opportunity for voluntary redundancy. So any letters that have gone out allow staff reasonable planning time, and that will be over 12 months from the time when the actual contract comes into place.

**Dr MEHREEN FARUQI:** Do you think that letting these contracts out to private organisations, when private organisations may not have a long-term view of asset management, is a wise thing to do?

**Mr DUNCAN:** From what I have seen around the country, around New Zealand and in the UK—and in the UK in particular up to 70 per cent of these types of processes are put out to the private sector for contract—these are long-term contracts. They are not year-by-year contracts; they are usually for between seven and 10 years. They are stewardship maintenance contracts so they are about having some ownership of the process and long-term investment from the private sector. So I actually think that they have been very successful around the world and there is no reason why they would not be here. We have, in fact, had contracts in the market in the northern region of Sydney since 1995. Those services have been delivered by two contractors, and we have seen no diminution of maintenance services in the northern sector since 1995.

**The Hon. DUNCAN GAY:** Earlier you asked me if I had met with the unions over the issue at Parramatta. I had a face-to-face meeting with the unions over contestable maintenance. It was a very positive meeting—forthright but positive.

**The Hon. PAUL GREEN:** Minister, I am just after some figures. Would you have the figure for fines collected for 2013 to date for helmet use indiscretions?

**The Hon. DUNCAN GAY:** I think that falls into the same category as the questions asked earlier by the Hon. Penny Sharpe.

**The Hon. PAUL GREEN:** You can take that question on notice.

**The Hon. DUNCAN GAY:** Thank you. I am happy to take it on notice.

**The Hon. PAUL GREEN:** Basically I am interested in the number of those indiscretions that were for non-compliant helmets.

**The Hon. DUNCAN GAY:** We might have the numbers but not the monetary figure, or maybe we do not have either. Part of the problem, and this is not so much about your question but rather some of the earlier questions, is that we are answering questions on the budget for this year not the funding since the budget this year.

**The Hon. PENNY SHARPE:** You know full well that we are allowed to ask whatever we deem appropriate.

**The Hon. PAUL GREEN:** Motorcycle stakeholders have indicated that the gazetted definition for an approved motorbike helmet under Road Rules 2008 regulation 270 is badly flawed. The stakeholders suggest that riders are being required to wear a helmet that is quite often not legally for sale or for sale and not legal in New South Wales. Minister, what regulatory process was used and where is the regulatory impact statement for the helmet definition under the Road Rules given that it seems it has caused hardship for not only motorcycle riders but also helmet importers and certification companies?

**The Hon. DUNCAN GAY:** Thank you for that question. The other ones we will have to put on notice, but we are well aware of this one. It certainly is an area of contention and it is one that is regularly brought up when I meet with motorcyclists. I will hand over to Tim Reardon, who is the deputy director general in this area.

**Mr REARDON:** We put out the New South Wales Road Safety Strategy, which outlined the fact that we would do something specific for various vulnerable road user groups. One of those was motorcyclists, so we put out a Motorcycle Safety Strategy specifically for that group. As part of that we said we would set up an implementation working group to deliver on the actions in that Motorcycle Safety Strategy. Within that, we are working with the Motorcycle Council and the Motorcycle Alliance on delivering on those actions. They include a trial of lane filtering in the central business district, research to understand the motivations and attitudes of motorcyclists and other vehicle drivers, a program of road safety audits where there are routes that motorcyclists use quite often, and communication campaigns. Specifically, we have asked that the working group take into account, amongst all of those other priorities, the issue about helmets.

**The Hon. PAUL GREEN:** My question is specifically about helmets.

**Mr REARDON:** We have got that group working on the certifications that go along with helmets.

**The Hon. PAUL GREEN:** Do you know how many motorcycle helmet tests and inspections were performed in the crash lab around September 2009?

**The Hon. DUNCAN GAY:** I would not have that information with me, but I am happy to take that on notice. That corresponds, because the previous Government brought the helmet regulations in about 2010. That would just predate that.

**The Hon. PAUL GREEN:** I will let you take this on notice. Was this evidence used for justifying the road rule changes gazetted on 5 February 2010? Of this suite of tests, how many helmets failed labelling or marking requirements? Will the reports that were the product of those tests be made public at some stage?

**The Hon. DUNCAN GAY:** We will certainly get the information. I cannot imagine why they would not be, but I will not give a total guarantee that they will be made public in case there is some reason. Off the top of my head I cannot think of any reason why they would not be made public.

**The Hon. PAUL GREEN:** Minister, you know bridges are one of my passions. I would like you to update the Committee on where the North Richmond and the Grafton bridges are up to. Are they on budget and on time in their planning?

**The Hon. DUNCAN GAY:** I will start with the Grafton bridge. It is on time. I do not know whether it is on budget because we have not started building it yet. We have certainly gone through the planning process.

**The Hon. PAUL GREEN:** Where it is up to in the planning?

**The Hon. DUNCAN GAY:** Planning the bridge route has been decided. I will check with my notes but, off the top of my head, it was announced a couple of months ago. In fact, on 23 April I visited Grafton and announced the preferred option for the additional crossing. That was option C. It crosses the river directly east of the current bridge, which is just downstream from that cast iron bridge and connects the junction of the Pacific and Gwydir highways at South Grafton with Pound Street at Grafton. We found that was the best option of the lot. We have contributed \$7.4 million to the 2013 budget for the continued planning.

**The Hon. PAUL GREEN:** Exactly where is it up to today? What is the next step?

**The Hon. DUNCAN GAY:** The site has been chosen. The next step of the project is to refine the concept design and carry out the environmental impact statement. We have applied for funding under the Nation Building 2 Program, which is where you go to the Federal Government and it contributes 50 per cent and we contribute 50 per cent.

**The Hon. PAUL GREEN:** I will let you take that other one on notice. Before I finish, can you provide an update on the Government's intention regarding New South Wales State route 123, which is soon to be known as A37?

**The Hon. DUNCAN GAY:** Just remind me where the 123 goes.

**The Hon. PAUL GREEN:** Newcastle. I think it is the Hunter Expressway.

**The Hon. DUNCAN GAY:** I was up at the Hunter Expressway on the same day as Minister Albanese when he liberated some funds from Craig's credit card to pay for the Tourle Street bridge, because we did not see it in the budget.

**The Hon. PENNY SHARPE:** You do not support Tourle Street bridge?

**CHAIR:** Order! Minister, you can answer the question from the Hon. Paul Green.

**The Hon. DUNCAN GAY:** The Hunter Expressway is due to be opened later this year. It is going like steam at the moment. It is a \$1.7 billion project. It is more than an 80:20 funding split. We are very much the smaller in this. There are two sections. One is the 13-kilometre eastern section from the F3 to Kurri Kurri. It is scheduled to open to traffic at the end of December 2013, weather permitting. It is a damn good road.

**The Hon. MICK VEITCH:** Minister, can you confirm that since April this year some heavy vehicle authorised inspection stations have been able to inspect additional categories of vehicles for registration and renewal?

**The Hon. DUNCAN GAY:** That is my understanding. Interestingly, it came under some criticism and yet all we were trying to do was to allow a better service into regional New South Wales.

**The Hon. MICK VEITCH:** Essentially, since April this year there have been some additional inspections?

**The Hon. DUNCAN GAY:** Yes.

**The Hon. MICK VEITCH:** What types of vehicles are included in the additional vehicles? Are they the same categories or expanded categories?

**The Hon. DUNCAN GAY:** I will take that on notice. We might come back to that later. We also have an answer to the Hon. Penny Sharpe's earlier question if you need it.

**The Hon. MICK VEITCH:** You might have to take some of these questions on notice as well. What proportion of heavy vehicle registrations do the additional registrations at authorised stations represent?

**The Hon. DUNCAN GAY:** My understanding of the basis of this was that there were not enough places for proper checks to be done on heavy vehicles in New South Wales.

**The Hon. MICK VEITCH:** In a lot of country areas.

**The Hon. DUNCAN GAY:** Yes, in a lot of country areas. It was hard for people to get a slot to have their truck checked and they had to go a fair distance to have it done. We have allowed some of the current checking stations to be able to check the heavy vehicles. I think that is the question you are asking. If it is, we did it to provide a better service and give greater access. It was also so that some of our people were able to use pits in towns that were not being used. It is a passion that you and I have of looking after the bush and regional New South Wales.

**The Hon. MICK VEITCH:** A risk assessment would have been conducted before this was put in place. Is that right?

**The Hon. DUNCAN GAY:** We do not do anything like that easily. I would like to say it was my suggestion; it was not my suggestion, but it came out of the department and was thoroughly worked for all the obvious reasons before we went with it. We had questions on heavy vehicles and checks earlier. You need to get them right, because there is a lot of weight rolling around the streets if you do not get it right.

**The Hon. MICK VEITCH:** If an assessment has been conducted of the risks, impacts and potential problems or benefits of the decision is it available for the Committee to look at?

**The Hon. DUNCAN GAY:** I will see if I can get one of those for you.

**The Hon. MICK VEITCH:** It would be good if you could table that. Thank you. Do all the expanded stations that are being used now have the same equipment as Roads and Maritime Services inspection stations?

**The Hon. DUNCAN GAY:** I am sorry?

**The Hon. MICK VEITCH:** Do you acknowledge that the authorised inspection stations being used by these vehicles have the same equipment as the Roads and Maritime Services [RMS] inspections have—the larger pits, the roller testers, all that sort of stuff?

**The Hon. DUNCAN GAY:** I am very much doing this off the top of my head because I have not got a minute with me, but my understanding is that it is done two ways, as I indicated earlier: One is extending it to existing stations where they have it, and the second is allowing the Roads and Maritime Services people to go to other locations. We have licensed, or technically licensed, or allowed other sites to be used. But we would not let them get through without proper checks.

**The Hon. PENNY SHARPE:** Madam Chair, can I just clarify this? Does that mean that every heavy vehicle that is registered will have gone over a pit and will have had brake roller testing?

**The Hon. DUNCAN GAY:** That is my understanding. My understanding is that there would be no vehicle allowed out without that, but I will certainly take that on notice.

**CHAIR:** Mr Wells, do you wish to participate in the budget estimates? If so, we will need to swear you in.

**Mr WELLS:** I am offering to assist, if that assists the Committee.

**The Hon. DUNCAN GAY:** Yes.

**PETER JOHN WELLS**, Director, Customer and Compliance, New South Wales Roads and Maritime Services, sworn and examined:

**The Hon. DUNCAN GAY:** Do you wish to add anything on the heavy vehicle testing?

**Mr WELLS:** Only a couple of very brief items to assist the hearing. We have done this very carefully. We take great pride in making sure that heavy vehicles on New South Wales roads are well managed before they are allowed to be registered. There have been very important results through the past 18 months. In moving to this system, there is greater choice for people owning heavy vehicles in how they might be able to attend a site to have their checks done. Further, that the same standards apply. We will also reserve a capacity to ensure that the Roads and Maritime Services [RMS] maintains an audit and oversight capacity. That right, for someone to offer that service, can only be maintained while ever they do that check properly, within the law, and meeting all the standards.

**The Hon. PENNY SHARPE:** Can I just clarify this: When you say it meets the same standards, does that mean that every truck will go over an inspection pit or will be brake roller tested, or are there other methods that they will be checked on before they are registered?

**Mr WELLS:** There is a range of different methods which both we use and the private sector uses in relation to assessing whether it be brakes, suspension, steering and other mechanical devices on heavy vehicles. We will assure all of the panel here at the hearing that the same level of rigour is applied. We do allow people, according to what equipment they hold, to do things in different ways. It also is the same for our own sites according to how well different sites are fitted out.

**The Hon. MICK VEITCH:** You understand the reason we asking these questions. You are right: New South Wales is acknowledged as having a very robust heavy vehicle registration process and people have some surety around the standards of the vehicles and the safety of the vehicles on our roads. When you talk about an audit and oversight capacity of the arrangements, is that conducted from within the Roads and Maritime Services or by the Roads and Maritime Services?

**Mr WELLS:** Yes, from within the Roads and Maritime Services. What we are after really is a good governance arrangement over those facilities that are offering that service. If they are offering it within the law and providing a good service to heavy vehicle owners, they are welcome to provide that service for a commercial fee. What we will assure is that that is done properly within the rules. Should there be any complaints or should we hold any concerns, we will be following that up.

