

REPORT OF PROCEEDINGS BEFORE

GENERAL PURPOSE STANDING COMMITTEE No. 4

**INQUIRY INTO THE TRANSPORT NEEDS OF SYDNEY'S NORTH-
WEST SECTOR**

At Sydney on Monday 10 November 2008

The Committee met at 9.30 a.m.

PRESENT

The Hon. J. A. Gardiner (Chair)

The Hon. D. J. Clarke

The Hon. K. F. Griffin

Ms S. P. Hale

The Hon. R. A. Smith

The Hon. H. S. Tsang

The Hon. L. J. Voltz

CHAIR: Welcome to the second public hearing of General Purpose Standing Committee No. 4 Inquiry into the Transport Needs of Sydney's North-west Sector. Before we commence, I will make some comments about procedural matters. In accordance with the guidelines of the Legislative Council for the broadcast of proceedings only committee members and witnesses may be filmed or recorded. People in the public gallery should not be the primary focus of any filming or photographs. In reporting the proceedings of this committee the media must take responsibility for what it publishes or what interpretation is placed on anything that is said before the committee. The guidelines for the broadcast of proceedings are available on the table by the door.

I remind everyone that messages for committee members or witnesses must be delivered through the chamber and support staff or the committee clerks. I remind everyone to please turn off their mobile phone as it interferes with the recording of the proceedings by Hansard. Committee hearings are not intended to provide a forum for people to make adverse comments about others. The protection afforded to committee witnesses under parliamentary privilege should not be abused during these hearings. I therefore request that witnesses avoid the mention of other individuals unless it is absolutely essential to address the terms of reference for the inquiry.

All witnesses will be sworn in prior to giving evidence. I ask that each of you in turn state your full name, your position, title and organisation and swear either an oath or an affirmation.

GENIA MARIA McCAFFERY, Mayor, North Sydney Council, of 200 Miller Street, North Sydney and

SAM CAPPELLI, Manager, Environment, City of Ryde, of 1 Devlin Street, Ryde, sworn and examined, and

DOMINIC BRYAN JOHNSON, Executive Director, Northern Sydney Regional Organisation of Councils [NSROC], Lane Cove Council, 48 Longueville Road, Lane Cove and

LAWRENCE NAGY, Manager, Traffic and Road Safety, Hornsby Council, P.O. Box 1630, Hornsby, affirmed and examined:

CHAIR: Ms McCaffery in what capacity do you appear today?

Ms CAFFERY: As Mayor, North Sydney Council.

CHAIR: If any of you should consider at any stage that certain evidence you wish to give, or documents you may wish to tender, should be heard or seen only by the committee please indicate this fact and the committee will consider your request. If you do take any questions on notice today, the committee would appreciate if the response to those questions could be forwarded to the Secretariat by Friday 28 November 2008. I invite you to make a brief opening statement if you wish.

Mr JOHNSON: Thank you for inviting us to speak to this inquiry that we think is of great importance. I am the Executive Director of the Northern Sydney Regional Organisation of Councils [NSROC] which covers an area of 700 square kilometres and represented 5000,000-odd people—not that they are all odd.

CHAIR: Only some of them?

Mr JOHNSON: Only some of them. I am here in my capacity representing seven councils—North Sydney, Willoughby, Ryde, Ku-ring-gai, Hornsby, Lane Cove and Hunters Hill. Four of those councils will be directly affected by either the proposed heavy rail link or the more recently announced metro railway link to the north-west sector of Sydney. In its earlier incarnation the proposed route ran through northern Sydney before veering out to the west of the NSROC region, and then coming back in at Hornsby. In its later incarnation it would have significantly impacted on Hunters Hill and Ryde councils through its passage up Victoria Road but still impacted on Hornsby in its later return.

However, it is an important point to remember that all residents in the NSROC region will be affected by any decision to shelve, delay or indeed continue with the project because all of them experience impacts of through traffic to the north-west, and all of them would be assisted by the provision of more public transport infrastructure to reduce local congestions and help residents move about the region. I just want to reiterate the key points of my submission in my opening statement.

The first is the broadest point in the overall summation of the submission that the NSROC collectively recommend that the State Government keeps its promise to deliver substantive public transport infrastructure in the north-west sector including a metro and/or heavy rail line as envisaged in the State Infrastructure Strategy and the Metropolitan Plan. The second point is that NSROC is a growing region. The proposed growth target in the Metropolitan Strategy for the NSROC region is 56,400 households which equates to approximately 130,000 people over the next 25 years of the Metropolitan Strategy, and this is in keeping with current growth being experienced in the region. In terms of the economic value of the region it should be remembered that 16¢ in every \$1 of State domestic product comes from the NSROC region. Nationwide 4¢ in every \$1 is produced in the NSROC region.

My third point is that the roads in the north-west sector, and specifically in the NSROC region, are nearing capacity at a number of critical points and on major corridors. Half of the busiest roads in Sydney run through the NSROC region or are adjacent to it. In brief, those are Epping Road, the F3 to Wahroonga, James Ruse Drive, Lane Cove Road, Ryde Road, Military Road, Pacific Highway, Pennant Hills Road and Victoria Road. All of those experience more than 75,000 traffic movements per day.

The fourth point is that the trend in the region is for more people to drive their cars which is further exacerbating road network congestion. We believe this is in part due to the well documented decline in the

reliability and quality of public transport service provision, particularly the rail system, but also believe it is due to the single minded pursuit of new road infrastructure such as the Lane Cove Tunnel, at the exclusion of most other modes. The biggest growth in the latest census data that NSROC has comparing travel to work data from 2001 to 2006 in travelling is by car as the driver. The biggest decline is by passenger travelling by train.

The fifth point is that access to reasonable public transport in the north-west sector region is the lowest in Sydney. The data quoted in the State Plan November 2006 posits that only 59 per cent of the population of the north west have access to a city or major centre within 30 minutes by public transport. As I say, this figure is the lowest in Sydney. The sixth point is that in a situation of high population growth and increased traffic congestion the NSROC welcomed the north-west rail option. It, along with the south-west railway line, was the backbone of the Metropolitan Strategy. It was the first and largest infrastructure commitment mentioned in both the inner north and north sub-regional strategies which cover the NSROC region. There was not much else that was not either already built, such as the Lane Cove Tunnel, or near completion, such as the Epping to Chatswood railway, or that was largely inconsequential, such as re-engineering Sydney Ferries.

My seventh and penultimate point is that NSROC has agreed to the housing and employment targets on the promise of this stated infrastructure. Without the promise of this key piece of infrastructure the Metropolitan Strategy and all the work, planning, consultation and trust that went with it will be lost. The Metropolitan Strategy will be nothing more than putting more high-rise into existing suburbs and, ironically, those centred around existing train stations currently unable to deal with their existing customer load. Essentially without this infrastructure there is no strategy for managed growth in Sydney.

In conclusion, NSROC recommends at the very least the ongoing planning work surrounding this project, the tests, land acquisition and planning must continue so that this opportunity is not lost, and when some future State Government has sufficient budget the project can be quickly activated. This can be a matter of tens of millions of dollars rather than billions and if we do not do it we will be looking at decades before something can happen. Finally NSROC does not have a formal position on the merits of the North-west Metro as opposed to the north-west rail link as individual councils have their own specific preference but one or other, if not both of those projects, must proceed if confidence is to be restored in the State Government's ability to drive the key infrastructure necessary for predicted growth and to honour its commitments to an electorate which has grown weary of continual delay and broken promises.

Ms McCaffery: Thank you very much for inviting North Sydney Council to give evidence. I am giving evidence as the mayor of North Sydney but I am also President, Local Government Association of New South Wales. I do not have to tell anyone here that transport is essential for connecting communities and businesses. Unfortunately though, over the past decade I think the State Government has really concentrated on the expansion of the road network. At the same time there is no doubt that Sydney has seen a rapid decrease in reliability, service and safety of the existing public transport network and we have seen very little funding for new public transport.

Part of it, I think, is that since the 1980s the State Government has been pushing public/private partnerships. The availability of private finance to fund road building has just increased, I think, the pressure on the State Government to give into the roads lobby, and to defer proper transport planning which meets the need of existing and future populations and this is particularly seen in places like Sydney. As Dominic just said, if we are going to see the large-scale urban growth envisaged in the Metropolitan Strategy, and just continual spending on road infrastructure, the roads in Sydney are going to essentially fail. This is because as road usage approaches a capacity of a road additional vehicles simply slow traffic significantly and then fuel consumption goes around twice that of under free-flow conditions. In contrast to building more roads funding for public transport really has the potential to meet the expanding population.

In our submission to this inquiry we stated that we recognise the importance of the North-west Metro line but believe that the duplication of the line between St Leonards and the city must happen at the same time so that we also provide much needed additional capacity on the north shore line. The council also urges the State Government to increase its funding commitment to the upgrading of existing public transport systems and the construction of new public transport services throughout Sydney. I note now with horror that the State Government intends to abandon its plans for the North-west Metro and severely limit the South-west Metro. I think residents in outer suburbs of Sydney continue to be left with no other option but to jump into their cars and all this does is continue to add to Sydney's congestion and pollution problems.

The State Government I think has yet again failed to deliver on its promises to the people of Sydney to sort out our dire transport problems. North Sydney has a residential population of 62,000 people. It is also a major employment centre with a working population of 51,000. A significant proportion of those people who work in North Sydney come from the north-west region. Public transport from that region and for visitors to North Sydney would mean that we can reduce congestion and demand for parking in North Sydney. The Metropolitan Strategy aims to increase the number of dwellings in North Sydney by 5,500 and to create 15,000 new jobs.

This increase in population relies on improved transport infrastructure. However, inadequate funding is being spent on public transport, which means the capacity of the number of people who will need to be carried to North Sydney as a working population—I guess I look in dismay at where Sydney will be in the next 10 years if we do not do something about investment in public transport. Let me explain the difference between the capacity of private cars and the capacity of public transport, and will use the Sydney Harbour Bridge as an example. The bus lane on the harbour bridge can transport 13,000 people per hour. On the other hand, one car lane on the bridge can carry only 1,600 people per hour. Therefore, one bus lane carries more people per hour than the combined seven other lanes on the bridge. That means, more than seven times the infrastructure is needed to carry the same number of people by cars as compared to buses.

Trains are even more efficient, because they can carry 20,000 to 30,000 passengers per line per hour. We agree with the conclusion of the New South Wales Government's own infrastructure audit submission to Infrastructure Australia, June 2008, which says:

Given Sydney's significance to the national economy, addressing the city's urban congestion and other capacity constraints is a national priority. Due to its flexibility road transport has been favoured over rail transport. This has contributed to the sub-optimal use of the transport network and has escalated broader in parts such as urban congestion, noise and greenhouse gas emissions. In other words we must invest in public and sustainable transport if we are going to reduce the pressure on the road network and, in fact, reduce greenhouse gas emissions in Sydney.

Unfortunately, the policies of the Government to date have been going in the opposite direction. The council would put a plea to this inquiry that we try to reverse the policies that the Government has undertaken so far. I know the State is in a difficult financial predicament at the moment, but can I offer some innovative solutions from the council? The parking space levy is levied on North Sydney, Chatswood, the City of Sydney and maybe a couple of other key centres. We think it is crazy that it is levied on just those commercial centres; it should be applied across the Sydney Basin. The current parking space levy actually works against future investment by developers and business centres such as North Sydney, the City of Sydney and Chatswood, because it actually steers developers to other centres that are exempt from the levy.

This actually works against the State own policies that encourage development within existing centres where employment can be connected around transport nodes. We would like the Government to consider also demand management tolling. The most efficient means to reduce the number of private motor trips and to spread the hours of peak travel is to introduce demand management tolling on toll roads. We know that congestion is greatest during peak hours and increasing the supply of roads simply cannot meet the demand for roads. The introduction of demand management tolling, in which a greater toll is charged during peak hours, would have two impacts: first, it would actually increase the number of people per vehicle and, secondly, it would reduce the peak of vehicles, but encourage the spread of demand throughout the day. That would increase fuel efficiency because we know that stop-start driving increases fuel consumption.

We suggest that the money from the expanded parking levy and from demand management tolling could be put into expanding public transport in Sydney. In closing I reiterate that we urge the Government to invest in public transport. We must do this, as Sydney is facing ever-increasing congestion and we will face the kind of gridlock that is seen in cities such as Jakarta.

Mr NAGY: I am the Manager of Traffic and Road Safety at Hornsby Council. On behalf of Hornsby Shire Council I thank the Committee for the opportunity to make this presentation. Council is extremely disappointed by the announcement by the Minister for Transport that the North West Metro has been deferred. The proposal to build the first section of the metro between Rozelle and the city indicates the largest growth areas of north-west Sydney will not be served by rail within the next few decades. Hornsby Shire Council's written submission to this inquiry details the issues of concern, the most important of which is that councils are expected to provide additional housing and employment opportunities under the Metropolitan Strategy while the State Government defers on previous commitments to provide essential improvements on road and rail

infrastructure. That point has been made by a number of us today and it is the most important point regarding this matter.

The Minister for Transport's announcement that 100 additional buses will be provided to the north-west is also of concern to council. The Government should refer to Hornsby council's submission to the Unsworth review in which council stated that the main roads in the shire, Pennant Hills Road, Castle Hill Road, Boundary Road, Beecroft Road, Pacific Highway and the M2, are so congested that current bus operators are unable to reliably meet their timetables and they must regularly revise their timetables to reflect extended delays. One bus operator is currently doing that.

Creating strategic bus corridors by providing a few bus priority lanes in the manner of the Unsworth review recommendation will not address the underlying problems with the main road network, as has been explained already. Hornsby Shire Council cautiously welcomes the Premier's announcement that the outlying centres of Hornsby, Penrith and Parramatta will be built up. In the past, Hornsby Council has attempted to attract business to the Hornsby Town Centre without success, as it has been unable to attract the large anchor business, which would bring with it other supporting businesses. Given the Premier's announcement, council would welcome State Government assistance in decentralising government offices to these areas, which in turn would attract other businesses and provide viability to those centres.

In conclusion, for the outlying centres to succeed and remain sustainable they will require considerable improvements to the existing transport infrastructure. The current levels of service are so far behind acceptable standards that getting more workers to those outlying areas will remain an issue.

Mr CAPPELLI: On behalf the City of Ryde I thank the Committee for the opportunity to give evidence this morning. I apologise for the croakiness of my voice, but I will do my best. The City of Ryde has been very supportive of the Government's proposal for public transport systems servicing Sydney's north-west sector and of the integration of transport and land use planning generally. The location of the City of Ryde has direct relationship with the transport needs of the north-west sector. Certainly the community faces real issues with public transport service and traffic congestion on various roads and public transport services currently within Ryde and through Ryde very much at capacity.

These issues are regularly brought up and recorded in consultations with the community and much of the congestion which impacts on the City of Ryde is generated by the transport issues affecting the State Government's Metropolitan Strategy, City of Cities, as a whole. Therefore, a long-term city-wide integrated approach to planning and delivery of transport is badly needed. The City of Ryde has been growing consistently over many years and, as detailed in the City of Cities and the draft Inner North Subregional Strategy is planned for some significant growth over the next 20 to 30 years. The City of Ryde has committed to 12,000 new dwellings and more than 21,000 new jobs by 2031. With that planned growth it is very important that transport be catered for.

The issue of transport in particular is of high concern across the Northern Sydney Regional Organisation of Councils [NSROC], as the Committee would be aware from other submissions, and locally for Ryde. Ryde serves as both a funnel for passing north-south and east-west commuter traffic and a significant destination for traffic in itself, as a result of its location within the global arc and the substantial commercial centre of the Macquarie Park corridor. Ongoing population growth is a significant issue for Ryde. The very vibrancy and existence of Ryde are more than reliant on an effective public transport system, particularly for the north-west and south-west sectors. Cancellation or unnecessary deferment of the North West Metro will certainly threaten the very integrity of the council's sustainability in transport planning.

Council believes that the focus on road improvements alone is not sustainable. The north-west rail link was identified as a key component of the City of Ryde's integrated transport and land use strategy, which council adopted in 2007, to manage integrated transport within and through Ryde and the New South Wales Government's subsequent announcement of the North West Metro link has been publicly supported by the City of Ryde as an initiative that would certainly support planned growth within Ryde. Further growth in the City of Ryde and the region can be supported only if a comprehensive approach is taken to integrated transport and land use to enable a move away from the current high reliance on the use of motor vehicles. We know that planned growth within the north-west and south-west sectors will impact on traffic congestion through Ryde and within Ryde unless an integrated transport system, including the North West Metro, is part of the solution.

In conclusion, and without repeating what the Committee has heard this morning, the City of Ryde wholeheartedly supports rail transport. The City of Ryde supports the following rail initiatives as all important to achieving a sustainable future for the City of Ryde and the metropolitan services. As Mr Johnson said, they are the north-west heavy rail link and/or the North West Metro link, and certainly an extension of the Epping to Chatswood line from Epping to Parramatta. We see that as a key solution.

CHAIR: Mr Johnson, in your submission you mentioned that in relation to the announcement that be a new north-west railway would be built, that decision was taken in the absence of significant consultation with local government. Given that it was a very major project, it is rather extraordinary that there would be no significant consultation with local government before such an announcement. What sort of consultation was there?

Mr JOHNSON: I was not party to that consultation. My understanding is that some of the specific councils that would be most affected by the proposed project were consulted. However, that consultation did not occur at a broad level. Through my experience the only broad level consultation occurred under the previous Minister for Transport, Mr John Watkins, on 15 October, at Bella Vista. That is the only one that basically got together all the key stakeholders, including the affected local government councils in the region who would be affected by that infrastructure strategy. As far as I am aware, and certainly NSROC has not been involved in any previous stakeholder discussions or consultations, it did occur piecemeal with some of the most affected councils.

Given its regional impacts, I thought it would have been necessary to hold consultation more broadly with those councils. Certainly in the last six months anything we have learned on this project beyond what we directly heard on that one consultation with the previous Minister for Transport has been learned through the media.

CHAIR: And the Bella Vista meeting was last month?

Mr JOHNSON: Or two months ago.

Mr NAGY: It was late August or early September.

CHAIR: And it was canned?

Mr JOHNSON: That is right, that is the meeting at which the previous Minister for Transport said, if nothing else, that he absolutely affirmed the commitment of the Government to proceed with the project.

CHAIR: So it must have come as a bit of a shock when the announcement was made that it was off the agenda altogether?

Mr JOHNSON: Well, it did. However, I guess the stirrings in the press made it less of a shock, and some of the whisperings that you automatically get through various agencies also led to the fact that that was a possibility.

CHAIR: You have also said that with regard to the abandonment of the North West Metro, or the north west heavy rail, in essence such a decision would render the Metropolitan Strategy as essentially meaningless, and further alienate the NSROC communities from further regional strategic planning processes undertaken by the State. A lot of work and effort has gone into the development of a Metropolitan Strategy, so pretty much a lot of that would be down the drain if there were no north west rail built. Would you agree with that?

Mr JOHNSON: I would agree with that statement. In my previous employment—I worked for the Department of Planning—I had been very significantly involved in the development of the Metropolitan Strategy, I guess on both sides, most recently with the NSROC councils. Essentially the way I characterise the evolution of the strategy is that it was a partnership approach pursued by councils to basically broker a deal: we will accept the population growth targets that you have negotiated with us, on the one and significant condition that it is matched with the needed infrastructure. What has eventuated—and not necessarily through sleight of hand—is that all the NSROC councils have accepted a growth target—some of them in excess of what they believe they can sustainably accept and deliver, but they have done it on the basis that at least key infrastructure would come.

If you remove half of the equation, and you certainly remove the commitment of the State Government in terms of what it would put into that process, I believe the Metropolitan Strategy has no real merit. Essentially what is it? It is simply a series of housing targets, which may remain notional without infrastructure; employment targets, which also will remain notional without corresponding infrastructure; and very little else. If you go through the individual subregional plans—I have looked at all of them—and the master document, they say very little about living sustainability, and they say very little in terms of environmental outcomes. If you have simply some housing targets and employment targets not matched by infrastructure, I do not see that as an acceptable strategy for growth in this city.

CHAIR: And the same applies to the State Plan targets—they cannot be matched either really?

Mr JOHNSON: Not all the State Plan targets obviously, as I am sure you know, relate directly to growth and infrastructure; some of them are about education, policing, and so forth. There are two things I would like to mention about the State Plan. First, it does divide the State into a number of regions—I cannot quite recall the number; it might be 13 or 16—North Sydney is absent from any region. I am not sure why that oversight occurred; we have certainly pointed it out. Also the State Plan specifically states that when the State Plan is reviewed the ROCs would be consulted—I am sorry, I cannot recall off the top of my head the page it is stated on; it is page 60 or something—but that has never occurred. Third, there are some very specific targets detailing transport, as I have mentioned in my submission, and those targets cannot possibly be met without public transport infrastructure being provided. So, if the guiding document for the entire State, and that which all the State organs must really work towards, posits targets that cannot possibly be met, then it remains a notional document without any real merit.

The Hon. DAVID CLARKE: Mr Johnson, in your submission you point out that councils in your region are required to plan for 30 years of population growth but that the State Government is only committed to looking 10 years ahead as far as transport infrastructure is concerned. That seems an intolerable situation, does it not?

Mr JOHNSON: It does make it very difficult for us to effectively plan for growth matched by infrastructure, you are exactly correct.

The Hon. DAVID CLARKE: You would think that the appropriate way would be that they would both be for a similar period? If you are looking ahead 30 years for population, you would look ahead 30 years for transport infrastructure, would you not?