**The Hon. MICK VEITCH:** Regarding complaints, I have had some heavy vehicle operators talk to me about years gone by, and everyone remembers the Mount Ousley accident. In years gone by, one of the ways of reducing your operating costs was to actually cut back on the safety of vehicles—some of the people who were unscrupulous operators of heavy vehicles. That is why we have gone to this regime. That is what this is about. This is making sure we maintain the robust standards so that people can be assured that in relation to heavy vehicles on the roads, no-one is taking shortcuts and no-one is doing a mate a favour to register a vehicle. That is what this is about. Can you guarantee that is not going to happen?

**The Hon. DUNCAN GAY:** I can guarantee that I do not think there has been a tougher regime ever in this State than we are currently running at the moment. If you are travelling the roads of this State, you will see fewer heavy vehicles speeding than you have seen in your lifetime. People were always telling me how fast heavy vehicles were going. We have worked with the police and we have just come down on it. We are not lowering our standards. We have put alternative ways in place where needed and we are putting proper safety in place. But we are, importantly, going to the people where they need it. These guys that are operating in regional areas have trouble getting away and have trouble getting bookings. I am sure members of the Committee would have heard the horror stories of how long it was to wait in the past to get your registration checked. There is no way our inspection guys are going to go light on it; nor are the police that we are working with. In fact, we have had a 90 per cent reduction in speeding vehicles.

**The Hon. PENNY SHARPE:** Minister, if you are saying the system is working, first of all why are you changing it? The second question is: Are there any savings attached to this changed regime? Can you tell the Committee how much that is?

**The Hon. DUNCAN GAY:** Unlike the Labor Party, you do not do it all for money. This was about service.

**The Hon. PENNY SHARPE:** So you are saying there are no savings attached to the new regime?

**The Hon. DUNCAN GAY:** No, there are no savings. In fact, this is more costly to us because we are providing a better service. You just do not understand about providing a service to regional New South Wales.

**The Hon. PENNY SHARPE:** Minister, can you confirm that you have just deleted 12 heavy vehicle inspector positions from the Roads and Maritime Services in the northern sector? If that is not savings, by getting rid of those positions and going under this new regime, what is?

**The Hon. DUNCAN GAY:** The situation is that what we are doing is providing a better service to regional New South Wales with this, and you are trying to pretend that we were not doing that.

**The Hon. PENNY SHARPE:** No. What we are saying is that you have just said that a system was working. We are trying to clarify that you are not doing this because it will be cheaper and you are not doing this because you are saving in terms of cutting staff.

**CHAIR:** Order! Please ask questions as opposed to engaging in debate.

**The Hon. DUNCAN GAY:** I apologise. I assumed when you said that the system was working you meant that there was no problem and we were changing a system that was working.

**The Hon. PENNY SHARPE:** Minister, in your own words you said that we have one of the most robust systems in this State. Our question is: Why are you changing it?

**The Hon. DUNCAN GAY:** There are two different systems you are talking about. One is the robust system of road safety and the second one is the ability to access a registration check, which in part does road safety. Quite clearly you do not understand because—like a lot of members of the Labor Party—you do not understand regional New South Wales, and the problems that people faced in regional New South Wales. We did this to address that—no more, no less.

**The Hon. MICK VEITCH:** I want to go back to the audit and oversight capacity, and the process for conducting audits of the new or expanded inspection stations.

**The Hon. DUNCAN GAY:** "Audit" is your word.

**The Hon. MICK VEITCH:** No, no. The gentleman sitting over here said that it was the "audit and oversight capacity". He spoke about audits. They are not my words; they are the words of the bureaucrat.

**The Hon. DUNCAN GAY:** We are about making a good system better, and this is what it is, and about being able to get it out to people. It is not about saving money. It is about being able to service the people of regional New South Wales that were not serviced in the past. If you guys are trying to make some connection that is not there, I have got to tell you that you are barking up the wrong tree.

**The Hon. MICK VEITCH:** Minister, I am asking you about how often they will be audited. I am now after the audit regime that has got to be in place.

**Mr WELLS:** I am happy to speak to that. We will take a risk-based view. We have a range of forms of intelligence that we gather—from the industry, from our own checks roadside, from our checks at heavy vehicle checking stations—in order to ascertain how well maintenance is conducted. If we have concerns about particular maintenance firms or companies that own heavy vehicles, we will pursue that on its merit. We have the ability to target vehicles that might be poorly maintained or at risk from fatigue or speed, or whatever it might be, and pull them into heavy vehicle checking stations. We have a range of ways of ensuring that the risk is controlled evermore from heavy vehicle operators and to ensure that they are conducting the operations of the heavy vehicles properly and within the law.

**The Hon. MICK VEITCH:** You also spoke about complaints as one of the processes for keeping inspection stations, using my word, solid.

**Mr WELLS:** Yes.

**The Hon. MICK VEITCH:** If someone wants to lodge a complaint, what is the complaints process?

**Mr WELLS:** We have a complaints line on our website or people can call our staff, contact people at a checking station, or write either to me or to the chief executive. What we have been pleased to find is that as we are doing further enforcement work, the good operators in the industry are approaching us with their concerns.

**The Hon. MICK VEITCH:** I said at the start that that is what would happen. The good operators are going to say, "We want to ensure that no shonky operators can get through the system."

**Mr WELLS:** That is what good operators are doing. On a personal level, it is pleasing that people with good stewardship who want to see a healthy industry continue in the long term are approaching us with their concerns about other operators.

**The Hon. MICK VEITCH:** Is that complaint process now available? Have you advertised that so that heavy vehicle operators know how to access that, if they want to?

**Mr WELLS:** It has always been available. We have had regular contact with operators.

**The Hon. MICK VEITCH:** Is it the same as the current process?

**Mr WELLS:** Yes.

**The Hon. DUNCAN GAY:** We move around but operators get to know where we are targeting. If we are targeting Port Botany this week and the Hume Highway next week, the word will get around that our guys—they have various names for them—are operating there. In that case we will move to the Newell Highway or the New England Highway. We also act on the information that comes from our Roads and Maritime Services inspectors when they do spot checks and from the NSW Police Force. We will target a particular company that we suspect may not be doing its maintenance. We are carrying out all those checks.

**The Hon. MICK VEITCH:** Do you intend to expand this across all inspection stations?

**Mr WELLS:** I am not sure whether the question relates to the approach that we are taking. We will assess the success of this scheme and how well the operators cope with conducting this task. If appropriate, and if we can offer further services and diversity, we will look at doing so. However, at this stage we want to assess how well the private sector operators have taken up that task.

**CHAIR:** The time for Opposition questions has expired.

**Dr MEHREEN FARUQI:** Minister, according to the available data, per capita vehicle use in Sydney has fallen to the same levels as two decades ago and total vehicle kilometres travelled have levelled out since 2004, while at the same time the demand for public transport has surged beyond peak period capacity. Given this context, why does the Government continue to justify roads such as the \$10 billion WestConnex, when the age of fossil fuel-based city transport is rapidly coming to an end? Would you say that the Government has a bias towards building roads or an obsession for building motorways at the expense of much-needed transport infrastructure?

**The Hon. DUNCAN GAY:** I am horrified that you would use the term "biased"—I cannot imagine that The Greens could ever be accused of using the term "biased". I think it is terrific that more people are using public transport. Those who were around when I first took this portfolio would remember that I said that the best solution I could find to the problem of congestion on the State's roads would be to get more people onto trains and buses. I still have that opinion. We have a congestion problem on roads in New South Wales because we had 16 years of neglect from the previous Government when actual roads, on the earth, were not built. The former Government built roads in the sky; roads on brochures; roads on videos; and it built roads at election campaigns. However, not many roads were started and even fewer were finished so the Government needed to catch up and it was important to do so.

WestConnex not only assists with the movement of cars and heavy vehicles; it helps our communities because it will remove truck movements from suburbs and will free up areas for dedicated bus routes. Those routes will move buses faster and more efficiently and will be better for the environment. There will be less time spent in vehicles—

**Dr MEHREEN FARUQI:** There are better alternatives. Maybe I will put that question to the Minister for Transport.

**The Hon. DUNCAN GAY:** I know you will be a great supporter of WestConnex because of the improvements to the environment.

**Dr MEHREEN FARUQI:** Is the widening of the M4 motorway east of Parramatta to North Strathfield the first stage of the WestConnex project?

**The Hon. DUNCAN GAY:** You will have to wait until the business case is put forward. There are a lot of people in the public domain who are suggesting that would be the sensible first stage.

**Dr MEHREEN FARUQI:** Will there be a toll placed on this motorway?

**The Hon. DUNCAN GAY:** You will also have to wait for the business case for that. I have publicly indicated that it is going to be very hard to build and run this motorway without a toll. There are some in the Labor Party who want to add \$6 billion to \$8 billion to the cost of this project and somehow—like a magical mystery tour—run it without a toll.

**Dr MEHREEN FARUQI:** How will the additional traffic on this road be handled once it gets to North Strathfield?

**The Hon. DUNCAN GAY:** If you look at the concept plans you will notice that when you get to Strathfield the road goes into a tunnel and continues around. This is a road that services the airport and communities. Ninety per cent of the traffic that enters the M4 does not end up in the city but ends up in other places. That is something that has escaped some of our Labor colleagues in Canberra—some of those muppets—but I am not allowed to call David Bradbury a muppet.

**The Hon. PENNY SHARPE:** That would be unparliamentary, Minister.

**The Hon. DUNCAN GAY:** It would be unparliamentary so I will withdraw it before I am ordered to do so.

**Dr MEHREEN FARUQI:** My question related to traffic exiting at North Strathfield and not going into the tunnel. How will that be handled?

**The Hon. DUNCAN GAY:** Once again, you will have to wait for the business case. Once you see it, you will agree with me about what a terrific solution it is.

**Dr MEHREEN FARUQI:** What will be the impact of the M5 extension on the Wolli Creek Regional Park? The park has been a success story for bush regeneration where hundreds of volunteers have worked for years to rehabilitate and regenerate this key piece of ecological environment.

**The Hon. DUNCAN GAY:** The M5 extension will be part of WestConnex. That is part of the business plan that I have seen. When you see that business plan you will be as excited as I am because care has been taken about where the road will go and I think the plan is innovative. We brought some of the best overseas and Australian minds together on this to think outside the envelope. If you were to look at the original track that was put in by Infrastructure NSW and look at the business plan, you will see that the recommended solution has made some subtle changes that the community will like. Certainly, it is going to give us a better outcome, not only for the community but in the ease of building the road and in its ability to service local communities.

**Dr MEHREEN FARUQI:** Has the New South Wales Government dropped the target of full duplication of the Pacific Highway by 2016?

**The Hon. DUNCAN GAY:** The New South Wales Government did not drop that target; it was dropped by the Federal Government. The Federal Government reduced its funding from 80 per cent to 50 per cent and the former Prime Minister's target of 2016 became unattainable.

When the Federal Government says 50 per cent, it has been reduced from the original 80 per cent figure to a figure of 50 per cent. The Federal Government is now matching our funding of 20 per cent, so it has reinterpreted its 50 per cent of the cost to be matching the 50 per cent that the New South Wales Government is putting in. That is 20 per cent each, which means that the Federal Government has changed its undertaking. However, there is a light, there is happiness and there is joy. When there is a change of government, the 80 per cent will be reinstated by a new and enlightened Federal government and with our 20 per cent—

**The Hon. PENNY SHARPE:** The \$2.1 billion is going out of western Sydney.

**The Hon. DUNCAN GAY:** What was that? You do not want this to happen?

**The Hon. PENNY SHARPE:** No, it is just that the \$2.1 billion is going out of western Sydney.

**CHAIR:** Order!

**Dr MEHREEN FARUQI:** When will the duplication of the Pacific Highway be completed?

**The Hon. DUNCAN GAY:** It will be much sooner with a change of Federal government than under the current custodians.

**Dr MEHREEN FARUQI:** You do not have a date yet?

**The Hon. DUNCAN GAY:** It will certainly not be 2016, because Anthony Albanese and Julia Gillard—and now, Kevin Rudd—have blown that right out. The Government will be attempting to get it to happen as soon as possible, because every year that the duplication of the Pacific Highway is extended means that there will be more lives lost on that tragic roadway.

**The Hon. PAUL GREEN:** Can you indicate whether the Princes Highway upgrade at South Nowra and Gerringong to Berry will be on time and on budget?

**The Hon. DUNCAN GAY:** My understanding is that they are looking pretty good.

**Mr DUNCAN:** Yes they are. Those projects are on track at the moment.

**The Hon. DUNCAN GAY:** It is all good news down there at the moment.

**The Hon. PAUL GREEN:** Can you indicate where the North Richmond bridge project is up to from today?

**The Hon. DUNCAN GAY:** Yes. I was answering about the Clarence River.

**The Hon. PAUL GREEN:** That is right.

**The Hon. DUNCAN GAY:** And then North Richmond. I do not have a note in front of me on North Richmond. I was not expecting you to ask me about North Richmond. There are a couple of other bridges.

**The Hon. PAUL GREEN:** Traffic management is a bit of a choking point out there. They are keen to get another access across the river, like the Shoalhaven for that matter.

**The Hon. DUNCAN GAY:** I have answers on that.

**Mr DUNCAN:** We can provide further details on this, but it is at preliminary stages of investigation.

**The Hon. PAUL GREEN:** Has a route option been identified, given that community consultation has taken place?

**Mr DUNCAN:** Work is going on in the options process. I would have to confirm the exact stage of that, but we certainly can give you completed timetables.

**The Hon. PAUL GREEN:** Where is the Shoalhaven River bridge up to in possibilities and investigations?

**The Hon. DUNCAN GAY:** As you well know because you asked a question about this in the House, we undertook to do some work on it. Currently, two bridges are over the Shoalhaven in Nowra and they form a vital link in the corridor. Interestingly, they were built about 100 years apart: the south-bound bridge in 1880 and the north-bound bridge in 1990. Obviously, the south-bound bridge requires some work. In 2012-13 we allocated \$1 million to commence planning for a replacement of the south-bound bridge; \$591,000 was spent on a condition assessment of the bridge, preliminary site survey and engaging the engineering consultants AECOM to carry out the work of selecting a preferred corridor for a replacement bridge. This year we have allocated \$2 million in funding to continue planning for a replacement bridge and recurrent funding is also needed to maintain the existing bridges. Community consultation will be ongoing and the preferred corridor will be identified by mid-2014. It is taking longer than we thought but, given the reasons this planning was asked for—to make sure that the Shoalhaven was able to plan for the future of the city of Nowra—we need to get it right.

**The Hon. PAUL GREEN:** Not just Nowra. Obviously, it is an artery to the whole South Coast.

**The Hon. DUNCAN GAY:** Exactly, and the Princes Highway.

**The Hon. PAUL GREEN:** I want to thank you for the Government's initiative to put in \$200 million towards seatbelt installations on rural and regional buses. That is to be applauded, given that that was last year's question. Further concerns have been raised by bus drivers, bus companies and stakeholders about liabilities if the children choose not to wear a seatbelt or choose to stand. Where will that leave stakeholders? Have you worked through that or established where it might fit?

**The Hon. DUNCAN GAY:** No, I have not got that one off the top of my head. We went through the Executive Review Committee [ERC] to get the money. As others would know, getting extra money out is no easy treat. Gladys and I had to work very hard to get that although, to the great credit of the ERC, when we put the case and indicated the alternatives, it was pretty understanding, as you would expect. I have not got an answer on that.

**The Hon. PAUL GREEN:** That is fine. It is pretty fresh.

**The Hon. DUNCAN GAY:** I am told that I do have an answer.

**Mr REARDON:** When the bus school safety committee made its recommendations there were a range of other recommendations that included monitoring of new and emerging vehicle safety technology, a new student code of conduct to ensure parents, students and bus operators know their responsibilities about wearing seatbelts, and encouraging schools to use seatbelt-fitted buses for excursions. That, coupled with developing guidelines about bus operator responsibilities in encouraging students to wear seatbelts, are the recommendations that need to be taken up to deal with how compliance will occur going forward.

**The Hon. DUNCAN GAY:** But you raised the question of liability. We will take that question on notice.

**The Hon. PAUL GREEN:** Yes. One can imagine a bunch of teenagers. There might be the odd rebellious one. How many more schools need to get flashing lights? Where is the budget up to?

**The Hon. DUNCAN GAY:** In general terms, we made a commitment to do all of them.

**The Hon. PAUL GREEN:** That is right. I am just asking where it is at.

**The Hon. DUNCAN GAY:** The exact number remaining—

**Mr DUNCAN:** I can answer that. The total number of schools is just over 3,100 in New South Wales. At the moment we are about one-third of the way through that process in commitments to date. The Government

committed to complete all schools by the end of 2015 with flashing lights in two types. That is what we are about getting on with.

**The Hon. DUNCAN GAY:** That is a really good use of that road safety fund we were asked about earlier.

**The Hon. PENNY SHARPE:** Which you cannot tell us how much money is in it?

**The Hon. DUNCAN GAY:** This is budget estimates for this year. We have undertaken to come back.

**The Hon. PENNY SHARPE:** Nice try, Minister.

**The Hon. DUNCAN GAY:** I know all members agree that if we can take money from an area like this and put it in to protect children, it is a great effort.

**The Hon. MICK VEITCH:** Following on my previous line, you may have to take these next questions on notice as they seek figures. As at today's date how many heavy vehicle inspector positions are vacant within the whole of Roads and Maritime Services [RMS]?

**Mr WELLS:** We would have to take that question on notice. At any time there is some vacancy.

**The Hon. MICK VEITCH:** That is fine. Is there any analysis of how many heavy vehicle inspectors will retire in the next 12 months for your forward-planning workforce?

**Mr WELLS:** I can certainly speak generally to that.

**The Hon. MICK VEITCH:** We are after detail. You can talk generally, but I am happy if you take that question on notice.

**Mr WELLS:** In general terms, we watch the age profile of that group. They have really specialist and important skills. We are very mindful to bring in young people as well to spread the age profile. But I can certainly give you a breakdown by age across the workforce.

**The Hon. PENNY SHARPE:** We would like the total number as well.

**The Hon. MICK VEITCH:** That would be good. We would appreciate that detail. Can you confirm to the Committee that the currently vacant heavy vehicle inspection positions will not be deleted from the organisation?

**Mr WELLS:** In relation to the heavy vehicle positions, we have looked to put in place a number of specialist positions. We had a number of jobs we titled area manager. A number of those will become specialist officers. To give you a feel for it, we have particular problems that might be, say, the logging industry and the movement of logs on the North and South coasts or the shipping containers moving out of Port Botany. We will ask those staff to help us crack through some of those problems, whether by technology or firms we wish to do better, to give them the mandate to deal with those sectoral problems.

**The Hon. MICK VEITCH:** So none of the current vacant positions will be deleted?

**Mr WELLS:** In relation to the heavy vehicle numbers, the numbers for the work we will be taking on may not entirely match. We are making sure that the work and the results we get for the community are the same or greater at all times. However this ultimately lands, it has to be the same result for safety or better.

**The Hon. DUNCAN GAY:** They may be in the same area but doing different roles.

**The Hon. PENNY SHARPE:** Can we confirm that in 12 months' time there will be the same number of vehicle inspector positions as currently exist?

**Mr WELLS:** We are always looking at how that work can be established and managed. There are jobs that are front line, there are jobs that do the IT work or installing infrastructure at heavy vehicle checking

stations. We will mix up who does which jobs over time so that the net effort and the net result will be the same or greater.

**The Hon. MICK VEITCH:** Minister, I want to move on to something that is close to me and no doubt to you as well. Recently the shadow Minister for Roads and I were on the Newell Highway looking at the centre line trial.

**The Hon. DUNCAN GAY:** Yes.

**The Hon. MICK VEITCH:** I have a series of questions about the centre line trial. The trial has been extended; is that correct?

**The Hon. DUNCAN GAY:** To my understanding, I do not think I have details on the centre line trial—yes, the trial continues.

**The Hon. MICK VEITCH:** With the trial continuing, what are the legal implications of an accident, for instance, on the highway at the moment? The reason I am asking is we have had some people say to us that they are not aware what the trial is about. I do not know how you would not know; you can see the signs. People are saying they are not sure what the extra width between the centre line is about, so they are a bit confused.

**The Hon. DUNCAN GAY:** You of course will remember it was a trial that started during the previous regime.

**The Hon. MICK VEITCH:** That is right.

**Mr REARDON:** The trial is about widening the centre line to separate vehicles on a rural single carriageway highway such as the Newell. The responses to that anecdotally have been positive, that separation is there. If there is an issue raised, we can look at the legal and regulatory regime around that at any time. At this point in time we are undertaking a trial and its pure objective is to further separate cars and heavy vehicles on that route.

**The Hon. MICK VEITCH:** Has there been any analysis conducted of the trial to date?

**The Hon. DUNCAN GAY:** My understanding is that the analysis has been pretty favourable. You can talk to Peter Dearden, who is based at Parkes. I was sceptical of that trial. On the surface, I felt if you were spending money on a road to widen it and put a bigger gap in the middle, it would have been better to spend money and to put a passing lane in place, but my guys have quietly taken me through it and have indicated that the early stuff is working. Les, do you want to—

**The Hon. MICK VEITCH:** Yes, I would like to hear Les at his last budget estimates.

**The Hon. DUNCAN GAY:** It is not his last budget estimates.

**The Hon. MICK VEITCH:** Sorry, Les.

**The Hon. DUNCAN GAY:** It is his second last budget estimates.

**The Hon. MICK VEITCH:** He is an old Gundagai boy. You have to look after the Gundagai boys.

**The Hon. DUNCAN GAY:** And also a bit further west too.

**Mr WIELINGA:** Talking about centre barrier lines, there are a number of different barriers in the centre. The objective of this trial is twofold. One is to create a separation between vehicles. The law in regard to barrier lanes stays the same: if you cross it and cause an accident, you are at fault. But it has two advantages: not only separation, but if people drive onto it, it makes a noise such as the noise on some of the edge lines on the freeways, and it is that noise that wakes people up and pulls them back into the lane.

**The Hon. DUNCAN GAY:** You have a bit of space before you hit the guy coming towards you.

**The Hon. MICK VEITCH:** I am a fan of the trial. I am very impressed.

**Mr WIELINGA:** The law, as it stands, applies. If people cross that line and they have a head-on collision, the normal law for a single unbroken barrier line in the middle applies similarly to the wider median strip.

**The Hon. MICK VEITCH:** Has any analysis been conducted? Is there an assessment of the trial to date?

**The Hon. DUNCAN GAY:** My understanding is that the assessment so far is positive; the trial is ongoing.

**Mr WIELINGA:** The point to appreciate with these sorts of trials is that you need two or three years of accident data to have confidence that there is a marked difference or a trend, or something like that. My understanding is that it is positive so far, but to make conclusions requires two or three years of data.

**The Hon. MICK VEITCH:** Is there any plan to roll out the trial to other roads, particularly in western New South Wales?

**The Hon. DUNCAN GAY:** Let us get this one right first.

**The Hon. MICK VEITCH:** Okay.

**Mr WIELINGA:** This particular trial applies in isolated circumstances. There is a history of fatigue with long distance travel on that highway. As well as that, the width is available with the shoulder ceiling to do it. You need a combination of things to decide whether or not it is worth having the trial.

**The Hon. MICK VEITCH:** For how long has the trial been extended?

**The Hon. DUNCAN GAY:** I will come back to you on that.

**The Hon. MICK VEITCH:** You will take that question on notice?

**The Hon. DUNCAN GAY:** Yes.

**The Hon. MICK VEITCH:** Thank you.

**The Hon. DUNCAN GAY:** I am thinking 12 months, but we will check.

**The Hon. PENNY SHARPE:** Minister, I want to ask you about the outsourced mobile speed camera program. Can you explain why the projected costs to run this program will go up from \$5 million in 2013 to almost double that figure at \$9.7 million in 2013-14?