Mr JOHNSON: That is absolutely correct. We have often suggested to the State Government that at the very least they provide an overall strategic direction, with perhaps some mud maps, if you will, on what might be built over the next 30 years, always making it quite clear to the electorate that that would be dependent on such things as financing. They are extremely reluctant to do so, positing the electoral cycle, the inability to forecast budgets accurately, and things like the current global credit crisis. Nonetheless, it has certainly been done in the past. Over the many years we have had city of cities and all sorts of long-term visionary strategic plans, and in my experience in planning you cannot really achieve the outcomes unless you make long-term strategic plans that you do deliver.

The Hon. DAVID CLARKE: And the problem is made even worse when, talking about this 10-year State Government period of planning infrastructure, that infrastructure is not delivered? That makes it even more intolerable, does it not?

Mr JOHNSON: That is absolutely correct. It works at two levels. First, it means that the physical planning work done by the councils is rendered useless. Councils are under significant financial strain, as I am sure you are all aware, due to rate pegging, cost shifting and other issues. When that planning work essentially is rendered useless, it is a cost to the residents, but also it creates great uncertainty in the market. Developers and communities are uncertain as to what is going to get built, if anything, and where. It percolates its way through local government planning processes, where you find communities simply lose faith in planning. A planned city can be sustainable, but a city that is not planned will not be sustainable.

The Hon. DAVID CLARKE: Mr Johnson, do you agree with Councillor McCaffery's assertion, if I have it correct, that the Government's parking levy be extended to other parts of Sydney? Does your organisation have a view on that matter?

Mr JOHNSON: No, we do not have a policy on that.

The Hon. DAVID CLARKE: I think you have indicated that the completion of the Epping to Parramatta line is essential?

Mr JOHNSON: Yes, we do believe that is an essential key, as my colleague Mr Cappelli mentioned. We believe that the decision to truncate that line was short-sighted, and we also believe that part of the issues surrounding the absolute necessity for a north west line have been complicated by the decision not to proceed with that project in its entirety.

The Hon. DAVID CLARKE: Councillor McCaffery, I think you have indicated that you believe a second Harbour Bridge rail crossing is essential. Would you like to expand on that? Are you aware of any State Government planning on that aspect?

Ms McCAFFERY: I think last year there was a forward plan that that was going to happen, and there were stations proposed around Crows Nest and St Leonards. The reason we are saying this is essential is—and this was in the framework of metropolitan lines like the north west and southwest—what happens is that trying to get into the city, that line coming through North Sydney is becoming more and more congested. At the moment, if you keep on adding more rail links to that, that end up at North Sydney to the city, that line will become impossible. It will not be able to deal with the trains and you will end up with congestion at either St Leonards or Chatswood.

So, as we build other rail links that feed into that rail link, we need to be planning to expand that rail link. We do not want to end up with the same kind of problem we get with cars around the tunnel and the Harbour Bridge itself. It almost seems like pie in the sky now that we are looking at abandoning the north west rail link. But we need to be planning for the increased rail investment—that we had hoped the Government was going to be doing.

I would like to add to the questions you were asking Dominic. Three planning Ministers ago, when Craig Knowles was planning Minister, the Local Government Association, through me as the President, urged that we adopt the southeast Queensland model. It is a very good model, where the mayors and the State Government get together around planning in southeast Queensland and make a direct nexus between growth and population and employment, and investment and infrastructure. They almost make a pact. They sit around the table; they have regular meetings. We have been pushing this model for a very long time. We have a strange, truncated version of it, where the ROC presidents, me as President of the Local Government Association, and the Director General of Planning meet on a regular basis to discuss the Metropolitan Strategy and the infrastructure that is needed.

Unfortunately, I think that has essentially fallen apart now. We had a meeting last week which was extraordinarily depressing, as we sat around beating up poor old Sam Haddad, the director general of the department. We kept apologising to him, saying, "It's not your fault; you are just a public servant." Every ROC president across Sydney was at that meeting, and they were incandescent with rage, I have to tell you, because we believe that the rail infrastructure that was being promised by the Government was not enough, it was far short of what the Metropolitan Strategy actually means, and now even this is being abandoned.

The Hon. DAVID CLARKE: What did Mr Haddad respond with when you put this to him?

Ms McCAFFERY: I think he was very polite and decent, as he always is, and he said, "Look, let's try and work around these other things."

The Hon. DAVID CLARKE: Was there anything specific that he was able to propose?

Ms McCAFFERY: No, he just kept talking to us. I think, like Dominic, that the Metropolitan Strategy, without proper rail investment—I just do not see how councils are really going to be prepared to keep delivering. We cannot keep on delivering our side of the bargain, which is providing capacity in our communities for increased population and increased employment, and be given no public transport. I guess that is why I was offering some other ways of finding the money. If we can only emphasise to you that this situation is dire, and we feel nobody is listening. I can say this not just from the NSROC region; this is for councils across Sydney. We are fed up to the back teeth.

Ms SYLVIA HALE: Mr Johnson, you said that the councils in NSROC have accepted the growth targets in terms of population and jobs. How binding is that acceptance? Do you anticipate that the Department of Planning will continue to pressure you to reach those targets, even if there is no provision of public transport?

Mr JOHNSON: I think that is a very good question. They are binding in one sense: that the councils each have to exhibit the document in which those targets are identified—this is the one for the inner north and this is the one for the north—and they are to consult with the communities on them. But it should be made clear that these documents are owned by the Department of Planning. For a long time planning has been done in a secret ballot way, in which you never knew exactly what sort of growth the Department of Planning was intending for your locality. You would posit something in your planning instrument, your LEP, and they would come back with maybe a slightly higher target. There was this weird Dutch auction, in which eventually you ended up with something you could both live with.

For that reason alone, we thought that at least identifying targets, whatever those targets might be, was a desirable outcome—you had something to work towards. When the targets were put forward, we had some fairly robust dialogue with the department, and sometimes we won and sometimes we lost. But at the end of the day, we thought as a region that we could live with those targets if matched with infrastructure. The employment targets are a different matter. I am still unclear on how they reached those targets. It is not within local government's power generally to create employment, other than to zone for it. So we have not been equipped with any triggers to realise those employment targets.

The degree to which the Department of Planning will police those targets is as yet unknown. However, they do have some substantial tools, and the previous planning Minister has shown a great preparedness to use those tools. For example, in the case of Ku-ring-gai Council—which failed to deliver some of the targets that the Department of Planning over a period of time had for it—put in a planning panel and took away the councillors' powers to plan for their localities. We see that as greatly undesirable. But that case aside, that is something they could use as a stick over the next two decades to ensure that the sort of growth they want to occur can occur, where and when they want it to occur.

Another tool they could use is to appoint growth commissions, which have changed just of late but they can essentially sequester a high-growth area and can put in a non-democratically elected State Government appointee to control growth in that area as they see fit, and they have done that throughout Sydney. A third method that they can use is to call in large developments and have them determined directly by the Minister. In that way they can subvert the targets. We are very conscious that they hold all the cards in this area. They have made us agree publicly to targets. They can subvert them themselves in those three methods I have mentioned and punish the councils if they do not believe we are making a great enough effort to reach those targets.

I will just conclude by mentioning that there is an ongoing process by which all councils across the State must prepare new local environmental plans [LEP]. The Department of Planning is directing those councils zone in those new planning instruments for a certain amount of new growth and in many cases the growth that they are pushing into those new planning instruments is 60, 70 or 80 per cent of the growth targets to be realised over the next 30 years. These documents have a much shorter time frame but the councils are already being pushed into designing planning instruments, which can accommodate that growth in a very short period of time. We do not think that is appropriate but, at the end of the day, the Minister has absolute discretion on what LEP is made and if those growth targets are realised in a much shorter time frame than the 30 years we were initially told, then the situation which we have all been describing of unsustainable communities, gridlock, high unemployment, people unable to get to work will occur sooner.

Ms SYLVIA HALE: You talked about the growth centres and the possibility of the Government just determining that is where the high concentration of population and jobs will occur, another scenario would be the disappearing of the boundaries of the growth centre and in fact the de facto sprawl taking place and this would be an equally unacceptable outcome, presumably?

Mr JOHNSON: That is true, and certainly the media has been indicating that perhaps some of the latest shifts in the State Government's delineation of responsibilities in terms of planning and some of the movement away from the traditional planning responsibilities of the planning Minister to other Ministers may herald the beginning of that process. Essentially that process is a laissez-faire one: let development occur where there is demand and developers are willing to invest their money.

Certainly the Property Council, which has worked very, very closely with the State Government and the Department of Planning, believes that is a great idea. You immediately unlock land and you immediately stimulate the market and you immediately usher in a new era of rapid growth. Every bit of me that has been involved in strategic planning at all levels rejects that philosophy. In terms of the regional organisation of councils [ROC] I think they universally would reject it as well.

Planned growth is the only sustainable way to build a city. What you would get is potentially a massive stimulus and a massive amount of construction but after the developers have left and taken their money, thank you very much, and moved on to other greener fields, it is the councils inevitably who are left to pick up the pieces of trying to insert, retrospectively, all of the key services such as child care, parks, playgrounds, bus services that were needed to service those communities in the first place and should have been provided in the first place. We are actively doing that now in our regions. We are trying to retrofit in childcare centres—we have run out of sports grounds—all of those sorts of key infrastructure commitments that localities need to grow sustainably.

The Hon. LYNDA VOLTZ: What is the capacity of the current line that is being built to Epping?

Mr JOHNSON: I will have to get back to you on that one. My understanding is that there are significant capacity constraints. There are only four trains per hour, but I am not a specialist in transport so I would have to get back to you on that one.

The Hon. LYNDA VOLTZ: We have seen a shift, for example, with Optus moving out to Macquarie Park. There seems to be this city-centric idea about transport in New South Wales. Ryde Council is probably more aware that people actually do travel north-south across the city as opposed to it being a straight east-west proposal. Does NSROC have a view on that?

Mr JOHNSON: We have commissioned a number of studies that bring out that very issue. In fact, we had Gary Glazebrook speak to our NSROC annual conference this year very eloquently on that very topic. The issue that all of the councils considered to be very important is to build essentially what Mr Glazebrook describes as a spiderweb or lattice work of transport options, which are intraregional as well as directly into the city. Not all transport is predicated on commute to work or commute to work within the central business district [CBD]. That seems to be the State Government's current focus.

Macquarie Park is a really good example of a non-CBD locality. Thankfully it will ultimately have some heavy rail infrastructure delivered to it; it should be opening very soon, but the draw affects around the Park are going to be very significant and I do not think they have been matched with sufficient transport provision. Generally we do have a demand for transport across the region, which is not met by those city-centric bus lane priorities and transport modes.

The Hon. LYNDA VOLTZ: Putting aside the past and everything else that is happening, we know that the Federal Government is interested in the infrastructure that goes into the city and obviously the Premier had said he had looked at the metro line through to Rozelle and said that would be something in the future you could build on it to build a North West Metro. Given the constraints on the CityRail system, councils from WESROC said their preference would be for the Epping line to be extended through to Castle Hill and Rouse Hill, which of course makes sense with the growth centres.

Mr JOHNSON: Yes.

The Hon. LYNDA VOLTZ: I raised with them also whether it should go that way or across to Parramatta. Given the revenue constraints at the moment, would you have a view about the way the Government should go forward?

Mr JOHNSON: NSROC councils themselves do not have a preference themselves over the heavy rail extension that you have suggested and I am aware WSROC is pushing for over the metro rail line. They both basically offer some very significant advantages but also suffer some disadvantages, as I am sure you are aware. The idea of disaggregating the metro line out of the existing heavy rail system is appealing because it will obviously not be impacted by many of the concerns, issues and problems with the existing heavy network. That is appealing in itself.

The route, as proposed up until a few months ago, is also appealing for a number of the NSROC councils and its speed and efficacy, if it is built according to specification, is highly desirable too. Nonetheless, there are some very real constraints with it. One is the interchange at Epping and whether people will be convinced to do two or three modes to get to work in the city. A second is whether geo-technically it is feasible and the third is, in itself, it is not a transport system; it is a spur, a start. The heavy rail option, the one that WSROC favours and you have just outlined, similarly has some great attractiveness. It is a logical extension; it does not require a modal shift. It has high capacity, it has been long promised so that effective planning and thinking has gone around it and strategic land use planning decisions have been made in relation to it.

I can only unfortunately respond that NSROC—and I do not think that this will change—has no specific choice of those two modes. It is essentially because some councils in the ROC benefit more from one than from the other. Obviously those councils through which either mode were to eventuate would favour that particular mode, so we will, as a ROC, I am sure continue the position. Look, just give us one—please think about giving us both, but just give us something.

The Hon. LYNDA VOLTZ: Are we seeing in the NSROC area a significant shift of employment to those growth centres such as Sydney Olympic Park and Macquarie Park? I understand that the Commonwealth Bank has moved to Sydney Olympic Park?

Mr JOHNSON: What is consistent in the region is very high employment, and we are a net attracter of employment. We employ more people than we send out of the region and we have a lot of containment of employment. Employment is characterised by being essentially white collar, high-value employment, knowledge economy type employment, and a big part of the global arc, as Sam mentioned runs through our region. We are seeing a shift of A-class commercial property and retail property out of the traditional areas of North Sydney and Chatswood, particularly the commercial, out west and it is for some quite simple reasons: it is cost and the fact that they provide more parking out west.

With those twin constraints people are making a hip pocket decision to move out there and that is a trend we are concerned about. We think that North Sydney and Chatswood currently are very well-placed to be part of an integrated transport system but if that is being undermined by short-mind thinking about, "Well, if I get a commercial suite in North Sydney and I get no parking with it but for 75 per cent of that cost I can get a commercial suite out west and get eight car spaces, I will choose that option." That is what I think, unfortunately, we are seeing.

The Hon. LYNDA VOLTZ: Mr Cappelli, you said that Ryde's preference was for the Epping-Parramatta link to be completed.

Mr CAPPELLI: And the metro link, yes.

The Hon. LYNDA VOLTZ: Yes, as opposed to, say, going to Rouse Hill and Castle Hill and on to Vineyard?

Mr CAPPELLI: Clearly with planned growth within Ryde, particularly Macquarie Park, there is a fair sector of community having to migrate from the north-west sector and clearly any transport that links the north-west sector to and through Ryde is an initiative that Ryde would support.

The Hon. LYNDA VOLTZ: We have heard a lot about Victoria Road being a parking lot. I think the crossover on Sydney Olympic Park that becomes King Georges Road is perhaps as big an issue as Victoria Road. Does Ryde Council have a view? Obviously it cuts through Ryde and the underpass is now there, which would ease congestion on the Victoria Road link.

Mr CAPPELLI: Well, 80,000-odd cars travel both ways on the north-south and east-west on Victoria Road and Lane Cove Road and Devlin Street, and during peak hour it is a parking lot both ways.

The Hon. LYNDA VOLTZ: But you do not have a view about alternatives to linking the north-south? We hear a lot about the east-west. Do you have an alternative about the north-south, being conscious that people do travel that way as well as part of the growth centres?

Mr CAPPELLI: As I mentioned in our submission, we do see the metro link but also, importantly a connection to Parramatta rather than Rouse Hill as much more of a favourable solution for Ryde, given the connections from Chatswood to the city existing.

The Hon. KAYEE GRIFFIN: I think it was Mr Nagy who stated that measures proposed under the State Government's strategic bus corridors program were simplistic. Would you care to speak a bit more about that? I know you mentioned in your opening address about bus timetables. Could you comment further about the strategic bus corridors program?

Mr NAGY: Just that a cursory review of the report in council's opinion underestimates the amount of roadwork and intersection improvements that will be required to get additional buses down those roads. They are talking about bus priority lanes to get buses to the head of the queue and through an intersection, but when you have queues exceeding 500 metres or further, there is a significant capital cost involved with getting those buses through a road network that is already congested. That was our main concern.

As I said in my submission here, Castle Hill Road, Pennant Hills Road, Cumberland Highway, Boundary Road, the roads that have been identified as routes for the bus strategic corridors, are roads with exceptionally bad problems at the moment. We think more work needs to be done in that area. If you are going to run buses down there and give those buses priority there is a lot more work that needs to be done from a civil engineering perspective, property acquisition and that sort of thing.

CHAIR: Mr Johnson, NSROC recommends that a single transport authority should be implemented to coordinate and integrate all modes of transport so as to avoid each mode being planned and operated in a competitive and self-serving manner. Other witnesses have suggested that also. Do you have a model in mind? Should it be Melbourne or Brisbane or is there one we might look at?

Mr JOHNSON: At NSROC we have not adopted a specific model of preference. We make that generic statement obviously through the frustration of dealing with competing agencies. It is problematic for us in dealing with the Roads and Traffic Authority, the Department of Planning, and the State Transit Authority et cetera. Without them having an integrated approach themselves, it makes our work much more difficult. In terms of the preferred model, no, we have not evolved our thinking in that regard but should some sort of inquiry or process invite submissions from us I am sure we could evolve that thinking further.

CHAIR: You mentioned the meeting of the ROC across Sydney that was incandescent with rage. Is there a name for that body?

Mr JOHNSON: It is essentially the ROC presidents and the Director General of Planning meeting. It occurs approximately two months. It always occurs at Bridge Street where we have had once the Minister for Planning in attendance.

Ms McCAFFERY: With Craig Knowles.

Mr JOHNSON: That was three years ago now. It has probably met 10 times.

CHAIR: Was he the only Minister who came along?

Mr JOHNSON: No, I do not think he ever did. I think the only one who ever did was Mr Sartor.

Ms McCAFFERY: Yes, I think Frank came once.

CHAIR: So, you had one meeting with Mr Sartor.

Ms McCAFFERY: Yes.

Mr JOHNSON: The idea behind it was exactly, as Genia said, to have a robust partnership with the Department of Planning, if not the Board of Cabinet, to achieve the Metropolitan Strategy. I would have to say it has been significantly dumbed-down from that. It is an opportunity really now for councils to air some grievances to be patiently listened to by the Director General, not much else.

(The witnesses withdrew)

DERMOT O'SULLIVAN, President, Annangrove Progress Association, and

SANDRA CARTER, President, Round Corner Village Residents Association, sworn and examined:

MARGARET RUTH WHALEN, Traffic Representative, West Pennant Hills Valley Progress Association, affirmed and examined:

CHAIR: Thank you all for your attendance before the Committee. If any of you should consider at any stage that certain evidence you wish to give or documents you may wish to tender should be heard or seen only by the Committee, please indicate that fact and the Committee will consider your request. Also, if you happen to take any questions on notice from the Committee we would appreciate it if your response to those questions could be provided to the Committee Secretariat by 28 November 2008. Would any of you like to make an opening statement?

Ms WHALEN: Thank you for the opportunity to be here. The executive compiled the submission from the West Pennant Hills Valley Progress Association, with myself as the responsible author. What appears to have been missed in the discussions and the submissions is that when car usage drops from the north-west everyone is a winner. This speech was prepared before the presentation that was given this morning, and I thank them for the information that they gave.

The residents of the north-west are described as being car lovers; we have no choice. Given the congestion on the roads and the cost of the tolls no-one wants to drive if there is a viable public transport option. Since its inception, the M2 bus service has been overwhelmed with patronage, validating the point that if there is a reasonable service it will be utilised. However, this in itself is not a sustainable solution now or into the future. What we need is a rail—heavy rail. We need a link from Epping to the Norwest Business Park and on to Rouse Hill, with the opportunity to then link to Vineyard and Richmond. There would be a Sydney orbital train route as the spine for other public transport networks. We need heavy rail as a direct link into the established now rail network at Epping, with contiguous access to destinations as diverse as Hornsby, Macquarie Park—the technology arc—down to North Sydney, to the central business district via Strathfield. Imagine the destination choices had the Epping-Parramatta via Carlingford line remained as part of the Parramatta-Chatswood link? The rail link from Epping to Rouse Hill would also provide access to the Norwest Business Park and the regional town centres of Castle Hill and Rouse Hill, all burgeoning employment and entertainment destinations.

Mr Richardson, both in his submission and presentation, detailed the problems associated with the Carlingford Station and its service. When the Epping-Parramatta link was abandoned it then also compromised the services to be provided to the Epping central business district and the about to be opened Epping-Chatswood line. This is due to the fact that overnight Hornsby is unable to stable sufficient rolling stock with additional carriages to be supplied from Parramatta. The Epping-Strathfield central business district service is to be reduced with the opening of the Epping-Chatswood line. When the rail line was built in the Sutherland Shire from Sutherland to Cronulla, they were all single storey homes and quarter acre blocks; the densities have since increased.

The residents of the north-west have demonstrated their willingness to adapt to new public transport measures. The M2 buses have been an unmitigated success. So much so that the biggest challenge for the bus company and the Ministry of Transport has been to meet the demand—it remains a work in progress. Not only are more buses required but extended service hours and routes, especially to and from North Sydney and Macquarie. There are numerous opportunities to expand on or improve the current services and more detail has been provided in our submission. Buses are queuing in the bus lane as they enter the central business district in the morning peak. In the evening peak the buses fight their way with the rest of the traffic. Consequently, just increasing the number of buses will have limited benefit. Integrated ticketing is a fundamental part of an efficient and effective public transport system, which can be delivered. Look at Hong Kong, Singapore, London, Paris, Tokyo to name but a few.

Moving on to the Sydney orbital link to the F3. The current proposal to link the M2 with the F3 is a tunnel under Pennant Hills Road. This proposal, even according to its proponents, has a finite life. It has been suggested that by 2021 another route north, with a second crossing of the Hawkesbury, will be essential. Either that or widen the F3 to four lanes in both directions. Success of the tunnel under Pennant Hills Road is predicated on to traffic being able to exit the tunnel in a timely manner. The Pennant Hills Road-North Rocks Road intersection is a major pinch point. None of the configuration proposed for the intersection will ensure

ease of egress from the tunnel. There are limited funds available; use them wisely. Build a link from Dean Park on the M7 to Kariong on the F3. Have a second crossing of the Hawkesbury River and make this the national highway route north. Make this a transport corridor and incorporate intercity rail links for both passengers and freight.

Closer to home, adverse noise impacts adjacent to the M2 have intensified since the opening of the M7. This has not been addressed, and given the response from Transurban to date, it will be an ongoing issue. Commercial vehicles should not be traversing suburbia; they should be bypassing it. It is inconceivable that the national highway, a major truck route, is shunted through the suburbs of Sydney.

In conclusion, the North-West Rail Link is critical to the survival of not just the north-west sector but of Sydney as a whole. Very few people live, work and socialise exclusively in their own neighbourhood and are mobile as never before. The challenge is to provide a public transport network that will reduce their dependence on cars. Let it begin with the North-West Rail Link.

CHAIR: Ms Carter, do you wish to make an opening statement?

Ms CARTER: Can I just say that I am very hard of hearing and it is a little bit awkward if the volume is not loud enough for me, sorry.

CHAIR: I will come closer to my microphone. Is that better?

Ms CARTER: Thank you. First of all let me thank the Committee for the opportunity to present the opinions of the residents of Round Corner on the subject of transport infrastructure in north-west Sydney. You will see from our submission how it was put together and who was responsible. We believe that at Round Corner we are very well placed to comment on aspects of the lack of an integrated transport system in Sydney's north-west as it impacts greatly on our daily lives, both in our immediate vicinity and when we need to commute. Specific examples of our difficulties have been provided in our submission.

We believe that the solution to our transport problems should be found in a properly integrated transport system that addresses the fundamental questions: where do people need to go? What is the most practical way of getting there? What transport and other infrastructure are needed to make this happen? Most of all it must be a system that is based on practicality; not ideology. This means that while public transport use is to be encouraged, the limitations of public transport in this geographical context must be acknowledged. Increased public transport should be the aim of any transport plan for the region and it will only occur if the necessary infrastructure is provided. In my area this gets down to things like crossing the road to get to the bus stop or a footpath so you can get to the bus stop.

We need more buses to cater for commuters in both peak and non-peak times. People need a public transport service that recognises the rights of residents to participate in the educational, social and cultural life of our city. We need a service that does more than provide transport for people to get to work. We have given a lot of details in our submission about that.

As I said earlier, I believe the planning needs to be based on practicality, not ideology, and it means that planning for an integrated transport system in the north-west sector must consider and cater for the wide variety of settings found in this region. A one-size-fits-all approach will fail, as will any plans that merely import ideas that have been applied to other regions. We must cater for the residential areas as well as the urban rural fringe. I think some consideration really needs to be given to the provision of car parks for park and ride. People on the urban rural fringe would like to be able to catch public transport but they will need to drive to get to the buses. No bus service out there is regular and frequent enough to cater for the distances and the small population. We need more buses because we need adequate seating. If you have tried to stand in a bus that is speeding down the M2 you will know it is too difficult for people.

We also are very disappointed that the rail link seems to be on hold again and deferred. The provision of a rail link to Castle Hill and later to Rouse Hill is essential. Ideally it should be a heavy rail link that can be integrated into the present system. We also need a rail link that links Rouse Hill to Richmond, Penrith, Hornsby and Liverpool so that we can cut across the traditional transport routes. While these areas are undeveloped is the ideal time to purchase the land for the transport corridors.

Improved public transport needs to be coupled with an improved road system and adequate parking for car users. We have detailed a number of ideas about that as well. Most of all we need greater links and a greater number of arterial roads. In our area we have had a great deal of development but that development is still using two-lane roads or maybe four-lane roads, and we have development after development pouring into a very limited number of arterial roads. We need a greater number of those.

I will sum up by saying we are pretty resigned to our transport problems and we just try to manage the best way we can. I suppose our transport problems can be best summed up as follows: like everyone else in Sydney we need to travel out of our region for a variety of reasons. We do not have a rail system, we cannot all use the buses because maybe none are available, they are not going to our desired destination, the bus stops are extremely difficult to access or there is no parking anywhere close to the bus stops—so we drive. We get infuriated in the traffic jams. We pay expensive tolls to try to cut down travel time or we develop rat runs through suburban streets. When we finally arrive we face the problem of insufficient and/or expensive parking because there is a need to encourage people to use public transport. We cannot use public transport because we do not have a rail system and maybe the buses are not going where we want to go. You get the picture. To me it is like that wonderful old infinite loop song, "There's a hole in the bucket". In the north west I think there is definitely a hole in the bucket.

Mr O'SULLIVAN: I would like to thank the Committee for the opportunity to send a submission and make an address. I would like also to echo what the other two speakers have said because we do have major problems. As far as our association is concerned we feel these things are just going to get worse. We have a metro strategy that is calling for 180,000 more homes by 2031. That strategy has led to the north west subregional plan, which calls for increasing the population to 450,000 across five local government areas, with 120,000 dwellings across those five areas and 65,000 dwellings in the growth centres, yet it is very difficult to find a plan for a hierarchy of transport to move people. The services also roll into this—sewerage, water, telephones and electricity. It seems that as far as our planning is concerned we have developed the idea of "We are going to make a growth centre here and we are going to put jobs here and put people there" but we have not addressed in any real fashion how people will get in and out. That is a big concern. I feel it is fair to say that the planning for transport infrastructure is very piecemeal.

I attended the Growth Centres Commission and I asked them about the growth centre at Rouse Hill. The boundary is on Annangrove Road. I was representing somebody and talking about purchasing some residual land that the Department of Planning owns on the side of Withers Road. It has been purchased by the Department of Planning for the RTA for the widening of Withers Road. There is no plan. Straight across from that is the growth centre for Rouse Hill, the industrial area. It is an employment hub. Is Withers Road going to be widened to dual carriageway both ways and is it then going to cross Annangrove Road and go into the growth centre? The talk was perhaps there might be a transport interchange on that side of the road. I said that seemed brain-dead, which were the words I used. Why would you put a growth centre on one side of a main road when you are putting a hub down the middle of it so that vehicles cannot turn right and then expect everybody to cross the road to catch a bus? It makes no sense.

That is our biggest concern. Where is the transport planning heading? We certainly need to do something to fix the problems we have. Something occurred to me a few months ago when I was watching the History Channel. When the Romans were taking over the world the first thing they did was build a road so they could move the army. They put in aqueducts; they put in sewerage. Here we are, 3,000 years later, and what are we doing? The Harbour Bridge was built in the 1920s. Look at it. Under the current thinking you would expect it to be one lane each way and a flying fox. The planning just does not seem to be there to allow for the growth. There is talk of a tunnel under Pennant Hills Road that may have a lifespan of five years before it reaches capacity. Why would you even build it? What is the point? If that philosophy had existed in planning originally we would not have Warragamba Dam. Thank God we do. We would not have the Sydney Harbour Bridge. Thank God we do. Let us apply that kind of logic to the tunnel under Pennant Hills Road and to the other major roads that we build. Let us not just build the road to cope with what is there now. Let us look at where we want to go in the future and try to build a road that is going to accommodate that.

CHAIR: Thank you. Ms Carter, in your submission you talk about the criticism often levelled at people in the north-west sector and you say that statistics show that north west Sydney has a high level of car ownership and residents are often criticised for their reliance on private vehicles. You say you believe that this criticism is unfounded and habits in the area would change if a viable integrated transport system were designed to meet the needs of the area. Anecdotally, is that sort of discussion going on among people that you know, that

they would be prepared to switch to public transport if only it existed and it was relevant to their particular localities?

Ms CARTER: Yes it does. I will give a personal example. I have just retired. For the last five years of my working life I drove from Round Corner to Enfield. I could not use public transport because my principal would have killed me. I would have been so late for work. There was no bus that would get me anywhere at the right time to catch a train and then another bus to get to my destination. At the moment because I am retired I am doing some voluntary work at the Children's Hospital. I think I used the Children's Hospital in the submission. To get to the Children's Hospital from Round Corner as a volunteer I have to drive and I have to take up a parking spot. I am a really good public transport user. If it is there I will use it, and I know lots of people will.

At Round Corner we are the urban rural fringe. There are people from Annangrove and Kenthurst and from further out at Glenorie who have to drive to get to a bus to take them to the city. They are parking in our residential streets, so much so that the school bus one day had to stop and let one child off the bus to go down the road a bit further to see if there were more children waiting to get on the school bus because it could not get past the parked cars to pick them up. We need facilities for people to park and get on a city bus. People will do it if it is available to them. Just getting a bus is not enough. We have to look at everything else that is needed to use that transport. I know that changes are proposed. We have just had a lovely bus shelter built and paths to get to the bus. They have moved the shelter across the road. Somebody would look at it and say, "It's just across the road." However, it is a main road and during peak hour there is no way people can get across the road. There is no refuge island and in wet weather there is a lovely puddle right in front of the bus stop. There are no footpaths on that side of the road and there is no parking because it is all five-acre lots. It is a matter of looking at those things. The culture would change if the transport was there, but it needs to be there and to be accessible and reliable and suitable for our needs.

CHAIR: Thank you. Ms Whelan, similarly in your submission you mention a whole range of issues. Some of them are the really big issues, such as the rail system that does not exist. Then there are smaller but nevertheless important things like having a well-lit bus stop close to Macquarie University. Where do you go to get those messages across? Do you have to go to a whole range of bodies, and what sort of response do you get? Would it be a better idea to have an integrated transport authority so that there was a one-stop shop, if you like?

Ms WHALEN: I believe that would be a much better approach. Currently with any issues relating to buses we try to talk to Hillsbus. With the recent proposed changes to the region 4 area, the bus service through our area was going to be reduced. The gentleman I was speaking to could not talk to me until it was approved by the Ministry of Transport. I was trying to talk to the Ministry of Transport to have a direct link with them, but that did not happen. Eventually he was given permission to talk to me. We are being stonewalled. I do not think they want to know. Consultation is basically that they give you the plans of what they are going to do and ask for feedback. You give them feedback and never hear another thing. It disappears. There is no indication that anything was ever listened to.

The Hon. DAVID CLARKE: Mr O'Sullivan, you refer in your submission to the Windsor Road area. I was on Windsor Road at 8.30 the other morning a couple of weeks ago and it was like a living hell. What has gone wrong there? It is so far out of Sydney and we are getting gridlock there. I mean I can drive halfway to Canberra faster than I can get from Rouse Hill to the city.

Mr O'SULLIVAN: I think that the problem is again as I said in my submission where I gave one example of Norwest Boulevard. I think the same logic applies to Windsor Road. Windsor Road has been widened. I spoke to one of the excavators working on Windsor Road; he was using a plan that was drawn in 1979. That was some time before the project was started. I do believe also that the project was expected to be at capacity in about 15 years from completion. I cannot say that for sure but that is what I did hear.

The Hon. DAVID CLARKE: The additions have already been superseded?

Mr O'SULLIVAN: Exactly. These are the problems. Again, the road goes nowhere. I used the analogy at the end of my submission that traffic is like water: it has to flow. That is the problem with Windsor Road; it does not flow. We make a road, we upgrade a section of it, it goes from here to there and then nothing happens. We cannot get from the other end. This is the problem with the M7—there was no ramp at the end of Norwest Boulevard. Norwest Boulevard is a beautiful Road, Windsor Road is a beautiful road, but where do you go when you come to the end of these roads? At Norwest Boulevard you want to go Showground Road, a beautiful wide

thing and then it is down to one lane each way. If you go down Memorial Avenue heading over to Blacktown, you come to the first area there are two lanes each way, then you are down to a rural little goat track, then you pop out the other end and there is more tar than you can shake a stick at. The things just do not connect. You have this bit done here, that bit done there and nothing in the middle. Those problems, the basic concept reflect everywhere—Windsor Road, Norwest Boulevard, you name it. If you go to the end of those and have a look the same thing applies, the traffic just stops.

Ms SYLVIA HALE: I address this question to any of the three witnesses. There are forecasts that oil production has reached its peak and the ability to find additional oil supplies at viable commercial levels appears not to be there. Even though there may be monetary decreases, we face an expectation that oil prices will rise and there may even come the scenario where oil will be quarantined for essential purposes rather than widely available. What impact will that decline in oil production and the increase in petrol prices have on your communities? How will it affect your communities?

Ms WHALEN: It would be devastating. Without public transport people will not be able to go to schools, shops, work.

Ms CARTER: With a good public transport system I believe that can be managed and managed well, and that includes a road system because if you have got a good road system you can use it for electric buses to move lots of people. I believe that we can cater for it but only if we have a good public transport system and a good road system for that public transport system to run on. I think it would be managed but it needs to be planned now.

Mr O'SULLIVAN: I think in rural areas with 5 acre lots and in some areas 25 acre lots you can go one kilometre and pass two homes, and public transport really becomes very difficult. How do you sustain it? What does it cost you for a bus trip—20 bucks, I do not know? That is a real problem. The rural areas do not have a choice to use their own private mode of transportation. As has been said by the other speakers, if we could drive to a parking lot at Round Corner, then you have got something. We do not have to drive all the way into the city. The problem is you have to drive to the interchange and park. Our lifestyle now, even just in everybody's own home, everybody goes in a different direction at a different time. There is a requirement that you have to be at work until such a time, maybe you do shift work. So the public transport issue then becomes another problem: "I finish my work at 11.30 at night. How do I now get home? There are no buses running and my car is sitting at Round Corner. I have to drive to work." Our society has changed dramatically. Again, we have to look at what we are trying to achieve and the overall objective and certainly the cost of these things, as you mentioned fuel.

The cost socially is enormous. I know one family whose three-year-old thinks that dinner three nights a week in his whole life has been a sandwich in the back of the car trying to get home. He is three years old and three nights a week he eats dinner in the car, never at home. The social cost of all this is huge. Obviously the environmental cost is enormous. We have cars, hundreds of thousands of them, sitting there putting away. We are all talking about global warming, greenhouse gases and everything else. Everything reflects on everything else; it just does not stop at one point.

The Hon. LYNDIA VOLTZ: Ms Carter, I note in your submission you are keen for the Epping to Castle Hill expansion through to Rouse Hill on the heavy rail. Obviously that would look at the park-and-ride options, given that places like Dural and Round Corner are about 4.3 kilometres away. Given that your community has 400 people, your example of needing public transport to access Westmead Hospital and the number of opinions that have been put forward, in the short term would it be a good idea to look at improving parking facilities around some of the existing stations, such as Beecroft and Pennant Hills? Would it make a difference to the community to be able to at least access some of the existing facilities by improving parking facilities? Everyone is of the opinion that some mode of public transport needs to be extended, but would this be a possible solution in the short term?

Ms CARTER: I think even a good bus loop that did, say, Beecroft station. I say Beecroft and not Pennant Hills because Pennant Hills is just parked out. But Beecroft perhaps would be a good one, and I think people would use it, I think people would look at that. The only thing then is you get there and you have the problem that the trains are packed. It really is difficult for more and more people to get on a service that is at capacity as well. With more trains, perhaps that is a good option.

The Hon. LYNDIA VOLTZ: The Epping to Chatswood line, which links up to that line, may relieve some of the pressures in the short term, in the interim. It may or may not; I am not a transport expert. Obviously

an Epping to Parramatta link would not assist your communities. Are places such as Dural expecting growth in population?

Ms CARTER: I think there will have to be. While Round Corner itself is very small, there are lots of other places that have developed near us. You have Glenhaven, south Dural, there are enormous numbers of people. My own personal preference is to keep the cars off Pennant Hills Road and as far back as possible. The least we have to drive the better. I really think a good bus service, even if they are the smaller buses—although I believe they are not that much cheaper to run—to get to the train station would be good. I know there is one but it goes via Castle Hill and it is a very long route to get to one of the stations. I think that is essential to look at, particularly for kids to get to university.

The Hon. LYNDA VOLTZ: Or perhaps to Epping where the new link is, which cuts across to the University?

Ms CARTER: Yes.

Ms WHALEN: Could I make a comment with regard to accessing Beecroft and Epping stations? You have to drive to get there—Castle Hill Road, Pennant Hills Road, Copeland Road. Your main access routes now are in a state of gridlock.

The Hon. LYNDA VOLTZ: I understand that. Even if you are going to Castle Hill you still have to cross some of those roads anyway. In the submission Castle Hill was put forward as being 4.3 kilometres away. Castle Hill is obviously one of the metropolitan centres, other than Parramatta, that you would access. I understand what you are saying about the congestion on the roads and obviously that has changed over the years. I am surprised that Dural is still rural and semirural, that there are still those pockets out there. I am surprised because I was born on a farm in Dural.

Mr O'SULLIVAN: Could I add, in the rural areas, in Dural and Kenthurst and the rest, there is a lot of development going on because of the land use table. It allows for educational facilities. It allows for a wide range of things, recreation centres. The list is enormous and it brings traffic, a lot of traffic.

The Hon. LYNDA VOLTZ: Certainly the growth around Kellyville would have a big impact. All those estates setting up out there would have an impact.

Mr O'SULLIVAN: Yes. There is a lot of extra traffic volume occurring in the rural areas.

The Hon. LYNDA VOLTZ: Even though it is difficult to get across and some of those roads are very busy, you have the new interchange, which is one of the links coming north-south for people heading up to northern New South Wales, up to the Hornsby region and beyond. If you are coming from the Parramatta and southwest region you often come that way through Pennant Hills Road to link to the motorway. Obviously that will impact on what happens.

Mr O'SULLIVAN: Certainly getting to Pennant Hills Road is not easy. To come out of Dural you come down Old Northern Road. When you hit where Old Northern Road joins New Line Road it is good night. There is a lot of development through there. The road gets widened and it gets exactly like what I have been saying all the way through. It is a dual carriageway at one section, there is another part where you go down the hill and up the other side and it is just a single lane each way. These again are the problems. Old Northern Road is another one. They just do not link up to allow the traffic to flow, to get where it needs to go; it does not occur because halfway along we constrict the flow and then we open it up again.

The Hon. LYNDA VOLTZ: In which direction do you say is the greatest movement of traffic?

Mr O'SULLIVAN: In my experience, in a morning it is heading towards Pennant Hills Road because everybody is going out that way and in the afternoon it is coming back.

The Hon. LYNDA VOLTZ: Heading to Pennant Hills Road to go to Hornsby?

Mr O'SULLIVAN: To go anywhere from there. Once you get to Pennant Hills Road—

The Hon. LYNDA VOLTZ: Your optimum park-and-ride option would be to go against the traffic?

Mr O'SULLIVAN: That is right but you ultimately cannot. Anyone leaving those areas that wishes to go to the city or to head up the coast or whatever has to go along New Line Road and out Boundary Road, then to Pennant Hills Road. Once you get to Pennant Hills Road you have got some hope, things move; but Boundary Road you sit.

The Hon. LYNDA VOLTZ: The M7 link was put in to alleviate that.

Mr O'SULLIVAN: Exactly but this is the thing, there is a lot that is forward planned. Certainly from my point of view and from that of my association, it is difficult to see any results actually on the ground. There is a lot on paper, there is a lot of talk, but at the end of the day we are all still sitting in the car and have been for years. It is difficult to see, especially when you consider the metro strategy and the growth centres, where this is going. Am I just going to be sitting in the car for six hours a day instead of four? Because there is nothing coming out to the people saying, "This is what we want to do with this road; we put some rail here." There is not anything. It comes and goes and it comes and goes.

The Hon. LYNDA VOLTZ: From the point of view of your association a heavy rail option to Castle Hill and Rouse Hill is preferable to the North-west Metro option or the Epping to Parramatta link?

Mr O'SULLIVAN: Certainly. I believe even it is cheaper to build and it can carry more so it is definitely a much better idea.

The Hon. DAVID CLARKE: As a resident of north west myself I can tell you that you have certainly hit the nail on the head when you say people use cars in that area because they do not have any alternatives—they do not have a train but they have skeleton bus services. From your experience do you find a significant proportion of those living in West Pennant Hills, Cherrybrook and so forth have specifically moved into the area on the expectation and the promise that there were going to be these rail services available to them?

Ms WHALEN: I do not think people have moved within the West Pennant Hills valley but people would have moved into the Carlingford area on the expectation that the Carlingford line would have been linked with Epping and Parramatta. There would have been some of the development—Norwest Business Park, Rouse Hill town centre—built on the premise there was going to be rail link. It takes people to work and it brings people to those centres for work so to me that link in itself is vital for the survival of the area.

(The witnesses retired)

(Short Adjournment)

CHRISTOPHER JOHN STAPLETON, Director, Stapleton Transportation and Planning, of 9/99 Bathurst Street, Darlinghurst, affirmed and examined:

CHAIR: I welcome Mr Stapleton to the hearing today. I advise that if you should consider at any stage that certain evidence you wish to give, or documents you may wish to tender, should be heard or seen only by the committee please indicate that fact and the committee will consider your request. If you do take any questions on notice today the committee would appreciate it if your response to those questions is forwarded to the committee secretariat by 28 November 2008. Do you have an opening statement that you would like to make?