**The Hon. DUNCAN GAY:** Yes, because we are putting a lot more of them out.

**The Hon. PENNY SHARPE:** That is the only reason?

**The Hon. DUNCAN GAY:** Yes.

**The Hon. PENNY SHARPE:** Good.

**The Hon. DUNCAN GAY:** But a lot less than you had planned to put out.

**The Hon. PENNY SHARPE:** Minister, in relation to that program, can you confirm to the Committee whether there are any commercial or contractual incentives to the operator to increase the number of infringements that are issued as a result of the cameras?

**The Hon. DUNCAN GAY:** Thank you for that question. It is really important for me to emphasise once again, as I have emphasised in the House, that they are paid by the hour to do this, not by the number of people. In fact, if you were paid by the number of people you get it would have been counterproductive for me to insist that we put up bigger signs and more of them and also mark the cars. We have not only put out fewer

signs than the previous Government wanted to put out but also put markings all over the vehicles. We have put up bigger signs. In the event that you miss those signs we have put up signs further along as a reminder that you might have been pinged. We place a sign immediately the speed cameras and a sign beyond the ping point, as it is called. If you are reasonably careful and you are observant, you have an even chance of slowing down. I want you to slow down.

**The Hon. MICK VEITCH:** One should not be speeding, Minister.

**The Hon. PENNY SHARPE:** Minister, are you able to release to the Committee the parts of the contract that demonstrate this?

**The Hon. DUNCAN GAY:** Probably not, but I will check.

**The Hon. PENNY SHARPE:** I am not asking for the whole thing. I understand there is commercial in confidence. I am asking specifically about this one.

**The Hon. DUNCAN GAY:** I will check. Obviously I cannot just say yes without checking to see if there is commercial in confidence.

**The Hon. PENNY SHARPE:** Minister, when is the new road numbering system due to be completed?

**The Hon. DUNCAN GAY:** Give me a moment so that I can give you the exact time. It started during the term of this Government on 20 May 2013. As you do remember, this is an initiative of the previous Government. Not all its initiatives were bad initiatives. As I have said before—

**The Hon. PENNY SHARPE:** I know that you like to cherry-pick the ones that you like and do not like, Minister.

**The Hon. DUNCAN GAY:** If they had more good initiatives they would be in government now and not out of government, but this was one that was started by the previous Government.

**The Hon. MICK VEITCH:** And you would still be in opposition after all those years.

**The Hon. DUNCAN GAY:** We still remember. It is due to be completed by December this year or early next year. I am pleased to say, as we have been going through it, that we have been able to reduce the cost. The total cost when it was started a few years ago was meant to be \$20 million but we have been able to trim it down to \$15 million, which is pretty impressive. It is a 25 per cent reduction.

**The Hon. PENNY SHARPE:** Thank you, Minister. Are you able to tell me what road the A15 is?

**The Hon. DUNCAN GAY:** Not off the top of my head.

**The Hon. PENNY SHARPE:** What about the M31?

**The Hon. DUNCAN GAY:** Not off the top of my head. That is the Hume Highway.

**The Hon. PENNY SHARPE:** Very good. Are you able to tell me what the A36 is?

**The Hon. DUNCAN GAY:** No, not off the top of my head.

**The Hon. PENNY SHARPE:** It is the Princes Highway, Kogarah to Broadway and it includes King Street at Newtown. Minister, much has been said about making this an easier system for people to operate and to understand. Given that you are not across all the numbers, what specific actions have you and Roads and Maritime Services taken to address concerns that have been raised legitimately by others, in particular, emergency services officers?

**The Hon. DUNCAN GAY:** The reason we delayed putting it out was to get it right, particularly with emergency services officers. Their concerns were valid concerns. The last thing we need is ambulances or fire engines or police to be confused about where they are going. There will be a combination of GPS vehicles and the road maps—Gregories, UBD, et cetera—and both signs will be on the roads. So when you ask me this

question next year, after I have been looking at both those signs, I will be able to answer. If I do not have an answer it is like the road rules—I always carry my 10 most misunderstood road rules with me just in case there is a tricky question from the Opposition.

**The Hon. MICK VEITCH:** I want to ask you a couple of quick questions about the Aerial Speed Enforcement program. You might want to take some of them on notice.

**The Hon. DUNCAN GAY:** I suspect it is better to ask police.

**The Hon. MICK VEITCH:** I was going to ask you about the markings on the road. Is that not your portfolio? Is it Police?

**The Hon. DUNCAN GAY:** Try me.

**The Hon. MICK VEITCH:** You drive along M31, the Hume Highway, and you see those markings on the road. How often do they have to be repainted?

**The Hon. DUNCAN GAY:** I do not know. Do you know, Peter?

**Mr DUNCAN:** I would have to confirm that because they wear out with different traffic volumes.

**The Hon. MICK VEITCH:** And at what cost?

**Mr DUNCAN:** We will confirm that for you. We will get you those details.

**The Hon. DUNCAN GAY:** It was not an initiative of mine. Those lines have been there for a few years.

**The Hon. MICK VEITCH:** I want to know the cost of those line markings et cetera. Does the revenue, the income or whatever you want to call it that comes from those fines go into the community fund as well?

**Mr REARDON:** The police run PolAir, the aerial police. The Community Road Safety Fund has funds from point-to-point fixed speed cameras, red light speed cameras and mobile speed cameras.

**The Hon. MICK VEITCH:** So the aerial speed fines do not go into that fund?

**Mr REARDON:** No.

**The Hon. MICK VEITCH:** Even though it relates to speeding on a road.

**The Hon. DUNCAN GAY:** It is not one of my speed cameras.

**The Hon. MICK VEITCH:** I would have thought that was of a similar nature. So the community fund is money gained from fines for the cameras that you operate?

**The Hon. DUNCAN GAY:** Whatever was in the bill that went through Parliament, which did not include police or PolAir.

**Dr MEHREEN FARUQI:** Your Government has committed \$140 million in the budget for 2013-14 for the commencement of WestConnex, yet today you have refused to answer many of the specific questions that I have asked about the project.

**The Hon. NIALL BLAIR:** Point of order: I do not remember the Minister once refusing to answer a question. The Minister has either taken a question on notice or said that the information will be in the business case when it is presented. I object to the member saying that the Minister has refused to answer questions.

**CHAIR:** The Minister is entitled to answer a question as he sees fit but he has not refused to answer any questions.

**Dr MEHREEN FARUQI:** I have not received answers to my questions today on WestConnex. When can I hope to receive answers to those questions?

**The Hon. NIALL BLAIR:** Point of order: I again raise the point. I think the member should withdraw the statement that the Minister has either refused to give or not given answers to questions. Every question has been answered by the Minister saying either he will take the question on notice or it is in the business case. The suggestion that the Minister has refused to answer or has not answered questions should be withdrawn.

**CHAIR:** I uphold the point of order. The member will rephrase her question.

**Dr MEHREEN FARUQI:** When will the business case be completed and when can I receive specific answers to those questions?

**The Hon. DUNCAN GAY:** You have received answers, although they might not be as specific as you would like or, frankly, as I would like. It just happens that budget estimates coincides with the period where we have received the business case and it is currently within the Cabinet process. I cannot divulge the business case without it being completed within the Cabinet process but on my understanding it will be very soon. Certainly one of the things that we need to be sure of with our business case is to find out who wins the Federal election. It will make a huge difference to the costings in the business case as to which party wins the Federal election and what time their funding comes in. One group, the Opposition, has indicated that its funding will come in at a time that we need it and the other group, the Government, has its funding coming in 2019 through to 2022. Obviously whichever one wins will make a difference to our business case. One of the things that we certainly will need to know is which one has won the Federal election.

**Dr MEHREEN FARUQI:** The Pacific Highway upgrade report of May 2013 refers to the successful remediation of the site that was contaminated by radioactive material and some other things along the Herons Creek to Stills Road upgrade. It says that this remediation was confirmed by an independent third party auditor. Why was neither the auditor named nor the report released on the website?

**The Hon. DUNCAN GAY:** I am sorry I just missed the last part of your question. Would you please repeat that for me?

**Dr MEHREEN FARUQI:** A third party confirmed the remediation.

**The Hon. DUNCAN GAY:** Yes.

**Dr MEHREEN FARUQI:** I am asking why the auditor is not named or the report released on the website.

**Mr DUNCAN:** Could I also suggest that there was not radioactive contamination there. There was other contamination of a food products nature that created acid on the site. The radioactivity was removed at the time of the original accident over 20 years ago so there was no radioactivity there. On the issue of remediation there was a site verifier who would verify the remediation and contamination work. There was also an independent review carried out of the incident that occurred with the people working on the project. That was undertaken by Mr Brian Gilligan. We have received Mr Brian Gilligan's report and the intent is to make that public.

**Dr MEHREEN FARUQI:** Could we have that report on notice?

**Mr DUNCAN:** That is the intent.

**The Hon. DUNCAN GAY:** Yes. Are you able to make it public within the timetable of the questions on notice?

**Mr DUNCAN:** We are still looking at that. I am pretty sure that we can.

**Dr MEHREEN FARUQI:** Minister, why is the city-bound eastern cycleway on the M2 still closed and when, if ever, will it be open, given that cyclists have been waiting for a number of years now?

**Mr DUNCAN:** I can answer that question. Work is still continuing on part of the embankment of the M2 around Vimiera Road. There is a very narrow shoulder there and it would be too dangerous for cyclists to cycle on that section while that work is ongoing. That will be happening over the next few months. Once that is finished by the M2 operator then I would assume the shoulder will open up again for cyclists, as has occurred on the westbound side of the motorway.

**The Hon. DUNCAN GAY:** As the Chief Executive Officer has said, it is for the safety of the cyclists. There was a slip at Vimiera Road. That is why the speed limit is still down there—they are still doing work to stabilise that area.

**Mr DUNCAN:** Could I add also that we have had extensive consultation with various groups that are interested in this, including the motorway operator and Bicycle NSW. So the industry should be reasonably aware of why that is occurring.

**Dr MEHREEN FARUQI:** You are saying that it will open up in the next couple of months? Is there a date?

**Mr DUNCAN:** When the operator completes the work.

**Dr MEHREEN FARUQI:** When is that?

**Mr DUNCAN:** It could take a number of months because it is subject to the ongoing completion of the work, the weather and those sorts of things. I do not have an exact time frame but it is a matter of months.

**Dr MEHREEN FARUQI:** Could you please take that on notice?

**Mr DUNCAN:** Yes.

**Dr MEHREEN FARUQI:** Surely you have a time line?

**The Hon. DUNCAN GAY:** No, I am sorry we cannot take that on notice. That one is a particularly problematic area that has taken a long time to finish and it is taking even longer. Whilst it certainly will not take 12 months we could not tell you within a month how much time it will take. It could be two or three months.

**Dr MEHREEN FARUQI:** When will you know?

**The Hon. DUNCAN GAY:** Further into the project. Some of these projects—this is a lingering one that has been there since the inception of this road and we need to get it absolutely right and it will be right but we cannot do it to speculative time lines.

**Dr MEHREEN FARUQI:** Is the Government still committed to goal eight of the NSW 2021 plan such as the target to more than double the mode share of bicycle trips made in the greater Sydney region at a local and district level by 2016 and how will this be achieved?

**The Hon. DUNCAN GAY:** Yes we are, but that is a question for my colleague, Ms Gladys Berejiklian.

**The Hon. PAUL GREEN:** Will upgrading the existing carriageway and constructing a second carriageway between Cromarty Lane, Bobs Farm and Port Stephens Drive roundabout, Anna Bay proceed as planned and will it be completed by the end of next year? Have you had any issues with the property acquisition for this project?

**The Hon. DUNCAN GAY:** I am unaware of any issues, but I will seek further information on the issue of property acquisitions. On the day that I was up there for the Tourle Street Bridge announcement, I went out to Bobs Farm. We were announcing that a tender had been let. It was within the price range that we were hoping for, which was \$44 million. I do not have details on the land acquisition. My assumption, seeing as the tender has been let, is that that is the case but I am happy to take it on notice. Are you aware of a particular problem which you are alerting me to?

**The Hon. PAUL GREEN:** No, I am just trying to determine if it is going to be completed by the end of next year. Obviously I am pre-empting that by asking whether there are property acquisition issues.

**The Hon. DUNCAN GAY:** There certainly have been property acquisitions undertaken but I am unaware of any problems. We have just let the tender and we are very hopeful. It is a very exciting tender, and people were up there last week at Bobs Farm.