Mr STAPLETON: Yes I do. I have prepared a slide presentation which is being printed right now so you will get some copies of that shortly. In the meanwhile I can proceed quite easily with the first few slides of this work. Basically I have been a planner for about 40 years. I prepared the Sydney Integrated Transport Strategy two years ago. It has been presented to about 40 forums. I have to say that it is subtly changing as time goes on because of changing economic situations, environment, et cetera so it is moving as we speak. The basic principles that I would like to bring are that transport needs to be improved throughout Sydney and that the first priority I believe is a fundamental bus network that gives us entry to that transport system. Quite simply, 67 per cent of people in Sydney do not have an easy way of getting into the transport network. A friend of mine quotes that you need a litre of fuel to get a litre of milk and that is what should be addressed first.

What I want to talk about today is how the different transport systems serve different demands. The efficiency of moving one passenger by different types of transport, express services, the profile for metropolitan Sydney and then talk about the short and the long term for the north-west link. I want to put it into a perspective of where everything fits together. You have seen in my submission that I talked about the network of buses and transit ways as short-term very fast measures that could come in in the next few years. Basically just to recap what the transport systems are, people need express services for more than 25 kilometres travel. I am talking about Castle Hill for the minute. If you take that line of 25 kilometres, that is, the city it is also, by the way Penrith. Penrith is further away from Castle Hill than the city is which is something that you do not tend to think of.

Metro is an entirely different system. It replaces basically in most places buses along corridors which are busy. It goes to about 15 kilometres each side of the city, give or take. Bus is again entirely different. It usually replaces car journeys for short journeys up to about 8 kilometres. So that is when people decide it is too expensive to move around their neighbourhood. The fourth one is the metropolitan light rail system, which is what I have been pushing actually as an alternative to the metro. It is basically a tram. I would prefer to call it a tram. Light rail loses me, but never mind. If both systems are full, and they should be to make them efficient, it costs about \$1,300 per passenger moved to build a light rail system versus about \$2,800 per passenger moved on a metro. I might add that it costs \$26,000 to move a person along on a road for the same sort of price, so it is way, way cheaper than building new roads but it is also cheaper than metro itself.

The reason for that is that metro light rail trams can mix between going on main roads where there is room to fit them, which is not many places, I agree, but they can go on railway lines where they need to be on railway lines so that is the thing. Boston and many cities have that nowadays. I have been putting that forward as an option. Express buses and express light rail are entirely different again. They replace trains when the demand is too low to justify a train. This is what I have again been discussing a lot. We cannot move trains if they are not going to be used fully. It is much better to have a light rail system that has got twice as many services as a heavy rail if the demand is there. So if you are going to do rail running every 20 minutes you would have a light rail running every eight or 10 minutes et cetera so it is much better. It does not work in the city because there is too much demand but the further out from the city you go the better it gets.

Just to recap, metro basically the sort of journeys from Castle Hill it would be okay on a bus just into Parramatta. A metro system if it were there would take you to Macquarie, Fairfield, Blacktown et cetera just because that is the sort of thing you need for that distance. The express rail is for the city of Sydney. I am going to talk now just briefly about express trains and express services because to me it is a fundamental part of how the city works. It is also a fundamental part of the Government's strategy of the six cities and the city of cities. There are not that many good express lines we have at the moment. There is the western line, of course, which basically comes in from Parramatta very fast and also from Mount Druitt. There is the Hurstville part from the south and there is Revesby from the south-west. Gosford and other places have a mixed system so in the future the Richmond line would be an ordinary passenger train stopping at stations until it got to Blacktown but then

those trains would be express trains, or could become express trains. This means you do not have a transfer which means people sit down on the seat and they are off which is much better than changing.

The same with Gosford, you could take the Gosford line through Macquarie Park—that is a totally different idea to what is being muted at the moment. Macquarie Park will have a metro very shortly. It will take you up and down the neighbourhood. It will take you into the city if you want to sit on it for a long time. Basically the Gosford express line—Gosford, Hornsby, Macquarie Park, Chatswood and then into that city system that has been talked of before—would be an extremely efficient way of solving the access for Macquarie Park. It does not need another metro at this point in time. Then of course there is extending the express lines to Penrith and other places.

What that means is that there is still going to be a large number of people who still have to change transport in Sydney, even in 30 to 35 years time. All the people in the south-west sector—I helped design that—will be able to use an efficient bus service to Leppington and then power straight down on an express train from there. I am just looking at the map, the same for the Sutherland shire people would have to change, the people from the northern beaches, the people from just south of the Hornsby area do not. So this particular area of Castle Hill, Baulkham Hills will be just another area in that number—about 600,000 people I think I recall, I think that is the number, will still have to transfer. Another, I can't remember but I think it is about 800,000, will have direct services.

I am quite pleased with the current situation because we are suddenly going from the excesses where everything seemed to be possible, and we forgot the detail, to having an economic downturn where we have actually got to think how the detail works and that is what is so hard to talk to people about because you want to go away with one message. I cannot give you one message and that is a real problem. It is so much easier to have one thing—pow! What I am going to do is try to talk to you about the cross-regional bus network that I am suggesting for the north-west “area” first in its metropolitan context and then in its regional context.

Thinking about it in a metropolitan context, we have got a whole lot of different areas that need examples. I am purposely starting with one that is not in the north-west sector, it is in the south-west sector. It is not even the new south-west sector, it is the old one, it is the Campbelltown/Camden—a terrible place to live, miles to go to work, worst than the north-west sector does. They need a bus service that joins together what I call the gate where they can interchange, and I hate that word, so it would be a lively place not a dead place full of concrete. If you come into a point where you can change, if your bus does not suit it, the buses would continue along the M2 to the airport, up the M7 through to this area through to Bankstown direct and things like that. So you have got, as I say, a hand with fingers going out and you come into a gate and then you go out fast to other places. It totally replaces the car in that way.

The Campbelltown gate is fairly obvious. Another less obvious one is Sutherland to the airport. If you could do that with a transit way between the two you would have a strong link. The third one is the gate through St Marys so that you would come in and go out. The people in Penrith cannot get to Wetherill Park easily. They are really trying hard to get there so that would mean that you could have a transit way to get them there. Then of course we have got Macquarie Park itself needing its own system around it very urgently. That gets us to the Castle Hill gate, the same thing with people coming in to Castle Hill from a service down their local street, if they are lucky, or another service which does not go there, and I will come back to that, changing therefore those people from going into the city express buses.

Just to wrap up the introduction, I did a lot of work on this. I worked out 133 bus routes for Sydney which I believe most of them are viable. The sorts of things that are happening overseas says that they probably are and confirms what I was doing. I wish you had the graphics on this one, but I am on slide 21 if you have got the slides, but basically you would have at least three routes running all day spreading through the local streets. I do not know how many of you know but after Castle Hill, there is Kings Road, Northwest Boulevard, Lindsey Avenue, Taylor Street—ordinary streets where those buses start, more buses by the way during the peak. And then another series of buses would come through from the Northern Road to Parramatta coming across. Another set of routes would come in from Penrith and then go right through to Sebastian Drive. I am using the names just to say every single one of the local streets that you can sort of think of as dead end streets would have a bus going up it, going somewhere, every few minutes on the cross-regional routes.

Basically they would not all go to the city, and that is a fundamental. In fact, I always joke that there is one bus which goes from Tuckerwell Road just behind the shopping centre which by chance actually ends up at

the zoo. It would be really convenient if you happen to go to the zoo and you can follow the system. It is pure fluke to go to the zoo but you sort of look at where their end points are and think "That might actually work."

That could be introduced very quickly, in three years really. Some transitways would help, and most of those are currently on the Baulkham Hills Strategic Plan, that is the Victoria Park one that goes through what I call the village green. This is a change. I suggest that we use the railway right-of-way for buses first then light rail later and Metro later. This is something that was beautifully taught to me about four years ago, "Chris, don't worry about the system, get the right-of-way. Don't worry about what is on the right-of-way, use it to the best." That was fabulous information and I really used that all the way through. Sometimes the idea that you should put a light rail down—for instance the one that goes down the park beside Leichhardt—is a total waste of time, because no-one lives there to get on it. In this case we have a right-of-way that goes through Norwest and Balmoral Road through to Rouse Hill. That right-of-way in its own right is a very useful route that we could use very neatly, just put some bitumen down.

Brisbane is planning to have 2,000 buses coming into it and going around the central area every hour. It has exactly that, concrete tracks with up to already about 200 buses an hour on it. Indented or embedded in the concrete the railway tracks so they come along pretty rapidly one day and just dig it up and turn it into light rail when the demand is there. That would be perfect for this area.

You would need about \$1.4 billion for all of the gateways that I mentioned, that is including a lot of transitways, which could be light rail one day. That \$1.4 billion includes some hefty works coming into the Sydney Harbour Bridge, which I cannot go to in detail. Basically it says that buses do not work too well because of delays.

They use about 2,000 kilometres of local streets. You do not have to do anything on those, most of those streets are either empty or pretty easy, or they are places where, if you put a transit head-of-the-queue system no-one would care, because there are no delays. There are a lot of other problems, I know. Those are the sorts of places that you could do quite easily. They carry about 800 passengers per hour on each route, which is the equivalent of about half a lane of traffic. So, if you take all of those around and add it all up, you have a heck of a lot of traffic off the roads. As I always say, those of you who like driving around would be better off, and it is just those strange people who get on buses.

There is a very simple way of doing it. Showground Road is a classic example. If you widen Showground Road and put a transit way along it you will have so much additional capacity that all those poor people in Kellyville at the moment who are struggling around the area would suddenly find they have a viable alternative.

The first metro that I justified in my work a few years ago was the Castle Hill to Parramatta metro, underground because you cannot fit it on Windsor Road, coming up possibly in Parramatta going through Church Street. That works, and the reason it works is that four times more people go from the Baulkham Hills area to Parramatta than go to the city. And they go right through the day. It is where they go to shop, and for all sorts of personal reasons. They do not flog themselves into the city, except when they go to see their top solicitor as it were; the rest of the time they go to their ordinary solicitor.

How does that all fit in with the future? If you build that metro, the Carlingford line is another metro that is easy to convert and it would go through to Epping. As I said, you could extend the line between Castle Hill and Rouse Hill to become a metro when it is justified. Let us talk about that. If you take out the buses and put in the metro, what will happen? If you are not careful it means that you do not have that, because if that is suddenly a metro all those people have to change buses. That means that the demand has gone down, it is that simple, unless this is incredibly efficient.

This has a generation factor of about 14 per cent. People like light rail more, but that person out there does not, because they have to change; particularly if you do it at both ends they are really stuffed. Basically, you need to really think when the demand is sufficient that you could put that in and keep those working. That is what you have to do. The other one is really interesting. If you have the express trains going through Macquarie Park, the M2 busway from Windsor Road through to Epping could become part of the metro system, which would be fantastic. You would be able to come down, underground somewhere around Windsor Road, and just hook into the bus route. As the bus is now, you go straight in. In my plan I would reconvert the Macquarie to Chatswood line to a light rail metro—so they can get up the hill! South of Parramatta, these routes would come through and you would be able to get to Wetherill Park and Bankstown. That just about sums it up.

CHAIR: Mr Stapleton, you said you have presented this to at least 40 forums. No doubt you have presented the ideas to New South Wales Government agencies. What was their reaction? How would this concept be taken forward?

Mr STAPLETON: I am not an official agency and, therefore, nothing official comes back, because they do not have to. I am told by people working for them what has happened and I see a lot. I have a list of what appears to be happening and it follows quite a lot of what I am doing. The best thing is that they have checked my costings and found them right.

CHAIR: Who is "they"?

Mr STAPLETON: That was Treasury actually. I probably could say that, it is not a secret. I do not think everybody checks costings. But this has not been solo. I employed the ex-managing director of Maunsell and Partners to check, and he took about six months. He came back and said, "Yes, these costings are right." We changed them a bit at that time and are now pretty confident that we have the right costings. My demand figures are pretty good and, again, I hear on the grapevine that my demand figures are on the ball. There are one or two arguments that I have, not usually with the Government but other professionals, about some of my projections, particularly around Macquarie Park. So, I cannot say that the Government is sitting there and adopting my plan, but I can say that the people I have spoken to from on high and on low, as it were, are pretty appreciative of what is there. I think the issue is that there is a lot to be done and it needs detail. It is very hard to find people to do the detail around this.

CHAIR: Would that not be part of the job of the New South Wales Department of Planning?

Mr STAPLETON: No, the planning department basically does not do transport any more.

CHAIR: Is it that part of the problem, that there is no integrated body?

Mr STAPLETON: It has always been a problem, and a problem all over the world. My opinion is that you would separate strategic planning from the running of the roads and the railways so that you would have a strategic planning body. You would probably take it away from the Department of Planning, which does local government plans and things like that. You would need to try to make some place that was not too powerful. And again I can speak about this because I am not a government official. The problem has always been that there is an awful lot of power in planning infrastructure.

CHAIR: Is there a model in some other jurisdiction that you believe has got it particularly right?

Mr STAPLETON: From what I gather, Toronto seems to have a fairly good system going. We were talking about that at the Metropolitan Congress the week before last. I was catching up on exactly how that works, it seems to be properly organised. Vancouver always seems to do all its strategic planning better. America does not do it, but is trying to. I am talking to an English committee in London, one like this, in a couple of weeks time on exactly how to do regional planning, which is what we are talking about here. So I guess they do not do it. They must be looking for new answers.

CHAIR: You have put in a submission to Infrastructure Australia?

Mr STAPLETON: Yes.

CHAIR: In due course you will get some response, or have you had a preliminary response?

Mr STAPLETON: I have not looked in the last week, I have been at a planning workshop.

The Hon. DAVID CLARKE: Mr Stapleton, following on questions asked by the Chair about whether you had submitted your plans to the State Government, I understand that you have given the Government ideas and proposals before. Were they acted upon?

Mr STAPLETON: Yes. I usually do not do things gratis, which is what I have been doing in this particular case. Normally I am employed.

The Hon. DAVID CLARKE: You have a very specific proposal and have done the costings and so forth. Have you officially or formally presented that to the State Government?

Mr STAPLETON: An earlier version of it was presented to different departments of the State Government. It has been presented.

The Hon. DAVID CLARKE: Did you receive an official response?

Mr STAPLETON: No.

The Hon. DAVID CLARKE: So, you officially presented this proposal?

Mr STAPLETON: I do not know what the word "officially" means. These may be words that I do not understand. I have been honoured enough to be able to talk to some of the departments and present my work to them.

The Hon. DAVID CLARKE: Have you ever presented anything in this particular written format, reduced?

Mr STAPLETON: Not that particular format, but in a similar format.

The Hon. DAVID CLARKE: You have had a couple of interviews, discussions, but it has never gone any further than that?

Mr STAPLETON: That is right.

The Hon. DAVID CLARKE: That seems an unusual situation. You are a person of great expertise and your services have been used before. You have come up with a very comprehensive proposal and that has been reduced to writing and the costing has been done. Everything is there, all the pieces are in place. You presented this and you received no official response, although you say you hear on the grapevine that this particular department may be looking at it. The first thing done by that department would be to contact you to get together in a formal, official way would it not?

Mr STAPLETON: I thought that once.

The Hon. DAVID CLARKE: Why do you not think it now? Are you worn out by not getting anywhere?

Mr STAPLETON: No. It took 15 years from when Mr Bradfield filed his plan to being listened to. I have a theory that I am going to knock down the Cahill Expressway on my eightieth birthday. Your question is a good question and it really upset me to begin with. It then dawned on me that this is a work in progress and I should be really delighted that I am part of the debate. I am pleased to be here. In some ways having me a free agent is better.

The Hon. DAVID CLARKE: Some people say that evolution is a work in progress too, but it is a question of time. You mentioned 15 years for one proposal, and we do not have 15 years to muck around on these things. I am very disturbed that you have produced a lot of good ideas, backed up with evidence and costings and so forth. You have presented those and, in effect, never once got any formal, official response to what you have done. You were disturbed. I will not press you for an answer, I think your silence answers it for me. How far ahead should governments go in planning transport infrastructure? How many years ahead should they plan?

Mr STAPLETON: I have spoken with my colleagues about this to try to identify the point at which governments were not "allowed", as they said, to do a plan and say that we will have stage one of it. Because all of us planners cannot quite understand this. It was around the Neville Wran Government time, and this happened all around the world not just one particular government, when suddenly you were not allowed to produce a plan unless, first, it had been totally costed and, secondly, it was totally funded, which was totally impossible. It was about Neville Wran's time. It was when Castlecrag bridge got removed and sold, and things like that. You think, "How did that happen?" The answer is: I think you have to be planning at least 25 years

ahead with infrastructure. If PPPs have a 38-year life, you have to be planning for 50 years. At the end of your 38 years you have to know what the next step is going to be and what your asset is worth.

The Hon. DAVID CLARKE: We heard evidence this morning from local government bodies that they are required to plan ahead 30 years as far as population growth is concerned but that the State Government commits itself to only 10 years ahead in transport infrastructure. That seems an absurd situation. If that is the case, there seems to be something radically wrong there, does there not? One would think that there would be cooperation, that if you have a 30-year population growth plan required from local government, you would also have a 30-year infrastructure plan coming from State governments to correspond to it. Would that be a fair proposition?

Mr STAPLETON: Yes. I think it should be slightly longer than that. For instance, I have just finished what is about a 45-year plan for the city of Dubbo.

The Hon. DAVID CLARKE: The local government population growth plan and that transport infrastructure plan, whether it is 25, 30 or 45 years, should correspond with each other?

Mr STAPLETON: They should, and they should vary as times change and we know more—like demographics and things like that.

The Hon. DAVID CLARKE: Would that explain part of the problems we have here in Sydney and in the northwest, that we have this 30-year population growth plan required of local government but we only have a 10-year infrastructure plan, if that, from State Government? Is that part of the problem?

Mr STAPLETON: Yes. It has to be said that if you do not have a 30-year plan at the same time— So you cannot take pieces away from your 30-year plan without putting something back. I am happy to be an engineer and a planner, because as an engineer I solve problems. I do not set them up; I solve them. This is what has happened since the lack of railway funding comes along: You immediately have to think, "What can I do with a plan that will work in 30 years time", which is why that idea of the roadway came up.

Ms SYLVIA HALE: You said at one stage that part of the problem was that there was an awful lot of power within planning. When we look at your figures, where you say that it costs \$1,300 to move a passenger by light rail metro and \$2,800 for the metro, but then \$26,000 to move roads, surely the conclusion to be drawn is that there is an awful lot of power in the RTA and the roads lobby, rather than in the planning or public transport lobbies?

Mr STAPLETON: I am sorry if I go academic every now and then. But nobody else has done those figures. I do not know why. I started producing them and everybody said, "Well, that is a way of doing it." It is very simple. If you are doing it in a factory, it would be the way you would try to work it out; it is the same sort of thing. You are right.

Ms SYLVIA HALE: Have those figures been validated in any way? I notice you said that your treasury had checked your figures.

Mr STAPLETON: No. I have validated them from my costings and my knowledge of the capacity of the systems. It does mean the systems have to be full for those figures to work, because the less full they are the more the costs go up per passenger moved. That is per full passenger, as it were. Your railway cannot just stop at its maximum; obviously it goes beyond, and it gets quieter and quieter as it goes out. So that is the figure to be taken with a pinch of salt in terms of if you are going to build the whole line.

Ms SYLVIA HALE: That would apply to all your services, because presumably they only operate at peak capacity over fairly short periods?

Mr STAPLETON: Yes.

Ms SYLVIA HALE: With regard to the Web net you are proposing, we have heard evidence from people who live around West Pennant Hills that the difficulty they face is the absolute lack of transport, but a very particular lack at non-peak period times. Would your network of buses be operational every 10 minutes— say at 2 o'clock in the morning—or how would you keep the system functioning at a time when it is not in peak demand?

Mr STAPLETON: No, it would not be operating at 2 o'clock in the morning. The figures I have done, roughly speaking, say that the units, the buses or whatever they are, would be full during the peak, and the off-peak demand is sufficient for them to run reasonably at 10-minute intervals after the peak. I will give the example of the 389 bus, which I happen to live on the bus route of. You watch it going backwards and forwards at 6 o'clock in the morning. It does not have any people on it, but it makes it work because it has lots of people on it during the rest of the day, and it goes places.

This is the problem with feeder buses. You have a feeder bus that goes out somewhere in the middle of nowhere and drifts back into Mount Druitt or somewhere. Of course it is not going to work. But if that same bus went through to the shopping centre, then on to Wetherill Park and other things all day, suddenly you could go and see your aunty in hospital, or whatever, and suddenly it becomes part of your life, just like in the eastern suburbs. We are very lucky in the eastern suburbs; we use the bus all the time. You may have a car, but you do not use it. This is really not hard. There is more and more evidence to suggest that this is the way we should go. Paris has a very good interregional bus service. It has the metro, which we all know. If you get out at any metro station, you know exactly how to get anywhere else.

Ms SYLVIA HALE: Could the Web net function unless there are simultaneous upgrades, say of heavy rail? I notice that one of your proposals is to feed people into Castle Hill, and that is a key location. But if the heavy rail connections to Castle Hill are not there, will you not be compounding an existing problem?

Mr STAPLETON: No, because you would have to make that work in the interim as time went on. You cannot afford the heavy rail in that case, everywhere. As I said, I have tried to put it into perspective of: This is not the only problem on the block. For example, the fact that the bus numbers are going up by 30 per cent a year, or whatever it is I read in the paper, means that the bus is being very successful. It does not mean it is a failure. The fact that somebody wants to buy 100 buses to put on that route means it is being even more successful. I cannot work out the economics of that myself, because there is only one route backwards and forwards twice a day. But the fact that that is happening is evidence that you can do very well with buses.

In Sydney we have a real issue about buses—that they are just not the way to go. But, in fact, once you get on a bus it is not that bad, and obviously more and more people who are being slugged with a large toll are discovering that that is the way to travel. You have to have 128 buses to have one train. In theory, if you had the room on the roads for 128 buses—which you do not, because they all get stuck in the city—that means you would have a bus every 30 seconds, versus a train every hour. It is much nicer to whizz down and get on a bus than it is to wait for an hour for a train.

The Hon. LYNDA VOLTZ: The \$26,000 you have spoken about includes the cost of cars, is that right?

Mr STAPLETON: No. I just do infrastructure costs. If I could explain. There are 133 bus routes and 133 projects in the plan. I did the costings of each of those, and then simply added them up and divided by the kilometres of project to get the average costings. So obviously it varies per the different areas. If you are in a tunnel, it is going to be much more expensive than if you are on the ground, and things like that.

The Hon. LYNDA VOLTZ: You are only talking about new infrastructure that has been put in place?

Mr STAPLETON: Yes.

The Hon. LYNDA VOLTZ: For example, you would have taken the airport line and run that against the Cross City Tunnel and the Lane Cove Tunnel?

Mr STAPLETON: Yes, I would. My example is the F6. If you go to the F6 and take it straight in to the airport tunnel, where it is going to come in, in theory you are going to have to widen the whole of the Eastern Distributor, or get a large traffic jam. If you widen the Eastern Distributor, you are going to have to widen the way you get across the Harbour Bridge. I reckon that if you provide for the 5,000 people who would be able to get on the road from Cooks Bridge going into the city, you will actually spend about \$133,000 per vehicle to clear it so the traffic will move. So each commuter would be subsidised to \$133,000 in order to do that. That is why the transitway wins.

Ms SYLVIA HALE: Is it just physical construction costs, or acquisition of property as well?

Mr STAPLETON: In general, it is only physical cost, because in Sydney now we tend to disappear into tunnels. We are very lucky; we have good stuff underground. It may be bad for the stuff coming out at the top, but it is easy to dig the hole.

The Hon. LYNDA VOLTZ: Your preference would be a light rail system from Castle Hill to Parramatta, as opposed to a heavy rail system—

Mr STAPLETON: It is really a heavy rail system.

The Hon. LYNDA VOLTZ: A heavy rail system from Castle Hill to Parramatta?

Mr STAPLETON: Yes.

The Hon. LYNDA VOLTZ: I am more interested in the route. Would your preference be to do the Chatswood to Epping line, to Castle Hill, and then to Rouse Hill, or would it be better to do from Castle Hill to Parramatta?

Mr STAPLETON: Castle Hill to Parramatta, by about four to one—whether it was a long train or a short train.

The Hon. LYNDA VOLTZ: If you were going to invest money and put it into a rail system, that is the way you would go?

Mr STAPLETON: Yes.

The Hon. LYNDA VOLTZ: Given that there is an issue about revenue from the State Government at the moment—there is no money in the pot; everyone accepts that—given the experience of things like the airport line, would you go for a public-private partnership, would you wait until money was available and then add the plan, or would you look at the debt?

Mr STAPLETON: I do not think I should answer that. I have so many thoughts on funding. I find it fascinating the way, as a society, we are doing our funding. But I think that is another subject.

The Hon. LYNDA VOLTZ: You went back to the period of Neville Wran. Obviously, at that point a lot of things were paid for out of the revenue base. The reason there was electricity in the market was the building of generations during that time—the protection of the Bondi to Bronte walk, and a whole range of things at the time.

Mr STAPLETON: Yes. Again, this is almost history, as opposed to politics. Politics plays an enormous role in that, which is again not my role. I base the program on the fact that \$1.2 billion per year is spent. The only reason I did that was because that is what we have spent in the last 10 to 15 years on our infrastructure, whether it be PPPs or government projects. If you add the whole lot up, it comes out at about—

The Hon. LYNDA VOLTZ: That is for additional projects. Does it include things like the Pacific Highway upgrades—?

Mr STAPLETON: Correct. It is only the metropolitan area of Sydney.

The Hon. LYNDA VOLTZ: You spoke about stages. I have asked this question of other witnesses. The Premier went to Infrastructure Australia and said the idea of doing the metro to Rozelle allowed for the ability in the future to extend the north west metro line, at a cost of \$4 billion.

Mr STAPLETON: I still cannot justify the metro going beyond about Ryde on that line.

The Hon. LYNDA VOLTZ: That is about density?

Mr STAPLETON: Yes.

The Hon. LYNDA VOLTZ: Is that not the case with metro and light rail? Is there a greater efficacy in increasing density, as opposed to increasing the spread?

Mr STAPLETON: That is the Department of Planning. That is getting your demographics right so that you know who wants what and whether you can supply it.

The Hon. LYNDA VOLTZ: Take the metro in Tokyo. Obviously, Tokyo has 20 million people in a very small, concise area—which is why they can run the kind of metro systems they run, is it not?

Mr STAPLETON: To take your point further, yes, in a density of Sydney you do not need to have heavy rails rushing in all directions; you cannot afford it and, more importantly, they will not be full, so you go for a light rail system. Practically speaking, the lines are the same, by the way, so you can run them up and down as fast as you like. The Dutch do that a lot. The density will not get to the point where you are going to have that sort of mish-mash of Tokyo railways in a bit of a hurry.

The Hon. LYNDA VOLTZ: It will be more like the Zurich model?

Mr STAPLETON: Yes, the Zurich model is miles better.

The Hon. HENRY TSANG: Everyone seems to think that it is the car versus heavy rail or light rail. Is it not the way of life that Australians always want to have a car? I remember in my days in the city of Sydney we were planning to allow the construction of apartments without car parking because we were thinking that if you live in the city, you do not need car parking. There was great resistance because people who lived in the city and worked still wanted a car because of their lifestyle. Therefore, rail has this purpose apart from just through the city; it does allow people to travel to visit relatives. You cannot completely ignore that. What is the way of lifestyle in choosing public transport and lifestyle and having a car?

Mr STAPLETON: I must admit that I was actually against that idea. You do need lifestyle and you really cannot penalise somebody and tell them, "You can't have a car." I got in the Underground in Shoreditch at 10.15 the other night in London and was absolutely blown away by the fact that the Underground was as full then as it was when I had gone the other way in the peak. Everybody is using it for lifestyle. They were all sitting there—they are not allowed to drink anymore; some were—enjoying themselves and it is just party mode right through the whole public transport system.

Quite frankly, the 380 works like that, almost too well sometimes and the 389 is a great social place. I do not think we should penalise cars. I always use Munich, although it could be any of those sorts of places, but you have a really good bike system; you have a good public transport system and you have got a nice Mercedes parked in the garage. You choose whichever it is for whoever you are trying to impress maybe, but whatever you are trying to do, there is a choice and you use all three equally. We have this terrible argument here about—

The Hon. LYNDA VOLTZ: But only 1.5 million people in the city?

Mr STAPLETON: I accept that, yes, in all of the cities mentioned above, correct, but even somewhere like Paris, which has got more of the density and works much better with different things, you do not consider going out in New York or London in your car in the middle—any time actually in London. We should have that choice. I do know I was with some people from Kashistan recently and they really could not understand that I had a car that I left in the garage all the week and drove it at weekends.

The Hon. HENRY TSANG: If local government were to work with this 30-year plan and actually build up the population and the existing transport core, then eventually the density and demand would be there for all of those other provisions of mish-mash of bus. In cases where there is a shortage of funding, you should still allow the population to live where there is existing transport rather than letting it go to the fringe of the city and wait for even longer?

Mr STAPLETON: Yes. There is a transport theory, which again I think London is an example of. London really did not build much for a long time in terms of transport infrastructure—the Jubilee line and a few others, but there was quite a large gap; the M25 gets rid of people who are not going to London, so you have got the middle, yet it has totally survived as one of the great cities of the world. It has survived because the local areas have everything they needed.

What you are saying is very similar. I am thinking of Penrith for no better reason—if you have a place where you are not allowed to put in lots of things in the suburbs, there is an awful lot of travel happens. If you have a metropolitan area, which is not going to build transport—and we are rapidly may be going that way—then either the city will go backwards, which I have written about quite a lot and/or you will get places that grow because they are well served.

The example I give is the two corridors not particularly strongly identified in the metropolitan planning strategy are the Liverpool through Merrylands and up to Parramatta, Cabramatta and all that lot. That is going to grow because it is good. So is the Hurstville-Rockdale area. Those places are going to grow because the councils want them to, one—not Ku-ring-gai—and they have got a lot of people who want to be like that and grow like that. Hurstville is tremendous. It is a changing city all the time. The answer is that it is a two-way thing. If you do not do anything, a lot of people will sort themselves out anyway, which is the lovely thought: Do not do anything.

The Hon. HENRY TSANG: If you do not have the money, do you allow the existing local government to develop its own strategy and allow the growth and have employment and services along the corridor?

Mr STAPLETON: I think if you took the no-money option, you would put the bus system in because then everybody has access to a public transport system. You would then put a congestion tax on all of the freeways, so that the people who want to move can pay for it. If you did that, you would have a system that worked. You would be able to attract the global head-hunters. You would be able to attract the higher echelon people and keep them here. You have to really work on making sure the city is not going backwards compared with its opposition. If you go to Singapore now, it is phenomenal; Hong Kong is phenomenal. Abu Dhabi, Getting there. These places are all beating us hands down in terms of getting around.

CHAIR: I am sure that we could talk for hours but, unfortunately, it is my job to keep us on track, so I would like to thank you very much for your submission and also for being here today.

(The witness withdrew)

(Luncheon adjournment)

CHARLES KILBY, Chair, Traffic, Transport and Infrastructure, Ryde Business Forum, and

ANTHONY JOHN MORAN, President, Sydney Hills Business Chamber, sworn and examined:

JOHN GORDON LECKIE, Traffic Spokesman, Dural and Round Corner Chamber of Commerce, and Chairman, Round Corner Traffic Taskforce, affirmed and examined:

CHAIR: Thank you all for your attendance before the Committee. If any of you should consider at any stage that certain evidence you wish to give or documents you may wish to tender should be heard or seen only by the Committee, please indicate that fact and the Committee will consider your request. Also, if you happen to take any questions on notice from the Committee we would appreciate it if your response to those questions could be provided to the Committee Secretariat by 28 November 2008. Would any of you like to make an opening statement?

Mr KILBY: Firstly, I would like to summarise the submission we have tabled. Secondly, I would like to take you on my personal journey of living and working in the area for the past 10 years. Thirdly, I would like to table some possible solutions to the situation in the northern districts.

In a nutshell the northern districts is choking to death with traffic congestion. The population is increasing, business is growing exponentially, the public transport is at capacity, and there is insufficient parking. I live in the Hornsby area and I work in the Ryde area—I have done so for the past 10 years. During that time I have noticed that the traffic peak hour used to run for about an hour, and it used to take me about 35 minutes to get from our home to work driving a car. The peak hour has now extended to a approximately a three-hour period and it takes a minimum of one hour to one hour 20 minutes to get from home to work if there are no car accidents along the road. I have children and during that period I would have to drop them to school, I go to a gymnasium so I have to take clothes to the gymnasium, after-school sports for the kids, after work meetings, and in my occupation I also do home appointments after hours. All of those activities are not conducive to being able to catch public transport to and from work each day.

Coming to realise the needs of the rapidly growing population of the area, there needs to be a combination of public and private transport. At the moment there seems to be a missing link and that is the link that gets people from their homes to a major transport route or major bus stop or train station and once you have taken the kids to school, or gone to the gymnasium, and you are on your way to work there needs to be some sort of facility where you can park and ride—that seems to be missing at the moment.

There is a three-part solution. We believe an investment in traffic flow solutions must be made immediately. The traffic congestion through Lane Cove Road, Epping Road and the M2 is absolutely stifling business. Macquarie Park is the second largest central business district in Sydney—it has grown bigger than Chatswood and North Sydney—and still has 40 per cent to grow. Yet in the 10 years that I have been travelling through that area nothing has changed with the road system. So going forward, with the 40 per cent expected growth in the area, to attract businesses and employees to the area we must overcome the traffic congestion problem. There needs to be an investment into the traffic flow through the area. I would like to table some maps of the area.

Maps tabled.

The forum has identified some key areas or basically the current bottlenecks in the area. It is really the stretch of road through Lane Cove Road. There seems to be a lot of work done on getting around Sydney but through the middle of Sydney, and this district in particular, there are enormous amounts of traffic flow and the congestion occurs mainly from the intersection of Epping Road and Lane Cove roads. There are traffic lights underneath that bridge that cause Lane Cove Road to stop. It has been reported by the *Sydney Morning Herald* as being the second highest accident intersection in all of Australia. That is because you have three lanes turning right and there is about 100 metres from one intersection to the next. Cars run the orange and red lights and by the time they are through they are running into oncoming traffic. When there is a traffic accident there the whole arterial road is cut off and it creates a nightmare for traffic. There also needs something to be done with the lights when coming off the M2. If all the traffic lights could be removed to allow the traffic to flow through—that is the real congestion point—on Lane Cove Road that could be done with a series of flyovers and off ramps. I am not an engineer but I am sure they could work out a way of doing it.

Another key area is at the intersection of Carlingford Road and Epping Road. The M2 is at capacity— from 7.30 a.m. it is bumper to bumper. There should be an alternative route and one suggestion from the Epping Chamber of Commerce to remove the bottleneck was a tunnel to go underneath Epping railway station to connect Carlingford Road with Epping Road. There is a bottleneck on Beecroft Road as well as the other two roads. The pink highlights are area suggestions for park and ride facilities. If we can get some of the traffic off before it gets into those bottleneck areas, especially with the new railway station about to open at Epping where this is no facility for anyone to park. Infrastructure has been put in place, and will open soon, yet there is no way of getting to Epping station for all the people who live west of it. Buses down the M2 are packed to overcapacity; the car parks along the M2 in our region are full before peak hour—people cannot get a car park—and they cannot get a bus as the buses are going past full.

So are suggestions are, firstly, to invest in traffic flow solutions. Secondly, to adopt a metropolitan parking plan, which includes those park and ride areas. Thirdly, plan for growth—this is the longer term planning. I am sure the metro link has been brought up a few times today. The metro link was a key to relieving traffic congestion in our area, especially in the southern part of our area at Victoria Road. We are all devastated that that is not going ahead according to the State Government. That would have taken a lot of pressure off not just for now but for the future. With all the planned growth for that north-west sector that would have been the key to moving those people in very quickly with minimal pollution—I will not go on about that.

In conclusion, I would like to say that the investment in infrastructure in the long term is an investment in business confidence. If business is confident and employing people that means there are more people buying more houses and population growth is occurring and that creates more taxpayers. All that is funded through growth, but at the moment all that is happening is that the congestion is a deterrent to business. We have had large companies such as Westpac move to South Australia. We have big companies that are moving into North Ryde, with the potential for a lot more to come in, but they are all concerned about the traffic congestion in trying to move large numbers of people in and out of the area. That is a summary of our submission and I hope you can relate to my personal journey, which is just a snapshot of someone who lives in the area. Businesses in the area are keen to work with the Government to implement the solutions we have tabled.

CHAIR: Mr Leckie?

Mr LECKIE: Thank you for the opportunity to talk today. I have put in a detailed submission and I do not really hope to go through all of that. I thought I would give you a brief rundown of our history in trying to have services in our area improved. First of all I would like to explain that I am the traffic spokesman for the Dural and Round Corner Chamber of Commerce. I am also chairman of the Round Corner Traffic Taskforce that was formed only a few years ago in relation to the traffic issues that we have.

We are right on the north-east side of the north-west sector. We have the joy of being right on the border of two local government areas: Baulkham Hills and Hornsby, as well as two State electorates. We feel we are sitting on the fence sometimes in the responses received from different groups and different political parties. Tony Moran will handle most of the bigger picture issues so I will just stick to the ones specific to the Dural and Round Corner areas. For those we go back to a strategic group study that was done on traffic in 1998 by the Roads and Traffic Authority and was partly funded by both councils. The study came up with numerous recommendations that to this day have not been acted upon; we have not seen any Roads and Traffic Authority expenditure other than on road maintenance in our area. It did a lovely report and came up with some wonderful recommendations that the community gave input to but, apart from the councils instigating development application conditions on any developments that have been carried out in the area, we have not seen any Roads and Traffic Authority expenditure to improve infrastructure. Rather than go into those recommendations, which have all been tabled as part of our submission, I am happy to take any questions on that or on the bigger issues at the end of my presentation.

I will give you a bit of an idea of what we have tried to do over the years. We gave a lengthy submission to Reba Meagher in September 1999, when she was Parliamentary Secretary to the Minister for Roads. We then saw Reba Meagher again in January 2000 and went through the recommendations. We agreed on the recommendations put before her. We then came in and saw Tony Stewart in November 2002 and again in June 2003. We were given a bit of short shift, I suppose, along the way in that it was suggested there were different types of input coming through to the State Government from different community groups, be it residents, council or businessmen coming up with different recommendations. We thought we would get together and form the traffic task force, which we did in 2003. Basically we solved any political problems and

got everyone singing from the same hymnbook. It made it a lot easier to give Macquarie Street a clearer picture of what we thought was needed in our area and how we thought it could be funded.

We then gave a submission to the RTA and the Minister for Roads in July 2004. We came in and saw Tony Stewart again in December 2004. More recently in May 2006, with both local mayors, politicians and council officers we came in and had a meeting with Eric Roozendaal, the then Minister for Roads. As I have already said, nothing has been implemented as a result of that. The recommendations are quite clear. As a matter of fact over that period of time it was even suggested at some of the meetings that the report that had been commissioned and tabled was now probably obsolete and needed to be done again. It is a pretty frustrating long period of time for us when it is so clear how the local problems can be resolved. It is a tiny pocket of Sydney. We have had the growth of the north-west sector coming through our area. We are not talking about getting from one side of Sydney to the other; we are talking about a small geographic area and being able to exist in that area. It becomes exceptionally frustrating trying to get action from Macquarie Street. Again, thank you very much for your time.

Mr MORAN: I am the president of the Sydney Hills Business Chamber, previously known as The Hills Chamber of Commerce. I am also the principal of Wizard Home Loans at Rouse Hill. I speak to you today as representative of the collective voice of the Sydney Hills business community. With a reach into approximately 3,000 businesses the Sydney Hills Business Chamber is charged with the responsibility of voicing the concerns of the local business community in regard to transport, infrastructure and any other matter impacting the local economy. We welcome the State Government's willingness to hold this inquiry and appreciate being granted the opportunity to address the inquiry today in response to our written submission to the inquiry delivered on 17 October.

The written submission addresses a number of issues of concern to the chamber and its membership. Briefly they are as follows: The inequity of the M4 and M5 toll cashback system, which unfairly discriminates against the north-west sector; the lack of heavy rail or metro link services to north west Sydney; the lack of inter and intra-regional public transport services; peak hour traffic congestion along Norwest Boulevard; traffic congestion along Showground Road in peak business and retail trading periods; and traffic congestion at the major intersection of Windsor Road, Old Northern Road and Seven Hills Road at Baulkham Hills.

The implications of the lack of transport infrastructure in Baulkham Hills local government area are far reaching. Let me elaborate. Employment implications: The limited public transport into and around Sydney Hills requires the majority of employees to travel about the region in a private vehicle. This causes extreme traffic congestion and long commute times, often making it difficult to attract staff. Working hours are being altered by businesses to accommodate the congestion on local roads caused by the staff leaving at consistent finishing times. This impacts organisational efficiency levels and key staff often not being available for early or late meetings.

Business cost implications: Employers are being pressured to provide corporate vehicles and fund the associated running costs in order to attract staff to the area. Hills-based employers are required to pay higher wages to subsidise the need for a private vehicle and the high tolls paid by employees using the M2 and M7 to travel to work. Organisations are funding private buses to ferry staff to and from out-of-area railway stations. Staff and employers contribute to such schemes having an impact on business running costs and diminishing the disposable income of employees. Meetings with external parties often commence up to 15 minutes late with out-of-area visitors often underestimating the time it takes to commute to the area and having been caught in traffic congestion along the way.

To my knowledge the financial impacts of this have never been measured, but it is a massive waste of our labour resources with people often sitting around idle waiting for latecomers to arrive for meetings. Due to the extraordinarily high reliance on private vehicles, rising fuel costs put pressure on wages for Sydney Hills employees. Price rises in any area impact the use of a private vehicle—be it fuel, insurance, registration or tolls—and weigh heavily on wages with disposable income being eaten up more quickly in The Hills than in other parts of Sydney where there are viable public transport alternatives.

Economic stability and morale implications: Rumours of large businesses considering leaving the area due to transport issues undermine business confidence in the area. Staff morale is low as employees often arrive at work late frustrated and stressed having been caught in traffic congestion in and around the area. The lack of a delivered rail link of any kind, despite the assurances of three State Governments that one would be delivered to the area in years to come, has massive impacts on the economic stability of the area. There is a feeling of

disillusionment and disappointment amongst the whole community that this rail link has once again been promised and renege. Announcements of any rail link, such as the metro link most recently promised by Premier Iemma and Transport Minister John Watkins, are now being received with cynicism by the Sydney Hills community.