**The Hon. PAUL GREEN:** How effective are point-to-point cameras? What sort of statistics have we seen coming from them?

**The Hon. DUNCAN GAY:** They are very effective. They are one of the best systems that you can put in place. They work particularly well where we operate them for heavy vehicles. There are 21 point-to-point enforcement cameras operating in New South Wales. We are going to expand that number to 25 by the end of 2013. They are rated as one of our most effective enforcement options. We have recently had some problems with heavy vehicles acting inappropriately by trying to cover their numberplates. The forward control trucks—those are the flat-nosed trucks or cab-over trucks—will follow about a metre behind the vehicle in front.

So we are putting in place enforcement measures to be able to separate them. You always have to keep a little ahead of the guys who are trying to beat the system. They will drive in a convoy of about four really close together so we cannot pick up the numberplates. I cannot tell you the ways we have of beating that because they would learn of them, but I can tell you that we have a really good way now of beating that so we can identify them. Those cameras are highly effective.

**Mr REARDON:** In our speed camera strategy we committed to an annual review of all of the camera programs—that is, for fixed, red light, speed, mobile and point-to-point cameras. For the fixed, red light and mobile cameras there are specific percentages that we have actually put into that annual review. That annual review is on our website.

**The Hon. PAUL GREEN:** I just want the figures for the point-to-point cameras.

**Mr REARDON:** It is very early in our point-to-point camera program. As we pointed out before, it takes several years to collect data. Anecdotally, we know that the compliance with the speed limits between the point-to-point cameras is very high. But it is still too early in that program to say—

**The Hon. PAUL GREEN:** Does "very high" mean 60, 70 or 80 per cent?

**Mr REARDON:** It is quite high.

**The Hon. DUNCAN GAY:** Anecdotally, we know that there was a road safety person from overseas who said that their treasury said they should put point-to-point cameras in place to raise revenue. The road safety people said the worst camera you could put in place to raise revenue would be a point-to-point because they are very effective.

**The Hon. PAUL GREEN:** Yes, I would have thought that they were more effective. So in the initial data that you are getting what is the breakdown of P-platers as opposed to trucks et cetera?

**The Hon. DUNCAN GAY:** There would be no P-platers picked up on a point-to-point camera. They are all heavy vehicle cameras.

**The Hon. PAUL GREEN:** Every year you give us a little report on the Bridges for the Bush initiative. Can you tell us where that is up to, given the fact that it is so important to rural New South Wales to have those wooden bridges replaced?

**The Hon. DUNCAN GAY:** We have already had one bridge completed on the Hunter River. I am pleased to say that we have had a commitment of funding from the current Federal Minister for Infrastructure and Transport, Mr Albanese—he was Minister Albanese "The Good", in this case.

**The Hon. PENNY SHARPE:** So you like him now. About 10 minutes ago you said he was not so good.

**The Hon. DUNCAN GAY:** It depends whether he is giving money appropriately or not. He has committed Federal funding to the bridge at Kapooka. Anyone who knows that area would know that that is a horrible bridge. There is a 90-degree turn coming onto the bridge and a 90-degree turn coming off the bridge. Beyond that, we have put into the Nation Building Program phase II and into we have put into the Regional Infrastructure Fund [RIF] as well. We have not had a commitment from the Federal Government on that. But we are certainly going ahead. Work is currently being done on the James Park bridge at Binda Road. That is near where I live but not on the road my house is on, I am pleased to say.

**The Hon. MICK VEITCH:** On a completely different tack, and this is something very close to my heart, I would like to ask about the Blayney to Demondrille rail line. Minister, my understanding is that the memorandum of understanding [MOU] has now been signed by all the councils and your department. Is that correct?

**The Hon. DUNCAN GAY:** My understanding is that that is the case. I congratulate the councils involved. We went to the councils and said, "This is fine. But, unlike the previous Government, we are not going to put money into something where you have not really got firm contracts." It was a great credit to the previous Government that they put a large amount of money in there, but there really were not contracts so that money was wasted. So we said to the councils, "Fix up your last-mile stuff and then come back and do it." We thought they would get angry with us when we did that. To the great credit of the local government people involved, they said to me, "This is the best meeting we have ever had. We have never had someone tell us what we need to do." And they went away and did it. Good on them. They have now come back.

**The Hon. MICK VEITCH:** Like me, they want it open and they want it used, Minister.

**The Hon. DUNCAN GAY:** So do I, but not at any cost. I am sure you share that concern. My understanding is that we are now out getting expressions of interest.

**The Hon. MICK VEITCH:** That is my next question: are you going to an expression of interest [EOI] or a request for tender [RFT]?

**The Hon. DUNCAN GAY:** It is an EOI.

**The Hon. MICK VEITCH:** What is the time frame for that?

**The Hon. DUNCAN GAY:** I will have to check the time frame. The MOU has definitely been signed and it is going out for an expression of interest, which was always the plan. On the question of how long it is out there, I will come back to you with an answer.

**The Hon. MICK VEITCH:** Minister, I turn now to the issue of excessive exhaust emissions in the M5 East tunnel. How many trucks have been fined since 1 March this year for excessive exhaust emissions in the tunnel?

**The Hon. DUNCAN GAY:** Not many. It is one of those interesting issues. We went about resolving this issue in two ways. We said we were going to increase the charges for a smoky vehicle. We increased the charges from \$400 to \$2,000. But at the same time we offered vehicle owners a diesel retrofit for those smoky vehicles on a shared-cost basis, which was a pretty generous offer from us. We wanted to stop this problem at the source rather than try to go about fixing it with retrofits. We put that in place, and the cameras are operating. So far there have been 96 penalty notices issued for smoky vehicles, which is very few. When we saw that we thought, "Hello, these sneaky coots are using the surface roads." So we enhanced our surveillance on the obvious surface roads used to bypass the M5 East tunnel, and we found that that was not happening. We think that finally a lot of these guys who had a business plan of taking their old interstate trucks that had done a few million kilometres and using them on a port run for the last five or ten years of their life have changed their trucks, because we cannot see evidence that they are anywhere. Only four operators have joined our retrofit

**The Hon. MICK VEITCH:** Is that four individual trucks?

**The Hon. DUNCAN GAY:** My understanding is that it is four individual trucks.

**The Hon. MICK VEITCH:** Of the 96 penalties issued, how many people received the maximum \$2,000 fine?

**The Hon. DUNCAN GAY:** Five vehicles have been issued with a second penalty notice. It is three strikes and you get the big one. No-one has had the big one yet.

**The Hon. MICK VEITCH:** But five are looking at it?

**The Hon. DUNCAN GAY:** Yes. They are on the cusp.

**The Hon. MICK VEITCH:** It might be better if we get a breakdown of where the 96 are at. Is that possible?

**The Hon. DUNCAN GAY:** We are happy to do that.

**The Hon. MICK VEITCH:** What is the current situation with the air filtration system in the M5 tunnel?

**The Hon. DUNCAN GAY:** It is still running. The research that we had peer tested indicated that for its cost it was not doing as well as we would like to it do and that we were better off to spend our money at the source and fix the problem rather than remove it afterwards. If we do it at the source we not only get those smoky vehicles out of the tunnel for the 20 minutes they are in the tunnel—or the half an hour or so depending on the time of the day—but they are also taken off the road for the rest of the day when they are spewing stuff all over the city. We thought, and we still believe, it was the right thing. We are currently seeing how this trial is going. It is very early days. We indicated we would leave the filters running during the trial, but so far it seems strangely successful in a way that we did not envisage.

**The Hon. MICK VEITCH:** What was the cost to the Government to retrofit those four operators?

**The Hon. DUNCAN GAY:** It was \$6,000, off the top of my head.

**The Hon. PENNY SHARPE:** Getting a breakdown of those 96 if you have it would be most appreciated.

**The Hon. DUNCAN GAY:** We have not got that, but we will get it. The Government will pay 50 per cent of the costs up to a maximum of \$10,000 per vehicle. It varies on the cost. Some of them have single stacks; some of them have dual stacks.

**The Hon. MICK VEITCH:** Can you take it on notice and provide us with the total amount that has been paid for the retrofits so far?

**The Hon. DUNCAN GAY:** Yes. It will not be much.

**The Hon. PENNY SHARPE:** Given that so few people have been fined, are you saying that pollution levels have been improved?

**The Hon. DUNCAN GAY:** Yes.

**The Hon. PENNY SHARPE:** How are you able to measure that?

**The Hon. DUNCAN GAY:** We have observations both physically and detailed through gauges.

**Mr DUNCAN:** It is the in-tunnel monitoring.

**The Hon. MICK VEITCH:** The amount is measured?

**The Hon. DUNCAN GAY:** That is right. It also comes up on our website on a daily basis.

**The Hon. PENNY SHARPE:** You are saying that it has improved even though there have been so few fined?

**The Hon. DUNCAN GAY:** We are.

**The Hon. PENNY SHARPE:** That is fine. I am ready to move on.

**The Hon. DUNCAN GAY:** This is a problem we inherited. We were desperate to find ways to fix it and we put things in place. Coincidentally, it appears that something else came out of what we were doing. It was probably the fact that we put those draconian fines in place.

**The Hon. PENNY SHARPE:** Has this year's speed camera audit been released?

**Mr REARDON:** The speed camera audit for the first year was released in early July 2012. The speed camera audit for this year is yet to be released.

**The Hon. PENNY SHARPE:** What is the time frame for that release?

**Mr REARDON:** We indicated that we would undertake that annually. We have already undertaken a lot of the review; we just need to put that through to Government for consideration.

**The Hon. PENNY SHARPE:** Will it perhaps be the end of August, or the end of September?

**The Hon. DUNCAN GAY:** As soon as I get it we will put it out.

**The Hon. MICK VEITCH:** Before Christmas?

**The Hon. DUNCAN GAY:** Yes.

**The Hon. PENNY SHARPE:** Can I clarify the escalation of the fines for trucks in the tunnel. What happens for a first offence?

**Mr DUNCAN:** The ultimate escalation is for corporations. An automatic three-month registration suspension would apply under circumstances where a vehicle is detected breaching the law three times.

**The Hon. PENNY SHARPE:** That is the third level. The second level is \$2,000?

**Mr DUNCAN:** Fines would increase from \$400 for a corporation to \$2,000.

**The Hon. DUNCAN GAY:** There is a complete list that details how they escalate. We are happy to get that for you.

**Dr MEHREEN FARUQI:** I have been contacted by constituents who are concerned about the upgrade and widening of Campbelltown Road. Is the Government considering widening and upgrading Campbelltown Road?

**The Hon. DUNCAN GAY:** Yes, we are.

**Dr MEHREEN FARUQI:** Do we have a time line for that?

**The Hon. DUNCAN GAY:** Roads and Maritime Services is proposing to widen Campbelltown Road between Camden Valley Way and Brooks Road to two lanes in each direction, with the capacity for three lanes in each direction as future traffic grows. As you know, it is part of the South West Growth Centre Precinct. We want to be careful to minimise the impact on the residents and heritage areas such as the historical Denham Court house. Between April and May we sought community comment on this. Because of the amount of community contact, and I remember the local member's concern on this issue and the local council that came to see me, we extended the time frame for feedback until 31 May in response to those concerns. A further extension was granted until 28 June, following a request from Campbelltown council. A final extension went to 5 July 2013.

**Dr MEHREEN FARUQI:** Do you know how many square kilometres of the estate of Denham Court will be lost as a result of upgrades to the road?

**The Hon. DUNCAN GAY:** I acknowledge that I still have not answered your first question on the time, but I will get to that. I do not know that off the top of my head, but I do know that the Roads and Maritime Services consultation has included four community sessions, a community mail-out, a specially developed web page and 12 weeks of consultation.

On 24 June the council held additional community consultation, supported by Roads and Maritime Services, Planning NSW, Infrastructure NSW and UrbanGrowth NSW. We met with the councillors. We have received 70 submissions on this proposal. We have not finished the consultation on this issue but we expect to finish and have a report back to the community in October 2013. As for start and completion dates, obviously we cannot start and will not start the planning phase until we have completed proper community consultation. That includes identifying how much or how little of that site is affected.

**Dr MEHREEN FARUQI:** In terms of the number of trees that might be destroyed, again it will be done after that consultation?