The positioning of our region as a serious business centre has been undermined by the missing rail link. Many business people outside the area know very little about Sydney Hills as a serious contributor to the State's economy. What they do know is that we are that part of Sydney with no railway line, and that is unacceptable. The local economy is at the mercy of changes in disposable income for residents caused by increased fuel and other associated vehicle costs. Local retailers, restaurants, entertainment venues and businesses all feel the pain of a local economy being squeezed by such increases, much more so than other parts of Sydney where choice exists as to the form of transport.

In conclusion, there is no questioning the fact that Sydney Hills is one of the fastest growing regions in New South Wales, providing exceptional employment and economic development opportunities for residents in the area as well as for residents in greater Sydney and New South Wales, not to mention the significant contribution this represents to the State's economy. This incredible growth and prosperity has occurred not because of but in spite of the Government providing infrastructure in the region, or more accurately the lack thereof especially in relation to transport.

Our specific recommendations have been outlined in the chamber's written submission to the Standing Committee, but quite simply Sydney Hills Business Chamber asks the State Government to act immediately to ensure that Sydney Hills remains a prosperous serious contributor to the State's economy competing on an even footing with other regions of Sydney with respect to our business activities. We urge you as our elected State representatives to provide us with the adequate transport infrastructure to do so.

CHAIR: Thank you all for those preliminary remarks. Mr Kilby, you mentioned that Westpac had moved to South Australia. Are you aware whether traffic congestion was part of the specific reasons that Westpac chose to leave New South Wales?

Mr KILBY: No, I am not. It was just an example of a very large organisation centralising its activities in an area where there are cheaper rents and better conditions. The point of the comment was that if business is facing the traffic congestion that we have it will be a factor in any decision making. Optus has just moved into the area with 6,500 employees. They are providing buses for their employees until the train services are up and running. They have only 2,400 car spaces. Since they have moved in it is like the population of a town has moved into the area and traffic congestion has blown out of all proportion as a result. The problem stems from the lack of ability to park and ride at railway stations and connecting infrastructure further out. To answer your question, no, Westpac's decision was not specifically traffic related. It was a long time ago, probably 10 or 15 years ago that they moved over there, but the incentive for business to move into North Ryde is very much affected by the choking of the traffic.

CHAIR: You mentioned, like some other submissions, that the lack of parking at the new Epping station is a problem. Was that by design? Is that an example of the lack of integrated planning or just a mistake?

Mr KILBY: The problem with Epping is that it is on the boundary of three separate councils, Hornsby, Parramatta and Ryde. Hornsby and Parramatta are the two major councils involved there and they are both in different district councils. One goes further north and the other goes out to the west, so they are not even talking to each other at a district level let alone at a neighbourly level. I think it has been a victim of the rail link that was initially going to Parramatta. That was cancelled halfway through the project and it became the Epping to Chatswood link. We call it the halfway to Parramatta train line. Then there was the metro link that was going to go through Epping. That would have moved people from The Hills district onto the heavy rail at Epping and then down through the Macquarie corridor. Now that is not going ahead we are left with a situation where no alternative has been put up. A natural alternative would be to have park and ride long-term car parks at strategic locations, especially Epping, to get those people off the road at Epping before they get through that bottleneck that is highlighted in the map and onto the train line and down to Macquarie. It is probably a five-minute train ride and it can take 30 to 40 minutes just to get down that stretch of road at peak hour.

CHAIR: Mr Leckie, you have detailed the last 10 years of getting nowhere. It must be incredibly frustrating that you have tried to get your act together in terms of getting all the different groups together and still you do not see any developments in terms of local roads. Basically there is nothing happening.

Mr LECKIE: No.

CHAIR: That is amazing.

The Hon. DAVID CLARKE: Mr Kilby, in your area you have a couple of train stations, Denistone and West Ryde, but from your submission I take it you are getting feedback that a lot of people are turned off trains, firstly because of the reliability of timetables and also because of personal safety, particularly of children, and the fact that there are insufficient guards and there is talk of taking guards off altogether. Are you getting substantial feedback that this is a big turn-off for people using the trains in the area?

Mr KILBY: Yes. We surveyed all of our members and the members of the six chambers of commerce in our region. What we were told was that 77 per cent of employees of members are taking private transport to work, driving to work, which seems like a huge amount proportionately to the local workforce. The reason for it is exactly that: it is too difficult to get public transport from a lot of the areas. Sydney is very sprawling and to afford housing they are living further out. The further out they are the harder it is to get public transport in, especially when the transport is already full. The train lines, especially in winter months when it gets dark very early, the females refuse to go on the train when there is insufficient security, especially with the crime rate through a lot of those areas growing. The crime rate is not too bad in Ryde, but as you get further out there seems to be a lot of crime. So for personal safety, definitely, it is a lot safer to drive your own car.

The Hon. DAVID CLARKE: Following on from the question by the Chair, these approaches you have made to the Government over the past 10 years—to Tony Stewart, Eric Roozendaal, Reba Meagher—you said you found the consultation process with the State Government has not been what you thought it should be.

Mr LECKIE: That is precisely right. As business people, as community representatives, we come to hold a conversation to try to highlight the issue. We give input into submissions. We give input into ways of fixing it; we suggest ways. We have got some gems out there. Both Hornsby council and Baulkham Hills Council get extractive industry royalties from further up Old Northern Road. So some of those funds can be diverted to our individual issues that we have talked about. But it would seem that no-one gets off their backside and makes it start to happen.

The Hon. DAVID CLARKE: You are getting the runaround and a lot of frustration from all of your considerable efforts over the years?

Mr LECKIE: Without a doubt. It is a question of just making it happen. We have a lot of gonnas and not many doers. That is the way I would talk about it.

The Hon. DAVID CLARKE: Mr Moran, you have raised the problem of section 94 contributions. You expressed concern that many of these contributions are being made to the State Government but we do not seem to be getting much infrastructure back from them. You have made a recommendation that they should be going to the local councils instead of what appears to be a bottomless pit with the State Government. Is that a fair summary of your position on that issue?

Mr MORAN: It is. We have spent quite a bit of time with council going through a lot of the detail of where the funds are being accumulated from and how they are spending them. In recent times, with the way property market and development is going, I guess they are getting fewer and fewer people who are ready to commit to that sort of development.

The Hon. DAVID CLARKE: Are you getting any straight answers as to where the money is going?

Mr MORAN: Of course. We believe the Baulkham Hills Shire Council has an excellent plan of where those funds are committed and where they are being spent. We do not have that level of confidence, not having access to the information, at the State government level.

Mr LECKIE: Could I add to the question that was raised? We talk about the outer lying areas, or what happens to the transport and that sort of thing. The solution in our area to transport issues is your daughter or son turns 17 and you buy them a car. It is the only way they can get around. So all we are doing is putting more and more cars on the road day in and day out. All it will do is feed down further into the transport system and make it more and more difficult.

Ms SYLVIA HALE: I take note of your comments about section 94. You would all be aware of the Government's move to limit councils in their ability to raise those funds. I presume you would consider that a retrograde move?

Mr MORAN: We do.

Ms SYLVIA HALE: Is that because you think that council or the regional organisational council has greater awareness of the on-the-ground problems that you confront in a way that the State Government does not?

Mr MORAN: Most definitely. The community is swamping council with issues of what they want done. I think our council is very active as well in gaining that community feedback, having just undergone a major 2026 strategy document. I think they are extremely aware and very close to what is required.

Ms SYLVIA HALE: One of the criticisms of councils has been that they collect the levies but then stockpile and accumulate them. I assume councils argue that they need to accumulate them in order to have sufficient volume of funds to do anything meaningful. Would you agree with that position?

Mr MORAN: I have a problem with the stockpiling of funds because I know that they do not receive a lot of those section 94 funds until some of the development work actually takes place, and that is not happening.

Ms SYLVIA HALE: So you are in a catch 22. The developers cannot develop because they have not got the road and rail infrastructure and because they do not develop the councils cannot collect funds?

Mr MORAN: Correct. Until the work starts they do not collect the funds.

Ms SYLVIA HALE: Gentlemen, do you have concerns about the possibility of consistent increases in the price of petrol and the unavailability of petrol as global resources of oil decline or oil becomes more expensive to locate and develop? There is a lot of focus upon the provision of facilities for cars, such as tunnels under roads and parking provisions. Do you agree from a global perspective we face a future of declining oil supplies and that this will feed back into our communities and make cars a far less viable form of transport than it has been to date?

Mr KILBY: I do not think so. I think you are basing that on the assumption that we are always going to have petrol cars. We have to get to a point where they start releasing electric cars or different forms of propelling motorcars. There is always going to be a need for personal transportation. I think that the State Government or the Roads and Traffic Authority in particular has had the theory that if they just do nothing about the roads the congestion will get to the point where it will force everyone onto public transport. The problem with that is that public transport is not coping. I was reading in the paper about 300 more buses, but they have not been ordered. We are getting all these conflicting stories. The infrastructure is not being put in place. There needs to be a combination. There will always be personal transport, whatever the mode. I think it will get to the point where if oil is too expensive to use they will come up with an alternative. If you look back in history we were riding horses not that long ago. We now have super powered cars and they are becoming more and more fuel efficient every day. There will be new inventions and it will continue. We will need that personal mode of transport and we need the infrastructure in place to be able to accommodate the movement of large volumes of people. If we can do it a lot quicker than we are doing now it will cut pollution, it will cut stress in the workplace and it will stimulate business. It will be good for the State.

Ms SYLVIA HALE: Earlier today evidence was given to the Committee that on a per passenger basis it would cost about \$1,300 for a light rail system and \$1,800 for a heavy rail system. But on a per passenger basis in terms of use it costs about \$26,000 to construct roads. If the emphasis upon the State transport system is upon the provision of facilities for cars, no matter how they are powered, does that strike you in the current context as a potentially misdirected use of the State's limit funds?

The Hon. LYNDIA VOLTZ: Point of order: The member should clarify that the evidence given was in relation to tunnel toll roads.

Ms SYLVIA HALE: I think they were tunnels. Today we had a suggestion that we needed a tunnel under Epping Road. But it was looking at overall, not just tunnels. They looked at the cost over the last decade.

The Hon. LYNDA VOLTZ: Of the new infrastructure that had been put in place with the toll roads.

Ms SYLVIA HALE: Even if they were not tunnels, it was still a significant cost differential per passenger.

Mr LECKIE: I can only comment on that. Surely anyone sitting in this room would say that our biggest problem at the moment is cars because of the congestion issues that we have got. We are only looking to try to put the fire out or subside the flame for a little while so that hopefully we get a decent transport infrastructure. I am not qualified to talk about how cars are going to be fuelled or what cars are going to be constructed of. I just know that right now in my community there are too many cars and not enough roads to drive on. The only way we can fix it right now is to get better roads. Would we like to see more public transport? I do not think anyone here would say anything different.

The Hon. LYNDA VOLTZ: Mr Kilby, did you say you live at Hornsby and work at Macquarie Park?

Mr KILBY: I work at Ryde, so I drove through Macquarie Park.

The Hon. LYNDA VOLTZ: You suggested a park-and-ride at Epping. Using your example, to take your car to a park-and-ride at Epping you would still have to traverse a tremendous amount of Sydney roads.

Mr KILBY: That suggestion was from our members who have employees who come from the northwest sector who need to get into Macquarie Park. The last leg of the journey is taking forever in the traffic. So if they can park at Epping, they can get on the new train line down to Macquarie University.

The Hon. LYNDA VOLTZ: When the Epping to Chatswood line opens, that should remove some congestion from around the Macquarie Park region.

Mr KILBY: That is what I am talking about, but there is nowhere to park to get on the system.

The Hon. LYNDA VOLTZ: If you were coming from Hornsby you would not park at Epping, you would park at Hornsby and then come down.

Mr KILBY: That is correct, but again there is a small car park at Thornleigh and there are no other real car parks at any of the train lines all the way along there.

The Hon. LYNDA VOLTZ: The expectation will be that people will use the train lines that are close to them, leaving aside the northwest where obviously there is a problem.

Mr KILBY: You need to appreciate the sprawling nature of the city and not everyone is a five-minute walk from the railway line. In some of those suburbs you need to drive to a railway station, it is too far to walk.

The Hon. LYNDA VOLTZ: Your concern is the businesses around the areas that you represent in Ryde, such as Macquarie Park?

Mr KILBY: That is correct.

The Hon. LYNDA VOLTZ: Like Sydney Olympic Park, which has a train station, a train station is going in at Macquarie Park for the growth that comes with the businesses.

Mr KILBY: Yes.

The Hon. LYNDA VOLTZ: It is not about the user end, it is about the businesses that you represent in that area.

Mr KILBY: That is correct, and those businesses employ a lot of people and those people they employ live in those outer areas.

The Hon. LYNDA VOLTZ: When the Commonwealth Bank moved to Sydney Olympic Park it had to put buses on from the northern beaches because there tends to be a regional base where people live and work.

Because of the bank's previous location, it had buses come from the northern beaches because there was an expectation that at least for a period that would be the movement of their people.

Mr KILBY: Okay.

The Hon. LYNDA VOLTZ: When Optus moved, a lot of Optus employees were coming from the south and southwest regions.

Mr KILBY: They actually moved nine facilities into one, so they had people coming from all directions. Macquarie Park is very central, so it is a matter of integrating. Optus has done a magnificent job of moving their people.

The Hon. LYNDA VOLTZ: Do you have any figures on Macquarie Park about where the employment is coming from, what regions make up the greatest mix of movement into the area?

Mr KILBY: The whole idea of the area is that there was Macquarie University, then there was the push to put IT [information technology] businesses into the area. So they are mainly IT and service-based industries that have come into the area—Microsoft, Optus.

The Hon. LYNDA VOLTZ: What regions are the employees coming from?

Mr KILBY: The northwest sector, the Hills district—

The Hon. LYNDA VOLTZ: I am talking about Macquarie Park.

Mr KILBY: About 5 per cent of them live locally at the moment and the rest live in all directions. There is no set—

The Hon. LYNDA VOLTZ: You do not have a breakdown of the travel patterns?

Mr KILBY: No, I do not have a breakdown.

The Hon. LYNDA VOLTZ: In terms of the extension into the north west the committee has had a number of different views about what kind of line you would see. There have been a number of options obviously the metro line which would take it away from the heavy rail, put it through Victoria and be independent of heavy rail system, the extension of the heavy rail through Castle Hill and to Rouse Hill and then another suggestion about an actual light rail system from the Hills district into Parramatta, to integrate it into that system. You may not have a view about this but is there a preferred model that you would like to see that would best suit the needs taking into context time and money? What would be the best solution? Is it better to wait the long term and get the unintegrated or get the short-term solution?

Mr MORAN: I think our first point of view is any option—

The Hon. LYNDA VOLTZ: is better than no option—

Mr MORAN: yes, would be great. I do not think the link to Parramatta would be the option. I think you would have seen when council presented to you on Friday the number of journeys in and out of the shire are not just to Parramatta. There are 88,000 journeys in and out each peak hour period. Now a lot of those go to the city as well. So I think it comes down to the full integrated system, would be the preferred option. Whether it is light or heavy I do not think it particularly matters as long as we get a system.

The Hon. LYNDA VOLTZ: Would you prefer Epping to Rouse Hill or the extension of Epping through the Carlingford line into Parramatta? Obviously, probably from your point of view, the one that goes to the Hills is the preferable model, even though the movements tend maybe not to be east-west but north-south?

Mr MORAN: I would agree with that, yes. I would also come back to something that Ms Sylvia Hale said about the \$23,000 per passenger to develop that. I mentioned before that I do not think a study has been done on the lost time in transit, but the cost to individuals and businesses I think would probably come out to somewhere around that amount or more, to be honest.

The Hon. LYNDA VOLTZ: In terms of the park and ride facilities, I put to some people from the round corner Dural area that areas such as Beecroft perhaps could be developed. But obviously you do not want to shift a park and ride into an area that may already be congested which would be my concern about Epping in terms of the school being two blocks away from that station and it already being a fairly congested area in the morning.

Mr MORAN: Norwest would have that problem as well at the moment as it develops. Parking congestion would be an issue so that would have to be seriously considered but I would say there would be a number of stations along that route where parking would be easily resolved.

CHAIR: I thank you for putting in your submissions and also for answering our questions today. They have been very helpful.

(The witnesses withdrew)

KEN MORRISON, New South Wales Executive Director, Property Council of Australia, level 1, 11 Barrack Street, Sydney and

MICHAEL ROBERT WATT, Development and Planning Manager, Norwest Land, of 17-19 Bridge Street, Sydney, affirmed and examined, and

AARON GADIEL, Chief Executive, Urban Taskforce of level 12, 32 Martin Place, Sydney sworn and examined:

CHAIR: Do each of you want to make an opening statement?

Mr MORRISON: Thanks very much for having me along to this inquiry. I think the issue of north-west rail access or transport access is very important. I have a number of very quick points and then I am happy to take questions afterwards, the first one being that all the work the Property Council has done over the past few years has pointed to high-capacity public transport access to the north-west as being among the highest of the State's long-term infrastructure needs. We did some work back in 2006 where we had the Centre for International Economics work very closely with us on then unfunded infrastructure needs and that came out very high among that process of the top 20 list of projects, and then we repeated that work for the Infrastructure Australia prioritisation submission that the Property Council put in nationally, and for New South Wales the north-west rail link in whatever form it might have taken was the top priority for New South Wales. So that is very important.

The second point I want to make is that with the changing government policy around whether there should be a heavy rail link or a metro rail link we were relatively ambivalent around the mode. We could see the advantages and disadvantages of each of those modes but certainly we would say that a high capacity, that is, rail link should be a priority on a New South Wales infrastructure program. I guess we would say that the bus commitments provided by the Government just a couple of weeks ago does not fill us with a great deal of confidence and certainly if there is to be a bus link then it needs to be a lot more detailed to ensure there is the frequency that is going to be required, but we would still like to see rail as a follow-up priority investment into the future.

The third point I want to make are the next steps, given this is a decision that the Government has made, there needs to be that work on the bus routes and the bus services so that there can be some confidence for the developers who are looking at that area at the moment, but also the people who are about to be moving in, as well as existing residents and existing businesses in the area that there is going to be that public transport and in what form and adequacy it will take. As I said, we would like to see the rail links come back onto the agenda. The next thing, given that the funding of the rail links was part of the input for development levies being levied in that area then presumably if we are not going to have the transport links then those levies should come down.

The fourth issue, I think very importantly, is what the history of this subject says about the State's ability to plan and deliver long-term infrastructure projects in New South Wales. Clearly this is now one of a series of transport U-turns and really has to call in the question the Government's ability—I do not say that necessarily in a political sense but I say it in a systemic governance sense. Clearly we do not have the governance arrangements in New South Wales which allow us to set long-term transport priorities, cost them and then deliver them. We have far too much change happening. We have a history of that for the past six or seven years now and we need far more certainty about that long-term planning and a building of the State Government's capacity to deliver major projects like rail which are very capital intensive.

Mr WATT: Thank you for the opportunity to address. I think it is fair to say that our submission was lodged prior to the final or most recent announcement of the Government. Consequently, it is a major disappointment to us, and I think many people in north-west Sydney, regarding the decision the Government has made. All of the planning work that had been carried out for almost 20 years was predicated on mass public transport to this region and to have this decision made is a major disappointment. We strongly support the need for an integrated strategy for transport and land-use planning in this part of Sydney, if not throughout the whole city. It is also fair to say that the major issue we are faced with is the journey to work problem, trying to get people from where they live to where they work and we are not going to solve it by not providing public transport.

We would also like to emphasise that there is a need for us to be more sophisticated about the way in which we capture the value arising from major infrastructure and rezoning that takes place in Sydney. We have not probably been able to do that as a community or as a State at any time. Thirdly, I would like to make the comment that the lack of decisions one way or the other on these matters, and the toing and froing, is a major frustration to the community not being given some certain direction in terms of which developers are able to make decisions for the future, I think, is endemic and a sad state of affairs for all of us unfortunately. As an example of that, immediately north of the business park, the Balmoral Road release area has been more or less stagnant for 20 years and there is no doubt that one of the reasons why it has not proceeded is the lack of decisions about how you are going to get access to this particular part of the release area. I note again that our submission was lodged before the decisions were made by the Government so perhaps an opportunity to make further submissions in light of that might be appropriate.

Mr GADIEL: The Urban Taskforce represents property developers and equity financiers, so that is the perspective we bring to this particular problem. The north-west generally is scheduled to house or include 160,000 new homes to accommodate our growth over the next 25 years. In particular, the north-west growth centre plays a crucial role in meeting the metropolitan strategies goal that 30 to 40 per cent of Sydney's growth should be accommodated through green fill development, through primary detached housing. It is an important part of Sydney in the sense that if we want to continue to give people housing choice—give people a choice between a free-standing house as well as high density townhouse and apartment living we need to provide for free-standing homes through the north-west growth centre and that is planned to have 66,000 new homes, a city the size of Wollongong.

It is really important wherever you go in Sydney, but particularly the north-west, to think about public transport as a mechanism for providing that growth. The north-west, as I am sure the committee has already been told, is a very public transport poor region of Sydney with 51 per cent of people resident in the north-west live within 30 minutes of public transport while for the rest of Sydney it is about 75 per cent. Public transport is an important part of accommodating the growth of Sydney and by putting public transport services in it becomes easier in any part of Sydney to accommodate that growth and make that work well. That opportunity at least for the moment appears to have been lost with the axing of the North-west Metro and that is disappointing.

In terms of the future we would say a couple of things. Firstly, public transport should ultimately go into the north-west and other parts of Sydney and when it does there should be planning to provide for the additional compact pedestrian-friendly walkable neighbourhoods around each of the public transport hubs or transit points. There is no end of data which shows that public transport is far more successful when there are high-density communities situated around it, walkable neighbourhoods, and creates a much healthier environment for people and a less motor vehicle dependent community.