**The Hon. DUNCAN GAY:** The same answer, yes.

**Dr MEHREEN FARUQI:** And the measure that will be undertaken to prepare for the widening of the road after the consultation as well?

**The Hon. DUNCAN GAY:** Absolutely. This is an important area. It is an important road, but it is important we get it right, though, because there certainly is a historic precinct there that the community is appropriately saving.

**Dr MEHREEN FARUQI:** It is good to know. What projects are currently happening for the better utilisation of roads infrastructure by enabling bidirectional use of lanes to meet peak demands in opposite directions, such as the ones that operate on the harbour bridge and on Victoria Road?

**The Hon. MICK VEITCH:** Contra flows.

**The Hon. DUNCAN GAY:** You mean the zipper ones?

**Dr MEHREEN FARUQI:** No, bidirectional use where you can change.

**The Hon. DUNCAN GAY:** Oh, tidal flow or timed lanes.

**Dr MEHREEN FARUQI:** Yes. Are there any planned over the next year for roads?

**The Hon. DUNCAN GAY:** I do not know, off the top of my head. Do you mind if I take that on notice?

**Dr MEHREEN FARUQI:** It would be great if you could take that on notice, thank you. I know the Hon. Paul Green asked a question about the Hunter Expressway earlier.

**The Hon. DUNCAN GAY:** Yes.

**Dr MEHREEN FARUQI:** But could you tell me what the original budget was? Did the project complete within the original budget and within the time that was originally planned for this project?

**The Hon. DUNCAN GAY:** The budget was \$1.7 billion. It is not finished but we are expecting it to be within budget.

**The Hon. PAUL GREEN:** I will carry on from that. My understanding from that particular area is that there is a link that goes near the hospital. Is that included in that \$1.7 billion—Highway 123? I do not think we are on the same page with the section of road that I am talking about.

**The Hon. MICK VEITCH:** I think that is right. They are different.

**The Hon. PAUL GREEN:** They are totally different. I am talking about that there is a proposal for a link road. I will let you take that on notice.

**The Hon. DUNCAN GAY:** Are you talking about the Newcastle link road?

**The Hon. PAUL GREEN:** Around the hospital—Highway 123.

**The Hon. DUNCAN GAY:** Yes.

**The Hon. PAUL GREEN:** Where that is coming out, I wonder whether that is the best place for it to come out.

**The Hon. DUNCAN GAY:** Okay, yes.

**The Hon. PAUL GREEN:** My understanding is that there are a couple of proposals.

**The Hon. DUNCAN GAY:** We were going to make that announcement last week, but we are happy to take it on notice.

**The Hon. PAUL GREEN:** If you could.

**The Hon. DUNCAN GAY:** Does anyone want to add something on that one?

**Mr DUNCAN:** No, it is certainly not the Hunter Expressway near the hospital.

**The Hon. DUNCAN GAY:** The John Hunter Hospital.

**Mr DUNCAN:** The link road runs into the Hunter Expressway.

**The Hon. PAUL GREEN:** I am definitely talking about Highway 123—whatever that means. I will let you take it away and talk about it.

**Mr DUNCAN:** We can clarify it.

**The Hon. DUNCAN GAY:** Anyway, it is the one near the John Hunter Hospital.

**The Hon. PAUL GREEN:** I am not articulating it in the way that you guys need to hear it to give me the right information.

**The Hon. DUNCAN GAY:** We have done a fair bit of work but the next stage is about to happen, and you are looking to find out about the next stage.

**The Hon. PAUL GREEN:** Yes.

**The Hon. DUNCAN GAY:** That is a fair question.

**The Hon. PAUL GREEN:** Just going back to the Bridges for the Bush program, can you clarify the criteria for prioritising bridges in that program?

**The Hon. DUNCAN GAY:** Yes, sure. The key is replacing higher mass limit deficient bridges. It is to help freight movement across regional New South Wales. Industry went to the previous Government and to the Federal Government and said, "These are the most important bridges in regional New South Wales that need to be upgraded to allow higher mass limit vehicles to be able to put efficiencies in place for our businesses and our farms in regional New South Wales." Someone asked me and I am happy to respond with up-to-date information about where each of the bridges is, if you like.

**The Hon. PAUL GREEN:** Yes, please.

**The Hon. DUNCAN GAY:** Tulludunna—the survey and the environmental overview; the concept, road designs and hydraulic studies of the concept design are completed; Gunnedah Railway Bridge—the concept design contract remains due for completion by September 2013 and there will be community consultation on the three shortlisted concept designs, and people who go to Gunnedah whether they live there or

go there for AgQuip know the various spots where they will be; Bemboka bridge—the environmental and community risk is underway; the rail overpass at Kapooka I talked about—detailed design, review of the environmental factors and there is a Federal component in the review that is happening there at the moment; Tabulam—tenders for concept development have been assessed and the contract is awarded to GHD.

The replacement bridge at Crookwell, which is one that is dear to my heart—review of the environmental factors and community consultation has started, and a detailed road design is complete and bridge design is 90 per cent complete; Holman bridge—completed stage one of the earthworks; Gee Gee at Wakool—in-principle agreement to project, Wakool council to manage the replacement; Tooleybuc—steering committee formed with VicRoads and local councils on the project; Clarence Town—final concept designs, details are being finalised; Carrathool—project is underway with completion expected in mid-2014. There are others as well. Dunmore Bridge is completed. I am sorry, I did not name the one on the Hunter—Dunmore.

**The Hon. PAUL GREEN:** In terms of further help for local government to deal with the bridges, what other grants are available outside these priorities?

**The Hon. DUNCAN GAY:** We have extra money. We have invested about \$100 million I think, off the top of my head, into other bridges. Just let me find the exact number. There was an extra \$100 million in 2011-12, \$123 million in 2012-13 and \$157 million in 2013-14 for other bridge replacements, upgrades and planning. That is additional funds to Bridges for the Bush, but there is a huge number of bridges across regional New South Wales.

**The Hon. PAUL GREEN:** To go?

**The Hon. DUNCAN GAY:** We are currently doing an audit because between local government and us, the number had not been known.

**The Hon. PAUL GREEN:** Is that a risk management audit?

**The Hon. DUNCAN GAY:** No.

**The Hon. PAUL GREEN:** Or just an analysis of high vehicle use?

**The Hon. DUNCAN GAY:** No, both. The numbers were not up to date on how many bridges there were.

**The Hon. PAUL GREEN:** Could you table how many bridges there are when you get that?

**The Hon. DUNCAN GAY:** It is 3,000-plus bridges in regional New South Wales, which is a hell of a lot.

**CHAIR:** Thank you very much, Minister. Time has expired for questions on Roads. We will take a break and resume at 4.15 p.m.

**(Short adjournment)**

**JOHN GRANT GILFILLAN**, Chief Executive Officer and Director of Sydney Ports Corporation, sworn and examined:

**The Hon. DUNCAN GAY:** May I seek your indulgence for a moment, Madam Chair, with the concurrence of the Committee? There were some questions asked on the Community Road Safety Fund. I can either quickly read or table the answers to those questions.

**CHAIR:** The Committee is happy for that to be tabled.

**Documents tabled.**

**The Hon. PENNY SHARPE:** When were you made aware of the decision to appoint Maurice Newman as director of the Port Kembla Corporation?

**The Hon. DUNCAN GAY:** I was consulted by the shareholding Ministers before the matter went to Cabinet.

**The Hon. PENNY SHARPE:** Can you give us the approximate date of that?

**The Hon. DUNCAN GAY:** No.

**The Hon. PENNY SHARPE:** Can you take that on notice and tell us that?

**The Hon. DUNCAN GAY:** Yes.

**The Hon. PENNY SHARPE:** During the making of that decision in consultation with the stakeholder Ministers, did the Treasurer, Mike Baird, disclose any conflict of interest to you?

**Mr SCOT MacDONALD:** Point of order: Is that Cabinet in confidence?

**CHAIR:** Order! Any matters relating to Cabinet or anything discussed in Cabinet are Cabinet in confidence. If it is in relation to personal conversations, it is outside the terms of reference of this inquiry.

**The Hon. PENNY SHARPE:** I will still ask the question, because the Minister just said that he consulted with stakeholder Ministers and he said that it was not in Cabinet. If it is an official discussion about who is to be appointed to the Port Kembla Corporation, I think it is reasonable for me to ask whether at any point a conflict of interest was discussed.

**The Hon. DUNCAN GAY:** No, it was not with the stakeholder Ministers. When I had the discussion I remember I was asked if I knew Maurice Newman and I indicated, at that stage, that I did not know Maurice Newman, although we do, as it turns out, live in the same town of Crookwell. However, I subsequently made it my business to meet Maurice Newman. I was asked if I had any problems with his appointment and I certainly did not.

**The Hon. PENNY SHARPE:** As a new director, was Mr Newman given a briefing about Port Kembla?

**The Hon. DUNCAN GAY:** It is my understanding that, as the standard procedure for directors, they are given a briefing. Perhaps Mr Gilfillan could answer as to what happens with Sydney Ports directors.

**The Hon. PENNY SHARPE:** I am specifically asking about Mr Newman and Port Kembla, and whether he received a briefing after his appointment.

**The Hon. DUNCAN GAY:** Do not forget that we are talking about directors and we are talking about the shareholding Ministers who appoint those directors. I am trying to help you but my simple answer can now be that it is a matter for the Treasurer.

**The Hon. PENNY SHARPE:** So you do not know or you are referring it to the Treasurer?

**The Hon. DUNCAN GAY:** It is a matter for the Treasurer.

**The Hon. PENNY SHARPE:** As Minister for Roads and Ports, what action have you taken to ensure that Mr Newman did not take any market-sensitive information with him when he left Port Kembla?

**The Hon. DUNCAN GAY:** That is a matter for the shareholding Minister.

**The Hon. PENNY SHARPE:** You are not concerned about that?

**The Hon. DUNCAN GAY:** That really is a matter for the shareholding Minister.

**The Hon. PENNY SHARPE:** Why was a decision made to appoint a director to Port Kembla who was a member of a bidding consortium that was seeking to acquire Port Kembla?

**The Hon. DUNCAN GAY:** My understanding is that, as soon as we were aware of that, he was asked to resign.

**The Hon. MICK VEITCH:** To resign from Port Kembla?

**The Hon. DUNCAN GAY:** Yes.

**The Hon. PENNY SHARPE:** As the Minister for Roads and Ports, have you raised concerns about the due diligence in regard to this appointment?

**The Hon. DUNCAN GAY:** We have had Cabinet discussions but, as such, they are Cabinet discussions.

**The Hon. MICK VEITCH:** Minister, how closely is your department monitoring container movements at Port Botany? I specifically want to know how many more containers are being moved since the removal of the cap last year.

**Mr GILFILLAN:** Sydney Ports continues to monitor the statistics of what goes through the port, but as you will appreciate the new owners of the port are now responsible for the development of trade within Port Botany. We have not seen any statistics that suggest that growth has changed as a consequence of the transaction, so growth continues to follow the same pattern it has, which is about 4.5 per cent a year.

**The Hon. MICK VEITCH:** Are those figures available to the public?

**Mr GILFILLAN:** We have published those figures. In future I expect that NSW Ports will be publishing those figures and we will be asking to be provided with them.

**The Hon. MICK VEITCH:** Will that be the usual process of publishing on their website and in the annual report?

**Mr GILFILLAN:** I cannot comment on exactly what process NSW Ports will follow. It is still early days and they have only been owners for a couple of months. Those processes and systems will need to be developed. Our objective at Sydney Ports Corporation is to have transparency around trade statistics, without going into the detail of individual—

**The Hon. MICK VEITCH:** You will have to accept that for a lot of people who live around that precinct, they are keen to know the growth in container numbers and what it means for them.

**The Hon. DUNCAN GAY:** We have been open about growth. We expect it to reach 3.2 million 20-foot equivalent units by around 2017, which is the planning cap.

**The Hon. MICK VEITCH:** Will the Port Botany Landside Improvement Strategy continue in Port Botany?

**The Hon. DUNCAN GAY:** Yes.

**The Hon. MICK VEITCH:** Who is going to be responsible for that?

**The Hon. DUNCAN GAY:** We are doing that within Transport for NSW.

**Mr WIELINGA:** We are in the process of transferring that team across to Transport for NSW. The team will be attached to the Freight and Regional Development division in that agency. The intention is to continue the good work that has already been done and to extend that coordination right along the rail line to the intermodal terminals.