Secondly, growth must still take place in Sydney—growth in population and also a growth in housing numbers to accommodate demographic change. Even if we had zero population growth in Sydney we would still need more houses to accommodate the fact that older people are living longer, that unfortunately people in relationships are splitting up more easily and people living alone as a result of that, and people have deferred marriage. Those reasons tell us that as the years go by on average there will be less people living in each home and more houses will be required. So that growth has to be provided for and cannot be ignored.

I would also add that public transport is crucial but there are also other ways too that the community and the Government can respond in the absence of solid comprehensive public transport plans. For instance, the western Sydney employment hub or the western Sydney employment lands investigation area, which is adjacent, is an opportunity to create perhaps tens of thousands of jobs in western Sydney, which perhaps could reduce the dependence of people in the north-west on travelling so much into the inner areas of Sydney for employment. Perhaps in the absence of comprehensive transport plans there should be a greater focus on creating jobs in the western Sydney region itself.

Finally, development levies are not an effective way of raising money to fund any kind of public transport infrastructure, whether it be some future replacement for the North West Metro or anything else, largely because for every time a development levy is imposed the volume of development that takes place will inevitably shrink. Developers can only proceed with development if they are confident that the end buyers of their product can afford to pay all of the costs plus the necessary margin for the developer themselves. In the north-west growth centre, development levies have been so high and so punitive that it has been impossible to profitably sustain any meaningful level of development in that region. We urge the Committee to not support

development levies as a mechanism for funding future public transport infrastructure. Perhaps it will not raise any money at all, which makes it a rather pointless exercise.

CHAIR: Mr Morrison, you talked about systemic governance problems with the State's ability to plan and deliver transport services. Obviously one of your recommendations is to develop a long-term transport plan for Sydney to support urban growth plans and shape the consideration of major new transport projects, which it would seem there should be in a sophisticated society. What is the best way to go about making sure that that happens in future?

Mr MORRISON: In the short term Canberra will set the long-term infrastructure needs for Sydney and New South Wales through the Infrastructure Australia process, that is in two, three or four years. It really will build our growth strategies around the Infrastructure Australia investment priorities, unless tomorrow's mini-budget surprises us all. It seems that most of the larger public transport orientated projects have been axed. In rebuilding our governance structures, and again largely we are looking to the Federal Government for some leadership, there needs to be some governance reform off the back of those Federal dollars. What can the Federal Government do to ensure that States such as New South Wales, which obviously has a problem, can do better in future?

What are some of the components of doing better? There is a question about the advice that governments receive and part of that has to be driven from the very fractured nature of the existence of our transport agencies in New South Wales. If you ask who is responsible for Sydney's transport system, it is very difficult to come up with an individual. There needs to be some agency reform and some clearer accountability there. Also there is an issue where clearly governments at a political level had been given very poor advice on the cost of projects. We have seen project after project costed and announced at one thing, and a number of years later it being quite considerably more than that. Obviously that puts a lot of pressure on governments to stick with these projects.

Something has to be done about that. Also major projects need to align with growth priorities. That is the Metropolitan Strategy target of having the north-west growth centre as part of a balanced approach to providing for housing and population growth as well as employment growth. You need to be able to support that north-west with high capacity public transport, and that is what we have been planning for over quite a number of years. We do not seem to have that plan in place now. So there would be some ingredients but there is no doubt on the evidence that New South Wales does extremely poorly. Unless we turn that around we will live the decisions on transport U-turns that we have seen in recent years.

CHAIR: Do you believe that the Federal Government in allocating projects under Infrastructure Australia should weld into that much more strict guidelines as to how long the projects would be delivered if they are delivered by State agencies?

Mr MORRISON: Yes. In the United States where there is Federal investment in cities they do staple that with governance requirements. They say, "We will invest in your city if you"—and "you" being the State Government with local government input—"come forward with a growth plan for the city and the key infrastructure needs for that city". That system has worked for quite a long time in the United States. There is greater consistency about the delivery of some long-term projects. In the same way that the national competition policy was effectively bribing the States to do the right thing, we really need the same sort of approach here. If there are Federal infrastructure dollars which are going to come down and invest in high priority projects, part of that deal for the States should be to reform its governance process so we get better at planning and delivering long-term infrastructure.

CHAIR: With agency reform and a multiplicity of agencies that are meant to deliver transport solutions, which agency would you start with?

Mr MORRISON: The Property Council of Australia does not hold itself out to be a transport expert. We do not put a solution on the table other than clearly what we have got is not working. So let us stop doing what is not working.

The Hon. DAVID CLARKE: Following on from your statement that clearly it is not working, today the Committee heard evidence from local government that it is required to plan ahead for 30 years in respect to population growth. However, local government has a problem that the State Government is committed to look

ahead only 10 years in respect of infrastructure planning. Clearly there is something wrong there. They complain about this in a very big way. Do you think they have a point?

Mr MORRISON: Yes, they do. The weakness of the Metropolitan Strategy always is that it was divorced from infrastructure planning. It did take a couple of years before we got a State infrastructure strategy, which was a good step forward with, as you say, a 10-year horizon. The State infrastructure strategy could have some improvements, but it is a valuable document. However, when it comes to long-term land use changes and long-term planning, we are talking about long-term rail links, there is a timing horizon which is often at the edge or over that 10-year horizon. It would make sense if we had not only a metro strategy and the aligned regional strategies for growth areas of the State, a 10-year infrastructure strategy, which is stapled to the budget process, but also a long-term transport strategy so we could see where the priorities are for a place such as Sydney. We do not have that. We have a number of individual projects around the city, but not a long-term plan that that investment and project design seem to be working towards. It is a project-by-project approach rather than a long-term strategy approach.

The Hon. DAVID CLARKE: Each of the organisations that you represent would have considerable expertise to contribute to such a planning consultation process dealing with transport infrastructure. Are your organisations regularly approached by the State Government to give input into those matters?

Mr MORRISON: We are regularly in touch with the State Government and asked for input on a range of issues. Certainly in the lead-up to the Metropolitan Strategy there were quite a lot of workshops and forums at a stakeholder level and a community level. So there was a fair bit of input. In the way some decisions about big infrastructure projects are made it tends to be that you read about some decisions in the paper and then respond to it. The first metro proposal was of that order and the cancellation of the metro was of that order. Because we have not had a process of designing a long-term transport strategy for Sydney, there has not been any input around transport, and I think that would be a good thing.

The Hon. DAVID CLARKE: Clearly something is going wrong. One of you mentioned that the Government is clearly getting very bad advice in regard to costing of some projects and that has been a disaster in many areas.

Mr MORRISON: Yes, it has. You have to feel sorry for a politician who is given advice by experts and stands up and announces something that is off by a couple of billion dollars. Some of the projects we have been talking about have been off by a couple of billion dollars. It makes it very difficult to deliver. The question must be asked, what is done about that to ensure that it does not recur?

The Hon. DAVID CLARKE: You believe that there is plenty that can be done in that regard?

Mr MORRISON: We do not see a lot of evidence that systemic reform is occurring within government to ensure that we do not end up in that situation again. We have a new Premier and a new Cabinet. The Premier has talked about focusing on the governance of government. If we take him at his word, that is some hope. One of the things we have been saying to the Government in its new incarnation is that this needs to be a priority. If, as a result of the mini-budget process, we have a lot of cancelled projects and not some investment in governance reform, so going forward we would get better at this, then we have lost the projects but we have also lost the ability to get better at this.

Mr GADIEL: If I could add to that. One thing is that there is always going to be inherent problems in the public service costing projects. This is not just in New South Wales, it is in almost every Western country where the public service delivers major capital projects. The public service suffers heavily from optimism bias and has a tendency to overestimate the capacity to control costs. The public service is inherently not good at controlling costs. At the end of the day we need to accept some degree of inaccuracy by the public service when it costs these things and we need to structure the procurement process as much as possible so that the delivery and cost control is handled by the private sector. There should be a competitive process for working out which part of the private sector is doing that.

Government will always get best value for money if it can put the private sector in charge of the procurement and cost control processes. That is why, although they are criticised from time to time, the motorways generally speaking are delivered on time and within budget in a way that perhaps State governments and Federal governments could never do.

The Hon. DAVID CLARKE: You say you are alarmed at media reports suggesting that the Government was considering new property or developer levies. Are you saying that maybe instead of putting out in its hand to those you represent for more contributions, the Government should put out its hand for some advice on how those contributions and so forth should be more properly and appropriately spent?

Mr GADIEL: Yes. I should point out that we always think it would be good for the Government to talk to the industry, and it should talk to the industry more than it has been. You correctly made the point, or invited me to make the point—and I am happy to make it—that before these major infrastructure projects are announced there is virtually no industry dialogue. We think that the structuring of these projects should be done in a more collaborative process with expertise from industry to take advantage of industries' advice about how to best structure it as a public-private partnership.

Secondly, the idea that you can impose a levy on development to pay for these infrastructure items is naive at best. Generally the levies are so large that you just cripple the capacity of development, and government gets little or no revenue, and you do not get the growth that is necessary to make the public transport infrastructure viable.

Mr MORRISON: To build on that, other alternatives have been unexplored. Michael Watt made passing reference and the Property Council of Australia did some work on tax increment financing, which is a United States model of establishing a growth area such as the north-west, identifying the tax revenue that currently comes from that growth area, identifying the likely increased tax revenue from an area once you have invested in the infrastructure and invested in the public domain of an area, and using the incremental increase in tax revenue that the investment would create as a forward revenue stream to roll into the funding of the required public infrastructure. That system works in 49 States in the US and it would require some changes to bring it to an Australian political and governance system. But we are not exploring those and we should explore other options rather than just using the large up-front capital punitive levies that we are.

Mr GADIEL: What we are seeing at the moment is a complete collapse in stamp duty revenue for the Government. Reflecting on what Ken has just said, that has come about, in part, because of an inability to look forward and see that the success of the property industry is linked very much to the success of the State budget's fiscal targets. You can kill the golden goose by attempting to drag so much out of it, but not only do you not drag anything out of it but you lose all that other revenue that is currently flowing in. It seems that we are only now just getting a realisation from government that you can overtax the industry and cut off its nose to spite its face.

Ms SYLVIA HALE: The reliance upon incremental tax increases in our context would mean that that money would go to the Federal Government, and from there the Federal Government would have to feed it back into the States. It would be possible for that money to be siphoned off in the meantime, would it not? It may be a long-term solution to the funding of such projects, but it is certainly not a short-term solution, is it?

Mr MORRISON: We have had PricewaterhouseCoopers do some work on this. It is yet to be released, but I am happy to give it to the Committee for its deliberations. Recognizing that problem—that the best tax to use this with would be GST revenue, because that is about economic activity and creating economic activity when you are creating places of employment and housing in these areas—that is going to be hard to do in the inter-governmental system that we have. So we had PricewaterhouseCoopers look at what would be the potential use of stamp duty, land tax and payroll tax as a revenue base for tax increment financing. Their recommendation was that if tax increment financing was to be brought to Australia it would need to have the involvement of State Government. In the United States a lot of councils run with this, but obviously local government in the United States has very different taxing powers from local government in Australia.

We asked PricewaterhouseCoopers to model two growth areas. They modelled the southwest growth centre and they also modelled the potential station upgrade and precinct upgrade of a Gladesville metro rail station, because we were aware that metro rail was in the Government's thinking. To give you some idea about payback periods, the southwest involved paying back 75 per cent of the total infrastructure task for that growth centre, that was an 18-year payback. That is quite a good payback for long-term infrastructure. So there is opportunity there, just by using the State taxes that could be used and replacing these State development levies, which are very punitive and stop the growth from occurring.

Ms SYLVIA HALE: Presumably you will post the levies on the grounds that they do not represent any form of intergenerational equity?

Mr MORRISON: Yes.

Ms SYLVIA HALE: And that they are a disincentive to business?

Mr MORRISON: Yes.

Ms SYLVIA HALE: What is your response, therefore, if the Government were to borrow those funds and it were to result in a loss of the triple-A rating, so that it went down to AA or AA+? Would you consider that the catastrophe that some commentators, such as the Sydney Chamber of Commerce, seem to consider it to be—or the Government for that matter?

Mr MORRISON: We have had some long debate on this within the Property Council, and our view is that a triple-A credit rating should be given quite a high priority. Generally when governments are downgraded, it is not just a one-rating downgrade; it is a number. There is a spiralling confidence effect. Particularly in this current economic environment, negative sentiment can get a run of its own. We believe that attempts to hang onto a triple-A credit rating are important. Having said that, we seem to be seeing a lot of infrastructure thrown out the window—far more than perhaps would be needed, given that there is now a power reform plan B that is being put in place. It is not going to be as lucrative to the Government as plan A, but certainly it is better than what it seemed it might be, a \$10 billion package.

And remember, it would seem to be able to ensure that the State Government was not required to invest in the new baseload power generations that the State is going to need to ensure that the lights stay on in New South Wales. That was in the order of \$12 billion to \$13 billion of infrastructure. So, from a net perspective they seem to have come up with a plan B which is pretty effective at avoiding the forward costs and still getting a fair bit of upfront revenue, albeit not as much as plan A. In that context, obviously there still needs to be some rearrangement of the forward capital program, but there seems to be a lot of infrastructure being thrown out from outside. Not yet having seen the mini-budget, there does not seem to be the need to throw that infrastructure out. So we could do a lot better than what we seem to be doing on infrastructure and still keep the triple-A rating.

Mr GADIEL: If I could add to that: the Federal Government's Bureau of Transport and Resource Economics has costed the costs of congestion as we go forward. Unsurprisingly, Sydney tops the list in terms of the next 20 years. If we do nothing, if we just keep current policy settings, what will the costs of congestion be? I am not privy to the exact methodology that Moody's and Standard and Poor's use to do government ratings, but it is naive, and in fact incorrect, to believe that if you do not invest in public transport infrastructure and road infrastructure, you are saving money in the long run. The costs of congestion could potentially outweigh the costs of investing in the infrastructure. The Government has not done that exercise, in Sydney or at a micro level, to illustrate that by axing public transport projects it is reducing the cost profile of the Government in the long run.

And I suspect that the credit rating agencies are not considering this when they hand out their ratings. To us it does not seem logical that you can save money by axing a capital program. Most businesses that are dependent on good working capital to succeed know that it is a very short-term strategy to axe their investment in their own capital while leaving their recurrent costs relatively untouched. So we would say to the Government: You should think more commercially about this. Think about the stream of costs you will inherit if you keep policy settings as they are, the costs of congestion, and put them into the equation when you are deciding to axe infrastructure.

Ms SYLVIA HALE: This morning we heard evidence that from the point of view of the Regional Organisation of Councils, and councils as well, when they entered into dialogue with the Government about the Metropolitan Strategy, the notion was that if the councils agreed to the greater residential densities and job creation targets, the Government's side of the bargain was to provide the necessary infrastructure. If the Government does not provide that infrastructure in a meaningful way, do you believe that the residential and job creation targets should be enforced by the Department of Planning on councils, given that they cannot cope with the burden of those targets?

Mr GADIEL: That idea—that the councils are doing something for the Government in return for the Government doing something for the councils—I think misconceives what is happening there. The problem of demographic change and population growth is one that affects us all. It is not the Government's problem; it is

the problem of all of us. The councils have a responsibility to help solve that problem. So, yes, it is disappointing that the Government is not delivering the infrastructure that would make that process a lot more manageable and a lot easier. But if the response were to say, "That growth is out", it does not mean the growth does not happen; it just means we begin to suffer much greater social problems.

If you look at world cities that do not adequately accommodate their housing needs, you see increasing homelessness, you see many more instances of people crowding into what today we would regard as unacceptable living conditions—10 or 15 people to a house—and you see other kinds of social problems that are less visible. I do not think the councils should take advantage of the Government's failures in this area to walk away from their responsibility to accommodate Sydney's future.

Ms SYLVIA HALE: I draw your attention to an article by Professor Peter Newman in the *Australian* about two weeks ago. He made the comment in passing, in relation to the meltdown of the subprime market in the United States, that the suburbs that were most affected by that, and which were the first to fall over, are the suburbs where it took the residents more than an hour to get to their jobs. And that is what we are facing if we have unrestrained sprawl through Sydney. Clearly, the people who are going to live in those outlying suburbs will not be able to afford, or even have the time, to get to the jobs in the other parts of the city. That must be a problem for governments, I would think.

Mr GADIEL: In Sydney or Australia, and particularly in Sydney, we are not at risk of unconstrained sprawl. We do not have the kind of regulatory system or planning system that American cities have. In fact, in the United States it is the exception, not the rule, that you have significant apartment or high- or medium-density housing development in a city. Only a few cities in the United States have a substantial amount of that; most have detached housing as their primary means of accommodation. Whereas in Sydney, the Government is planning for 60 to 70 per cent to be dealt with through medium- and high-density housing. To be honest, there has been so little lot production in Sydney, I would not be surprised if that figure was much higher at the moment; a much higher percentage of our growth at the moment is being accommodated through that form of housing.

So there is no risk of overly developing residential sprawl. Even if the Government met all its targets—which it is nowhere near doing—we are talking about only 30 to 40 per cent of the growth. Secondly, there is an opportunity in the city of Sydney to create tens of thousands of jobs and billions of dollars worth of employment-generating activity in the area known as the western Sydney employment lands investigation area. That could significantly take us to what is called a multi-polar city: rather than just viewing Sydney as a hub, having many more hubs located throughout the city. If that does occur, that would be a good sign of good planning—perhaps the kind of planning you do not see happening in the cities that you are referring to.

You are absolutely right, though: housing and land use are much less prone to falling in value if it is located near good infrastructure. That is one of the reasons why it is good for everyone to have as much good infrastructure as possible.

Mr MORRISON: If I may pick up a point made by Aaron. The last available data shows that we are achieving about 80 per cent of our existing housing in established suburbs. So we have to work hard to achieve the Metro Strategy target of 30 to 40 per cent. We are a long way off that, and that is because we have been so bad at land release in Sydney. We had the previous policy of effectively no new land release in Sydney. But obviously transport is critical to that, and we do not have the transport on the table for it.

I totally agree with Aaron that this is about managing urban growth and change, and urban growth and change does not stop because governments do not adequately invest in infrastructure. But we are in a situation where our population forecasts have gone up considerably based on census data. We know from the experience of the last four years or so of the Metro Strategy that many of those targets are not being met. So there is probably a good case for having a look at those targets and looking at what can be done to accelerate the supply of housing and the supply of employment, as per the Metro Strategy philosophy. Certainly we have been calling for a stimulus in the mini-budget tomorrow to kick that along, but part of it has to be in investment in transport as well.

The Hon. LYNDA VOLTZ: I would like to ask about tax incentives. Given that part of the problem with the State budget at the moment has been a downturn in stamp duty revenue, I understand that perhaps we may not be at the bottom of the cycle and that where it is probably going to hit hardest is the construction industry.

Mr MORRISON: Yes.

The Hon. LYNDA VOLTZ: I am not quite convinced about the tax incentives on stamp duty and land taxes in terms of a stimulus. We are obviously in a period where we need to invest. Is it your projection that that is the best way to go, or is that just one idea for the future?

Mr MORRISON: I would agree with you that there is more bad news to come; there is no doubt about that. That is feedback from our members. In terms of the need for a stimulus where housing starts at a 43-year low in New South Wales, this is very, very bad, and as any renter will tell you, it is having a real impact on real people's lives in terms of being able to provide housing but we also need a stimulus into the economy. We have put two options on the table to the State Government. One would be to be a stamp duty based option, which you take stamp duty off the construction of new dwellings to stimulate that activity. Yes, the Government loses that revenue but also picks up revenue in other transactions that occur in the economy as a result of people moving into the new housing but also greater payroll tax revenue from the economic activity that comes from the creation of that new housing.

The other option is to address development levies, and Aaron spoke about development levies. If you can remove a major cost to the supply pipeline, which allows the end price to be reduced such that people can afford it and therefore more of that actual activity occurs as opposed to what the situation is now where you have a big upfront capital cost which makes the project unviable and therefore the economic activity does not occur, then you will see more activity.

The Hon. HENRY TSANG: Has that not already been done?

Mr MORRISON: They were the lowered somewhat last year.

The Hon. LYNDA VOLTZ: New homeowners, I think.

Mr MORRISON: No other State levies the development process to pay for State infrastructure like New South Wales does. New South Wales is well out of kilter with every other State.

Mr GADIEL: I am sorry, you suggested that new home owners or first home buyers do not pay this. They certainly do. The Government announced on Saturday \$3,000 for new homeowners. If they were to buy one of these houses, which cannot be built because they cannot be built profitably, but if they were to be built, they would be paying in State levies \$23,000 SIC contribution, \$20,000 contribution to State Government-owned utilities, \$30,000 to \$50,000 to the local councils, which are exercising the powers that the State Government gives them, so that can add up to \$90,000, plus the State gets stamp duty and anything like that. We have to put things in perspective. First home buyers are one of the people who suffer from the system.

The Hon. LYNDA VOLTZ: I thought Ken was talking about the tax revenue scheme.

Mr MORRISON: Sorry, I misunderstood your question. Just to explain taxing and financing a little bit further, this is not a new tax. It is largely about the hypothecation of existing tax revenue into the infrastructure and public domain upgrade required to get an area going, so the origins from the United States was quite often used for urban blight areas, which we do not really have so much in Australia, but we certainly have areas where significant infrastructure investment is required.