**The Hon. DUNCAN GAY:** Not just roads—they will be doing rail.

**The Hon. MICK VEITCH:** How much funding will be allocated in this financial year just for the Port Botany Landside Improvement Strategy [PBLIS].

**Mr WIELINGA:** We will get you the exact number, but it is between \$9 million and \$10 million per annum.

**The Hon. MICK VEITCH:** Is there any contribution from the new owners of the port towards that?

**The Hon. DUNCAN GAY:** No.

**The Hon. MICK VEITCH:** How much was spent in the previous financial year? Are you able to provide a figure? You can take that on notice.

**Mr WIELINGA:** I will take it on notice.

**The Hon. DUNCAN GAY:** I assume that question relates to the Port Botany Landside Improvement Strategy [PBLIS] or is it more holistic than the PBLIS group?

**The Hon. PENNY SHARPE:** That question was just about PBLIS.

**The Hon. MICK VEITCH:** It is just the Port Botany Landside Improvement Strategy.

**The Hon. DUNCAN GAY:** The sum we put across would be roughly the same amount of money. The sum we put across we ascertained was roughly what was being spent by Sydney Ports. Like for like is what we are trying to do.

**The Hon. MICK VEITCH:** We will get the numbers back?

**The Hon. DUNCAN GAY:** Yes.

**The Hon. MICK VEITCH:** In the previous session under the Roads banner we discussed WestConnex and the transport improvement plan at Port Botany.

**The Hon. DUNCAN GAY:** Yes.

**The Hon. MICK VEITCH:** How detailed is the modelling for Port Botany with regard to projected movements in and out of the port as part of that transport improvement plan? I should qualify that: Are you looking at specific routes in and out and rail and road interaction?

**The Hon. DUNCAN GAY:** We certainly are. One of the most important routes has just been completed by Port Botany, which was the grade separation over the railway going in. It has just been a hugely important step that Mr Gilfillan and his team put in place before the handover. We have also the truck holding areas, which have become important improvements in PBLIS, which have lowered the time people are waiting. We then concentrate on Foreshore Road and the various links. There is no single link that is the preferred link out of that area across on to WestConnex. Several are important where you gain access because when the vehicles leave the port there is just not one route that they go.

Certainly we want to double the number of containers going by rail. That is our plan and it is not an easy plan I have to say. The start of that was the rail crossing on General Holmes Drive where the trains have to stop and wait. Part of the conditions was that they stop before they are able to go on. That has been constrained. Within the port there will be changes as part of the plan and the individual stevedores will be working with NSW Ports, the new owners. Certainly, when we had a function the other night to celebrate the successful lease of the port to the Emirates Group and the Australian superannuants there were a lot of people and they said they have plans to improve and develop in there to make particularly the rail facility better.

**The Hon. PENNY SHARPE:** Given the issues around rail, can you confirm that the number of container movements at Port Botany transported by rail has dropped to 14 per cent?

**The Hon. DUNCAN GAY:** Yes I can.

**The Hon. PENNY SHARPE:** What is being done to improve that? That is a significant drop since you came to government.

**The Hon. DUNCAN GAY:** It was one that was happening at the time. In fact, it happened almost exactly at the time we came to government. Some pretty heroic figures were out there on what the previous Government was going to do when, in fact, instead of rail going up, it was going in exactly the opposite direction. I have never pretended that the task I have taken on was easy.

**The Hon. PENNY SHARPE:** The target was 40 and now we are down to 14. What is happening to try to arrest that?

**The Hon. DUNCAN GAY:** We were criticised for just having a target of doubling from where it was. We knew what the rail figures were that we inherited from the previous Government. We are determined to take it up. I talked about one of the things we are going to do a moment ago. Unlike some of my predecessors, I have taken the undercover boss route: I have travelled in on a train from Chullora to the port. It is several hours of my life that was very rewarding and very enlightening. We can do lots of things and, frankly, there are lots of things the Federal Government can do as well.

**The Hon. PENNY SHARPE:** The Federal Government has dedicated a significant amount of money to upgrade the port at Eden, obviously with a view to improving its capacity for large cruise ships, bulk freight and other vessels. Obviously, many things need to go with that. What discussions, if any, have you had regarding improving tourism infrastructure to take advantage of any port upgrade at Eden?

**The Hon. DUNCAN GAY:** First of all, I have to say that the money they are putting in is welcome, although it was not the total amount of money needed. It is a bit short. It is an important port and it is particularly important given that currently the major commodities are hard woodchip and softwood export, the balance of cargoes for offshore to the oil and gas wells in Bass Strait, and the odd cruise ship. As you would be aware, Bega council made an application for \$15 million under the Commonwealth Regional Development Australia Fund. It got \$10 million of that \$15 million. That is a huge step in the right direction. It is still \$5 million short.

**The Hon. PENNY SHARPE:** Are you going to kick in the \$5 million?

**The Hon. DUNCAN GAY:** This was an issue with them. We are not without having done a fair bit ourselves, particularly through Sydney Ports and issues we are working on with the cruise ship industry. We will provide a 100 per cent discount to navigation service charges for the first four cruise ships that visit the port of Eden. Based on the 70,000 tonne *Pacific Jewel* owned by Carnival Cruises, that equates to approximately \$40,000 for each vessel visit to Eden. That concession is intended to kickstart cruise ship visits to Eden. Regional funding is a question for Andrew Stoner, who has direct carriage of that.

**The Hon. PENNY SHARPE:** What I am specifically asking is—

**The Hon. DUNCAN GAY:** I hand over to Mr Gilfillan. Can you just explain—

**The Hon. PENNY SHARPE:** Before you do that, obviously you have interest in it. Clearly, you support what is happening down at the port. A lot needs to happen around tourist infrastructure—I know Eden well. The locals have put in some really great efforts to try to do a range of different things. I am interested

specifically to know whether you are talking to other portfolio Ministers—specifically Andrew Stoner and George Souris—about what the State can do to support that port development?

**The Hon. MICK VEITCH:** A coordinated approach.

**The Hon. DUNCAN GAY:** Absolutely. We have had several meetings with those portfolios together, looking at ways that we can work with the Federal Government to help this community. This community is facing a crisis. There are some who wanted the woodchip industry to stop and they have been reasonably successful in that, and that certainly hurt these people in that community. We are looking to try to fix what is left. I announced what we have been able to do, particularly in this portfolio. Mr Gilfillan might be able to talk about some of the ongoing discussions he is having on the wharf itself.

**The Hon. PENNY SHARPE:** Just briefly as we have only five more minutes.

**Mr GILFILLAN:** Obviously there are issues around funding from the capital perspective during difficult times. That is not an issue for Sydney ports because we do not own the facilities there. We are doing everything we can to ensure there are no operational blockages or impediments to getting cruise ships in, which in itself is a challenge. It is a snug cove. It is a small berth that may require extension of the breakwater.

**The Hon. MICK VEITCH:** It is a beautiful bay.

**Mr GILFILLAN:** We have agreed with Carnival to fund simulations of wave patterns, et cetera, to ensure that if the funding is found there is no other impediment to the cruise ships coming in.

**The Hon. MICK VEITCH:** Minister, the New South Wales Government remains responsible for maritime safety and security functions, pilotage and regulatory oversight for the ports that have been privatised.

**The Hon. DUNCAN GAY:** That is correct.

**The Hon. MICK VEITCH:** How much will this cost the Government over the forward estimates and, additionally, what funding has been allocated for port safety in this financial year?

**The Hon. DUNCAN GAY:** Can I come back to you with those details? It certainly is in the budget and it is part of our ongoing responsibility and one that we take very seriously.

**The Hon. MICK VEITCH:** With regard to pilotage—and you remain responsible—what are the current vacancies for pilots? Do you want to take that question on notice?

**The Hon. DUNCAN GAY:** Yes, I will certainly take that question on notice. I am unaware of current vacancies, but we will check. You are talking about at the three ports?

**The Hon. MICK VEITCH:** Yes. When you come back could you break them down by port as that would be sensational?

**The Hon. PENNY SHARPE:** I want to go back to Port Botany and the lack of freight by rail. I particularly want to know what commissioning or modelling you have done around the impact of truck movements originating from Port Botany. What is around and what can you release to the Committee?

**Mr WIELINGA:** At the moment the freight and regional development division in Transport for NSW is finalising a freight model for Sydney, and that takes into account both road and rail movements. The detailed modelling that was done around the WestConnex project also looked at freight movement as part of that. The freight and port strategy that is due to come out shortly covers this issue fairly comprehensively.

**The Hon. PENNY SHARPE:** So I have to wait again? There has been a lot of waiting today. Is the time frame weeks or months, or after the Federal election?

**The Hon. DUNCAN GAY:** Less than months.

**The Hon. PENNY SHARPE:** After the Federal election?

**The Hon. DUNCAN GAY:** We want to go into a clear area. It is so important.

**Mr WIELINGA:** It is basically ready to go. The Government has asked us to do two things: to run it by the freight advisory committee members and to run it by the transport advisory board members to make sure they are comfortable with the strategy. A lot of time has been invested with the freight advisory board in helping us with this. We want to make sure it is comfortable with the strategy and, when it is, we will give it to Government for its consideration.

**The Hon. PENNY SHARPE:** Within the strategy development I assume there has been a significant look at freight on rail and what can be done to improve that?

**Mr WIELINGA:** Yes, there is. We spoke a little while ago about the Port Botany Landside Improvement Strategy [PBLIS] and setting up a rail operation and control centre as part of the extension of that, to coordinate that activity between all the players on the network: intermodal terminal owners, the Australian Rail Track Corporation [ARTC], the Metropolitan Freight network, the NSW Ports at Port Botany, encouraging the development of a shuttle service to and from the port, the grade separation—

**The Hon. PENNY SHARPE:** When you say shuttle service, from the port to where?

**Mr WIELINGA:** To the intermodal terminals. That is part of the future package but it relies on a cooperative effort from government, between those parties and with investment from private industry to make it all work.

**The Hon. DUNCAN GAY:** With the draft freight plan, the draft has been out there for six months, so there has been plenty of consultation on this.

**The Hon. PENNY SHARPE:** Are the submissions that people have made available publicly?

**The Hon. DUNCAN GAY:** You have been able to make public submissions—

**The Hon. PENNY SHARPE:** No, have you made the submissions public?

**The Hon. DUNCAN GAY:** No.

**The Hon. PENNY SHARPE:** Could you?

**The Hon. DUNCAN GAY:** I will take that question on notice.

**CHAIR:** The time for questions from the Opposition has expired.

**Dr MEHREEN FARUQI:** Minister, are you committed to increasing freight moved by rail from Port Kembla?

**The Hon. DUNCAN GAY:** Yes.

**Dr MEHREEN FARUQI:** What are the Government's targets for increasing this, and over how many years?

**The Hon. DUNCAN GAY:** Once again, that is part of our freight strategy. Also, in part it is an answer to the previous question that under this Government we have split the responsibilities within transport. Within transport I am the Minister for Roads and Ports—it is probably more like one port at the moment although we have Gamba and Eden as well—but I also have freight rail. That is an important split up—something Gladys and I did with our eyes wide open. The pressure on roads is directly identifiable and one way or another it costs to have the same Minister within that portfolio. Where possible, and where it is the best solution cost-wise economically and environmentally, we will push to get it onto rail and to make rail the available option. Obviously you cannot get a trade to every supermarket and we also have to work with modal links, but most of the big logistics companies now operate on rail and on road.

**Dr MEHREEN FARUQI:** Minister, do you have a target for increasing freight on rail from Port Kembla and over how many years?

**The Hon. DUNCAN GAY:** As I indicated earlier, this is part of the Transport Master Plan.

**Dr MEHREEN FARUQI:** When is that due to be released?

**The Hon. DUNCAN GAY:** As I indicated, within a month.

**Dr MEHREEN FARUQI:** Are you planning to build the Maldon to Dombarton line?

**The Hon. DUNCAN GAY:** I think it adds up.

**The Hon. MICK VEITCH:** My word it adds up.

**The Hon. DUNCAN GAY:** At this stage we do not have a plan that will add up that does work, but it is certainly something that is well and truly in my mind. I know that we have spent money with the Federal Government on a feasibility study.

**The Hon. PENNY SHARPE:** Where is that up to?

**The Hon. DUNCAN GAY:** On 18 October 2011 the feasibility study was conducted and there is \$25.5 million for pre-construction activities, including civil, structural, geotechnical and track works necessary. This important link will ensure that that will happen. That scope work will be conducted over a 24-month period and completed by July 2014. It is important to get this one right before anyone is able to go to the next stage. There are people who are interested in building it but so far we have not had a plan that will ensure it will happen. However, we hope that there is one.

**Dr MEHREEN FARUQI:** The feasibility study will be completed by July 2014?

**The Hon. DUNCAN GAY:** That is correct.

**Dr MEHREEN FARUQI:** I have some questions relating to the White Bay passenger terminal. What advice would you give someone from western Sydney who is trying to get to the White Bay terminal or vice versa?

**The Hon. DUNCAN GAY:** There are several ways of doing it. You could get a taxi; get the family to drive you there and drop you off; or get a friend to drive you there and drop you off. Carnival, the company that mostly goes in there, operates buses from various spots—off the top of my head, from Central. I will ask Mr Gilfillan to correct me. You specifically said western Sydney but my understanding is that the cruise operators also offer direct transfers to the terminal from the airport via charter bus at the beginning of the cruise and to either the airport or Central station via charter bus at the end of the cruise. So you can go to Central railway either by bus or by train and then catch the charter bus or take a taxi or get a friend to drop you there.

**Dr MEHREEN FARUQI:** Most of those are not very socially equitable. The charter bus costs \$20, the rest involves driving and public transport drops you off 1.5 kilometres away from the terminal. In conjunction with the Minister for Transport are you looking for any light rail or public transport options to make it easier for people to travel to and from the White Bay terminal?

**The Hon. DUNCAN GAY:** We are more than happy, if there is enough interest, for a private operator or the cruise ship operator to provide a water connection, which could be from various spots to that location. We are working with the taxi companies to ensure that there are plenty of taxis. There is not a lot of light rail in western Sydney to be able to make the connection but there are still four ships coming in and out of there.

**Dr MEHREEN FARUQI:** You can make a connection to the Lilyfield line. So there are no public transport options?

**The Hon. DUNCAN GAY:** There are taxis—that is public transport.

**Dr MEHREEN FARUQI:** But socially not very equitable.

**The Hon. DUNCAN GAY:** Well it might not fit The Greens' definition of public transport—

**Dr MEHREEN FARUQI:** It is not about The Greens; it is about being socially just and providing accessibility to people. I will move to the next question. Minister, the old BHP site adjacent to the Newcastle port was under the control of the Newcastle Port Corporation. What is the current status of this land and will this be sold off as part of the recent decision to sell off this public asset?

**The Hon. DUNCAN GAY:** There will be no land sold off up there; it will go out for lease. The Mayfield site that you talk about is certainly one of the areas that comprise part of Newcastle port.

**Dr MEHREEN FARUQI:** This land was specifically earmarked to be developed as cargo-handling infrastructure. Is that still the case? Will this land still be developed for cargo-handling infrastructure and by whom?

**The Hon. DUNCAN GAY:** It is to be developed for many purposes, and all port-related purposes. It is currently a combination of cargoes and bulk liquids—namely, petroleum distillate that comes into the area to supply the Hunter Valley.

**Dr MEHREEN FARUQI:** So it will still remain for that purpose?

**The Hon. DUNCAN GAY:** That is my understanding, although there is a scoping study that will determine this and that scoping study is not yet completed.

**Dr MEHREEN FARUQI:** When will it be completed?

**The Hon. DUNCAN GAY:** It will not be that far away. I cannot give you that detail because it is not an area that I manage. It is one that is managed by Treasury. So it is a question for the Treasurer.

**Dr MEHREEN FARUQI:** I have been looking at some of the maps of the site of the Port Botany lease. It looks very much like the Port Botany bus depot, which is located on Bumborah Point Road, is included in these maps. Can you confirm whether or not the Port Botany bus depot was included in the deal to lease Port Botany?

**The Hon. DUNCAN GAY:** I will take that question on notice.

**Dr MEHREEN FARUQI:** Does the public have access to Molineux Point at Port Botany at the moment?

**The Hon. DUNCAN GAY:** It does not have access all the way, and it has not for some time. There is a section that is fenced off that is deemed to be at risk for people, particularly aged and young people, attempting to fish and pursue other activities in that area.

**The Hon. PAUL GREEN:** Minister, I wish to ask you some questions about the White Bay terminal. I too have had representations made to me about how great it is to go on a cruise and everything else but one of the worst parts of the experience is getting to and from the terminal. This was said to me by a family man who has a few kids and is not financially well-endowed. He drew the \$20 per cab ride, or whatever it was in his case, to my attention and that is why I asked you a question about the port on Wednesday 19 June 2013, which you promptly answered. On that occasion you said:

We made a fair agreement with the local community to bring the road access around the power station and take the traffic out through James Craig Drive, and it is working a treat. Everyone who has used the road has said that it is fantastic. The Government is pretty proud of it and it is pretty exciting.

I am not going to contest that. From what has just been said there are a great number of people—and I have not colluded in any way about the previous questions—and it might be a good idea to evaluate what the passenger experience is in getting to and from there. There seems to be an issue with the lining up for a taxi—as you can imagine if you are lined up with a couple of kids and the line is quite a few hundred deep. I am seeking an indication that you would be willing to go to the next level to ensure that the passenger experience is heightened above all things in the way people are able to get there and back. Perhaps you could commence a survey to see if that is a common experience right across the board, particularly for families who do not normally have a dollar in their pocket when they return from a cruise.

**The Hon. DUNCAN GAY:** We are aware of those concerns and I will get Mr Gilfillan in a moment to talk about some of the things that we are doing in that area. For a start we put 4,000 brochures out to taxis across the city informing them of the best way to get to the terminal, we are putting out better timing to the taxi companies so they know when disembarking is happening and when passengers are probably arriving. This position is no different when someone is going anywhere else. For example, if you were going to one of the other port areas you can either go by bus, car or by rail. Now most people who are going on a cruise tend not to go by bus or by rail because they are taking their cases for a week or a 10-day holiday. That is why I suggested that sensibly the best thing to do is to take a taxi or get a friend to drive you there. If you possibly can, you would do that but I accept that not everyone can do that.

There are charters from Central railway to there and they take you back again. It should not be forgotten that the cruise ship company is a private enterprise. It is not our responsibility to do everything. We have provided state-of-the-art facilities but we need to make sure that we have the best ability to deliver public transport. If we can help in any way to allow them to put water transport on if they think that is the way to go that would mean you would catch a train to Circular Quay and then catch a boat around but it would probably be simpler and better to catch a train to Central and get a bus around. Mr Gilfillan, do you want to comment?

**Mr GILFILLAN:** Sydney Ports has carried out some informal surveys of passengers since we started operating in April, and I have visited the terminal on a number of occasions to listen to what passengers are saying. There is no doubt that the experience is far superior to what it was before at either Darling Harbour wharf 8 or the temporary facility at Barangaroo wharf 5. Many passengers would catch a train or a ferry into the city and then walk for half a kilometre because there was no other real option to get down Hickson Road to Barangaroo wharf 5. So in that respect it is not worse than where we were before.

But we want the experience at White Bay wharf 5 to be a great one, and we want it to work well for the local community as well. That has always been our objective. We want to keep listening if there are issues. Overwhelmingly the feedback from customers has been positive about coming off the boat and getting straight into a taxi or onto a bus, or having somebody pick them up. They have talked about the ease with which they can get into and out of the terminal and car park. There is plenty of parking space and there is no charge there. So there is a whole range of things that are working very positively.

**The Hon. PAUL GREEN:** But that parking space is just for pick-up; it is not somewhere you can leave your car, is it?

**Mr GILFILLAN:** No, at this stage it is just for drop-off and pick-up. They could stay there for no charge for several hours if they like. But we are mindful that there may be a market for long-term parking and we are prepared to consider that, amongst many other options.

**The Hon. PAUL GREEN:** Good. I think the other thing was that there was a clash on the day, because the incoming cruises offload and then go in the evening. So there is actually a double-up of needs depending on what is happening. Anyway I am happy to hear that you are surveying it and I would just ask you to keep your finger on the pulse.

**The Hon. DUNCAN GAY:** We try to do that so there is not an overnight stay, which interferes with the local residents.

**The Hon. PAUL GREEN:** It is always good to trial those things with four kids and a few suitcases to get an idea of what it is like. In the case of the man I was talking about, I think he has eight children.

**The Hon. NIALL BLAIR:** It was you, was it?

**The Hon. PAUL GREEN:** No, it was not me. I do not have eight children. Minister, on Thursday 9 May you were giving the good news to the Chamber about Sydney cruise ships. A question was asked by the Chair of this Committee and you said:

It has been an amazing season, with 265 ship visits, which is an increase of more than 20 per cent on the previous season and 33 per cent on the season before that. That is fantastic progress. There are not many industries that would be able to boast such robust annual growth in the current economic climate.

All of that is true, obviously. What is the Government doing to capitalise on this by having infrastructure up and down the coast, like at Eden, for these ships so as to take advantage of that number of people and that amount of potential business coming into New South Wales?

**The Hon. DUNCAN GAY:** We have spoken about Eden. Certainly there are opportunities in Sydney for extensions. At least one of the cruise operators is talking to the new operator at Port Botany about some unused space at the moment. Ports make more money out of handling boxes than they do out of cruise ships, but there is some unused space there. So talks are underway. This general area is covered by Destination NSW, Minister George Souris and Minister Andrew Stoner. There will be avenues for the Port of Newcastle under new management. There are already cruise ships that go in there. With an extra ability to put funds in there, the new owners may wish to develop. We have just completed a state-of-the-art terminal at White Bay. There have been no complaints about the terminal, but we have to get the whole experience there right with getting there and getting off. We mostly have that right but we still have a bit to do.

That leaves us two other areas: one is negotiating with the Federal Government for overflow into Garden Island. We love having the Navy in Sydney and we want to keep the Navy in Sydney. It is a huge part of our economy. But, frankly, we think there are still avenues for extra ships to go there, particularly in busy periods. We will be enhancing the Overseas Passenger Terminal. It needs some work done, and we will be doing that not only to make it look better and feel better for passengers, and to help them have a good experience, but also to get a quicker turnaround so that we can guarantee turnaround times and make sure that we get as many ships through there as possible.

**The Hon. PAUL GREEN:** I must admit that I am more interested in focusing on places like the South Coast. We have the port at Eden being brought up to scratch, which is fantastic. Then there is Jervis Bay. A lot of ships stop in Jervis Bay but we cannot do anything to stimulate the local economy there because in most cases, if not in all cases, the passengers do not get off the boat. I know that Shellharbour has its heart set on doing something long term in that area.

**The Hon. DUNCAN GAY:** I am sorry, I misunderstood your question.

**The Hon. PAUL GREEN:** Yes, I understand that you are thinking about the infrastructure on land but I am thinking more of tourism infrastructure and the opportunity to get these people ashore to spend their dollars in regional areas.

**The Hon. DUNCAN GAY:** I think Eden will be the great litmus test. Hopefully we can get that to kick in. There is a determination across all levels of government and all colours of government for that to happen. I think that will give us the best indication of whether or not it will work. The double jeopardy that we face is that most of the cruise ships that operate in Australia are European and American based and operate here in their off season. Sadly, the problem is that they are just getting bigger and bigger. The big cruise ships just do not lend themselves to going everywhere.

**The Hon. PAUL GREEN:** We did have *The World* visit Jervis Bay. A few people went around it, actually.

**The Hon. DUNCAN GAY:** The world starts in Jervis Bay, the locals tell me. Thankfully, there are some boutique cruise ship companies that are operating and offering that higher level experience. I suspect that is probably the area that we need to be targeting rather than the mass transit area.

**CHAIR:** The time for questions has expired. On behalf of the Committee, I thank the Minister and his officials for appearing.

(The witnesses withdrew)

**The Committee proceeded to deliberate.**