It would involve taking an area, whether it is a growth centre, and urban renewal area or an industrial land development, bound it, estimate what the tax revenue that currently comes from that area is, identify a growth plan for that area, so there will be planning changes as well as investment infrastructure and public domain, the cost of that, what would be the impact of that on the heads of taxation—in this case, stamp duties and land taxes but could certainly be GST and others—and then hypothecate the additional increase in tax revenue which would come from that area into the funding of the public domain infrastructure.

The Hon. LYNDA VOLTZ: You do your investment upfront, based on what your long-term tax revenue is going to be?

Mr MORRISON: That is right.

The Hon. LYNDA VOLTZ: My big concern is that given we are not at the bottom of this cycle, is that a risk? How is that different to us just going into debt?

Mr MORRISON: What happens in the United States also is that they sell the debt that you do go into, into the capital market as bonds. Yes, where that debt sits and who stands behind that debt, in the United States there are two options: either the government stands behind the debt or you have revenue bonds where the investors in the debt are happy that the revenue that will come out of there is sufficient to pay the bonds. Probably if you incorporate this into Australia you would want to have the Government stand behind the debt because this would be a first for Australia, so the institutions would need to get used to it. In the current environment it is not something you would be doing this week or this month but if we are talking about better ways to fund infrastructure in New South Wales, what do we know? We know we are using a way that manifestly fails.

We are not seeing the growth occurring in Sydney and around us, and we are not seeing the money coming into the infrastructure from these levies so we know that what we are doing is not working. Second, we know that this is something that has worked in the United States for a long period of time and is used in a wide variety of locations, so let us have a look at it. We are not saying that it is a silver bullet that is going to solve every problem but as part of the funding mix going forward, yes, it is an option.

The Hon. LYNDA VOLTZ: When you are talking about Infrastructure Australia and the way the Federal Government should look forward, you are talking about something like the Better Cities model where Pyrmont was developed and the light rail system was put in. It goes in as a package to build up density. In the north-western region, a number of options and suggestions have been made as to the best model. The last option from the Government was the North West Metro line. Now the Premier said he has gone to Infrastructure Australia about extending to Rozelle with an option in the future to look to the north-west. Is it better to stick with the proposed metro model or what is the efficacy of linking back into heavy rail to open up the north-west? Does the Property Council have a view?

Mr MORRISON: When we looked at the North West Metro and asked is this better than a heavy rail link or not, we could see the pros and cons of both options. Heavy rail required a harbour rail link to be built. My understanding is that the costs of the harbour rail link project we are nowhere near the \$2.4 billion originally announced. In fact, we are closer to \$10 billion or even more than that. That is another example of costings not being accurate and that was the major driver for government to look at a different option.

Assuming that is correct, that is a major issue for a north-west rail link. Subsequent to this, there has also been some evidence from Gary Glazebrook from the University of Technology, Sydney, a transport expert, to say that you could put in a heavy rail link and run it with an existing system so long as you made some changes to the way the operating stock was worked through the system. I am not able to judge whether that is correct or not. Can we afford to pay for a harbour rail link or do we need a harbour rail link? That is a question mark in our mind or it is an unknown.

The metro rail option clearly has some advantages of providing the public transport through the Victoria Road corridor, which is a plus. It is trying to do two things; it is trying to be an inner-city metro as well as an outer Sydney commuter; obviously there is tension there because as an inner-city metro you would want to put more stations, but that slows it down for outer city commuters. We could see that tension. We thought that in the absence of anything else that could be adequately resolved. We had a couple of recommendations around some of the station locations, et cetera, but they were more minor.

The bigger issue with that is that by not having a heavy rail link that ran down into Epping, you actually starved Macquarie Park out of heavy rail trains, which is a massively growing employment area obviously and needs more than four trains an hour, which I think the metro line option was going to give them. Those were the two big pluses and minuses that we saw in each option.

The Hon. LYNDA VOLTZ: But did you only look east-west? Did you look at north-south options as well, for example linking The Hills district to Parramatta as a regional hub?

Mr MORRISON: No, we did not. We looked around the rail line options.

CHAIR: Mr Watt, representing Norwest Land, which is a developer of Norwest Business Park, which you describe as Australia's only true world standard business park, with the announcement that rail is, close to

the time being, off the agenda, has there been any fallout from the business park's point of view in terms of businesses that might have been considering going there or have there been messages such as "We are not going to do that"?

Mr WATT: No, I do not believe there has been at all at this stage. It is a business park that has developed in its own right over a long period of time, basically through the efforts of the developer and also with the cooperation of State Government and the council authorities. It has been a cooperative development in that regard. We have been long arguing for improvements to public transport. Certainly the M2 has made our development a lot more accessible to the city and I think that is the message the Committee needs to think about, that is, accessibility is the biggest issue we are faced with in Sydney; if we are able to connect these places that are growing to the city and to other parts then the western employment area, we build up a better, more economically viable and sustainable city in the long term. We need to look at this longer term view of the decisions we are making today about transport.

If we go back to the early days of the business park, nobody would ever have thought that was basically cow paddocks 25 years ago would become a place that has achieved international recognition for the way in which it has integrated the mix of land uses that we have there today. That is not as a result of any public transport but as a result of other qualities being there at the right time and the right place. The Rouse Hill Regional Centre has built on that. We are fortunate in The Hills area that we have two fantastic employment centres in relatively close proximity to each other, but the downside is that 98 per cent of the people who come to the business park drive a car. That is not going to change at all now, given the decisions that have been made.

There are some options that need to be looked at obviously in terms of how you going to address that situation in the longer term. The other thing is this: places do not stay the same; they change over time. We are already seeing in the Norwest Business Park the second phase of development. The early stages of development and some of the development you see there today is only the very low scale development because that was the first development. What we are finding already is larger operations, people who need large areas of land are attracted to the business park and are prepared to put, like Woollies did, 3,000 employees on the site.

Not every business in Norwest has 3,000 employees but there are some big corporates there and there is a lot of small business as well. The small business premises will be redeveloped over time and the employment densities will increase and the housing densities will increase. Yet, if we do not face up to that fact in the longer term, and we miss the opportunity of committing ourselves to public transport in the region, where will we be in the future? I think the city as a whole will suffer and that has to be a major issue for the State Government in terms of the way it sees Sydney in retaining its pre-eminence and its standing in this country.

CHAIR: You say that heavy rail or the metro link should be made to proceed as soon as possible. What is the time line that it is really important that it commence?

Mr WATT: We were happy with the 2015 or 2017 time frame. They were the submissions that we made on the project when it was announced earlier and certainly the submission we put to this Committee before the decisions of the Government more recently. I would not like to see the Government turn its back totally. If it has now made a decision to defer the project, it should leave the option open retaining the land it has acquired already for the rail with the view to utilising that at some stage in the future.

The Hon. HENRY TSANG: In the short term the bus solution, as has been published, is that a good measure, the 300 buses that were supposed to solve the problem?

Mr WATT: I think it was 100 to the north-west.

The Hon. HENRY TSANG: The bus solution would at least serve as a temporary solution?

Mr WATT: I cannot comment on whether it is a good solution or not. I can say that not many people travel by bus in north-west Sydney. A survey was done on one of the complexes in the business park and the figures showed 96 per cent were car drivers and 1.6 per cent were passengers; 98 per cent travelled by car. To get people into 100 buses requires a great deal of work in terms of ensuring reliability, safety, cost efficiency and so on. One of the missing links in the region is, of course, the bus link from Blacktown to Castle Hill. That is another project that was deferred. I would see that if you are going to rely on buses in the short term, that would be another thing you would need to look at. It is a cross-regional link between a railway station at Blacktown and a major developing centre, plus the business park, plus the Balmoral Road release area.

Ms SYLVIA HALE: What do you see as the impact of peak oil on future development of the north-west sector transport in the context of rising prices and declining oil supplies? Do you feel that should be a consideration when taking into account planning of the area?

Mr GADIEL: What I would comment on is that the Federal Government is in the process of introducing a carbon pollution reduction scheme and it is going to be auctioning or selling carbon permits to major polluters and generating potentially billions of dollars in revenue. We would like to see one of the means of compensating households by using some of that money to fund public transport infrastructure, such as the North-West Metro or whatever replaces it. That will ease the transition to a carbon constrained economy and will also be a way of reducing the costs that households will be occurring once the carbon pollution reduction scheme comes in. That might be a basis for perhaps a more collaborative arrangement between State and Federal governments than we have seen in the past on funding public transport infrastructure. As long as public transport infrastructure failures are blamed on the State and the State alone I think we are into trouble. I think the Federal Government must have equal, if not greater, responsibility for funding public transport and should be equally criticised if public transport cannot be delivered to an area.

(The witnesses withdrew)

(Short adjournment)

DARRYL MELLISH, Executive Director, Bus and Coach Association of New South Wales, and

ANDREW GLASS, Group Service Development Manager, Busways Group Proprietary Ltd, affirmed and examined:

CHAIR: Do either of you wish to make an opening statement?

Mr MELLISH: We are just going to introduce our organisations, if that is suitable?

CHAIR: Yes.

Mr MELLISH: The Bus and Coach Association of New South Wales is the peak body for the private bus industry. We provide bus services throughout New South Wales representing route, school operators and long-distance tourist and charter. We have been heavily involved in the negotiation of metropolitan bus system contracts that include the area of interest. We have also been involved in extensive negotiations for regional and rural reforms for the whole of the State. We are very pleased to contribute to this meeting.

Mr GLASS: The Busways group has been in service for over 60 years. It is a large private bus company with family ownership—it is one of the largest private bus companies under family ownership in New South Wales and Australia. We operate 600 buses from 16 depots across Sydney, the Central Coast and the north coast of New South Wales. We are a party of the Area 1 Manager Company, which basically holds the contract for region no. 1 and that includes part of the north-west sector. Our services in the north-west are primarily focused on Blacktown, Castle Hill and to Rouse Hill. We also operate services that utilise the north-west T-way from Rouse Hill to Blacktown.

CHAIR: Mr Glass, in your submission to the Committee you outline various ideas for the future. In particular, you refer to bus rapid transit [BRT] as a transport option that is easier to deliver and less costly, you believe, than a rail option. Would you give us a rundown on that idea and how the Government might be able to progress that?

Mr GLASS: Bus rapid transit refers to the provision of high-speed bus services along dedicated roadways, which is generally that the buses are given priority or a right-of-way system. They are not mixed up with general traffic and local traffic movements do not hold them up. Basically what the bus almost has is ultimate priority across all other road users. What we propose is that a BRT could be delivered in a much shorter time frame than any other sort of metro or heavy rail. BRT has the capacity to carry large amounts of people at very high frequencies. So you can have a bus that runs along BRT every 30 seconds, if you want. A similar sort of BRT system operates in Brisbane, Queensland, where they have average BRT frequencies of a bus every ten to twelve seconds. It definitely has the capacity to carry very large amounts of people; it has a cost advantage in that it does not require heavy maintenance of heavy infrastructure and it does not require power resources. Basically you can use existing road reservations or you can use existing lanes on roads to help provide these sorts of systems.

I suppose the primary thing about BRT is that it is separated from the general traffic. Look at the north-west T-way system—that is probably the beginning of the BRT, except the north-west T-way system is extensively held up by the fact that it crosses local intersections, especially on the Parklea to Blacktown leg where there is something like 12 local intersections that the buses have to cross. In terms of offering BRT it is almost there but we just have to push it one step further and give the bus the ultimate priority over the other cars. I suppose the beginning of the BRT is giving it priority and providing high frequency at a cost-effective appropriate rate.

CHAIR: Did you say that the bus frequency in Brisbane is every six seconds?

Mr GLASS: Up to every 12 seconds. Their cultural station, which is the first available zone in the Brisbane business district, each afternoon has a bus on average every 12 seconds. But it is actually at the point now where it is suffering overload and they are looking at ways of delivering a better system and diverging some other buses off on to different paths. But basically you have a bus that comes along every 10 to 12 seconds.

CHAIR: What would have to be done to get BRT up and running in Sydney?

Mr GLASS: If we look at the north-west T-way, you have to go along and you have to introduce some form of priority that would eliminate the need for the bus to cross the local traffic. Whether that is done by grade separation, which is obviously a very costly exercise, or whether that is done through signal pre-emption, where the bus is registered through the transponder and it sends a message to the transponder which says that a bus is coming and it has the ability to change the light to green so that when the bus hits the green light it goes straight through. That is obviously a more cost effective way of doing it but obviously there are some intersections where you cannot offer signal pre-emption because of the volume of traffic at the intersection. They are the ones you need to have a look at. Grade separation by flyover, underpass or there are a range of technical solutions that can be offered to separate the bus from the traffic.

CHAIR: Mr Mellish, from your organisation's point of view at this inquiry into the transport needs in the north-west sector, what do you believe should be the main outcomes?

Mr MELLISH: We think there should be an improvement in the bus systems by mainly improving bus priority. The Government has just announced 300 additional buses to be fast tracked into the metropolitan and outer metropolitan area and we are assisting in trying to have those bus services placed in the best place at the time. We feel that the level of infrastructure needed to upgrade the bus networks is far cheaper than a rail solution and can be done in a much shorter time frame. There are some roads that can have additional capacity without the bus priority but you get much better benefit for your money if you are adding bus services and kilometres, as Andrew said, in dedicated only lanes. We think that the north-west sector is a good candidate for improving bus services, not only with BRT but in connecting with local services and existing rail as well.

The Hon. DAVID CLARKE: Mr Glass, you suggest in your recommendations a bus rapid transit system in certain areas. You also suggest the provision of additional funding to holders of metropolitan bus system contracts. I guess if you integrated the two together that would be, from your point of view, a very good system?

Mr GLASS: Most definitely. If you can deliver some sort of BRT and not just focus on the corridors but also focus on the services that people catch to their local shopping centres et cetera.

The Hon. DAVID CLARKE: Even if you have difficulty with the rapid transport system and the additional funding to holders of these contracts?

Mr GLASS: Yes.

The Hon. DAVID CLARKE: Would you agree with that Mr Mellish?

Mr MELLISH: We would certainly agree. It is a good point.

The Hon. DAVID CLARKE: You aware of the work of Mr Chris Stapleton?

Mr GLASS: Chris Stapleton is a recognised transport planner, yes.

The Hon. DAVID CLARKE: He has made some suggestions where there is a concentration on the use of buses in the north-west area. It seems that something might come from people like you talking to someone like Mr Stapleton. Have you done any specific costing?

Mr MELLISH: We have not.

Mr GLASS: Busways as a group has not done any specific costing.

The Hon. DAVID CLARKE: Would that not be a fruitful exercise for you to do? You have made these recommendations. You could put forward some prototypes of what could be done and how much it would cost?

Mr GLASS: Most definitely. We have a very good working relationship with the Roads and Traffic Authority and with the Ministry of Transport and we work with them to develop and solutions. We are definitely in partnership with those organisations to help deliver these sorts of outcomes, yes.

The Hon. DAVID CLARKE: Would it not be a good idea for you to take the initiative on this and go forward and say, "This is what we propose in very specific terms"? You say to provide additional funding and to introduce bus rapid transport systems but if you put the two together and say, "This is what we can do with this amount of money. This is the service we can provide in a particular area." If you could incorporate some of the ideas of Mr Stapleton would that not be a very productive thing to be able to do?

Mr GLASS: I cannot argue with that. Most definitely, yes.

The Hon. DAVID CLARKE: In your submission you say, "Reform road pricing policy to ensure a true user-pays system results, so it is not done at the expense of motorists in the north-west."

Mr GLASS: Yes.

The Hon. DAVID CLARKE: Do you agree with that as well, Mr Mellish?

Mr MELLISH: Yes.

The Hon. DAVID CLARKE: You believe that those in the north-west of being specially disadvantaged by the present system?

Mr GLASS: The residents of the north-west probably pay their fair share of the road transport costs. People in the south-west and the west probably are not paying their fare share. What we are trying to say is to reform it so that everybody pays the same amount. What the north-west is probably paying may be a fair amount but in the west and southwest, through the cash-back toll system, they are not paying their fair amount. If it was a reformed system whereby everybody was taxed by per kilometre they travel or by how much of the road network they use—on a motorway—that is what we are saying. Everybody should be paying for the same privilege to use the same road. If you travel along the motorway M4 you should be paying the same rate as what the people who travel along the M7 pay.

The Hon. DAVID CLARKE: I do not think the people of north-west would argue with that.

Mr GLASS: No.

Ms SYLVIA HALE: In terms of a true user-pays system would it not be true, if one were to take into account all the costs associated with road usage, such as cars, heavy trucks, buses and whatever, in not only the physical construction costs of the road but the congestion and loss of working hours, extensive delays, and if you look at the health implications of the massive amount of traffic on our roads and the loss of amenity, then our motor vehicle registration system as it stands in no way reflects the costs that motor vehicles impose on the community?

Mr MELLISH: I think that is right, yes.

Mr GLASS: You cannot argue with that.

Ms SYLVIA HALE: When you say you want a true user-pays system just to talk about it in terms of tolls is a particularly misleading approach to it? The tolls are only one component, and I suggest a fairly insignificant component, of the actual costs of the road network?

Mr GLASS: Over the total costs of the road network, yes.

Ms SYLVIA HALE: We heard evidence this morning about the difficulties that communities face because many of the commercial bus operators do not actually service their communities at either appropriate times or times when people need them, or the frequency of the service is lacking. How would you propose to deal with those issues? Are bus operators purely motivated by servicing those routes on which they can make a greater amount of money?

Mr GLASS: Not at all. Under the new metropolitan bus system contracts it is very open for bus operators to provide services to wherever the community desires. Our limiting factor is the Government's allocation of kilometres to those contracts. We are given a pool of kilometres and within those pools of kilometres we can provide services to those communities. We would like to provide many more services to

communities. We would like to provide more late-night services and we would like to improve our off-peak frequencies, however, we only have a certain pool of kilometres and our ability to get extra kilometres is very much limited by the financial position of the State.

We are in a situation now where we would like to develop services. We are currently going through a review of services in region 1, which includes part of the north west. We are in negotiations with the ministry and the ministry has managed to acquire an extra 445,000 kilometres, I think, for us annually to improve services. For us to improve services to the level that we would like would cost many millions of kilometres, so our ability to provide services is limited only by the Government's contribution to the metropolitan bus system contract.

Ms SYLVIA HALE: So what you are saying is you would provide more services provided the Government were to subsidise those services. I do not want to misrepresent what you are saying. I am just not clear.

Mr MELLISH: The funding model that operates in the Sydney area is that the Government takes the bulk of the risk because it controls the bus priority and the fares, so the operators' remuneration and margin is transparent and the ability to add services is dependent on the level of funding provided for each region. The operators would dearly love to increase their services' frequency and coverage but there is a cap on the number of kilometres they are able to run in each region. The 300 additional buses we heard of last Friday will be additional growth buses with additional kilometres, and 100 of those 300 have been earmarked for this north west region. Until these 300 buses were announced the metropolitan bus system contract had failed to deliver sufficient kilometres and services to the area that the bus industry would like.

Ms SYLVIA HALE: So when those extra 100 buses come into operation in the north west you expect there to be an adjustment to the kilometres the Government will underwrite?

Mr MELLISH: Yes, additional kilometres will be allowed for those growth buses.

Ms SYLVIA HALE: When are they anticipated?

Mr MELLISH: Within two years. There are two tranches. They are expected to be fully operational within two years from now, some as early as next July.

Ms SYLVIA HALE: Is there much difference in the operating costs between large buses like the commercial buses and relatively small buses, or is it primarily in the capital cost?

Mr MELLISH: You would go for the larger buses because you need the peak capacity. The driver costs are about 50 per cent of the overall cost so the driver costs the same whether it is a large bus or a small bus, but in the peak time when all your buses are on the road you need that extra capacity. If you had small buses you would lose out on that capacity. The differences in costs are such that when you look at the useful life of a small bus compared to a big bus and look at the capital component and the fuel it is usually less economical over the life of the contract and the useful life of a bus to run a smaller bus. We find it is better to have the capacity in the peak.

Ms SYLVIA HALE: What are your expectations if we continue to experience rising petrol and diesel prices? What impact will that have on the bus companies?

Mr MELLISH: I think more people will choose to travel in a bus rather than a car. We are seeing that when economic times are hard or fuel prices rise. People choose the bus as an alternative. The cost of fuel is indexed under our contract system so that the impact on the bus operator of increased fuel costs is borne by the Government.

Ms SYLVIA HALE: So the Government actually picks up the differential?

Mr MELLISH: There is a monthly adjustment up and down for the cost of diesel in Sydney.

Ms SYLVIA HALE: So in fact the Government not only subsidises the kilometres that the buses operate but also in effect it caps the price of fuel?

Mr MELLISH: Yes, the fuel risk is taken by Government.

The Hon. DAVID CLARKE: To keep the same proportionality between profit and costs?

Mr MELLISH: Yes, so the operator's margin stays the same.

The Hon. DAVID CLARKE: Do you have any figures on the amount of violent crime on buses as opposed to violent crime on trains?

Mr MELLISH: I am afraid I do not. We know that there is improved incident reporting and data collection emerging out of these new contracts, but I do not have the information. The Ministry of Transport receives all the incident reports. Anecdotally from our members there is concern about rock throwing increasing in areas north, north west and south of Sydney. Last time we looked at the statistics on driver assaults it did not look as though the anecdotal evidence was supported. Our members are telling us it has been a concern for a long time but it is only more recently that it has been reported.

The Hon. DAVID CLARKE: Mr Glass, your company operates 600 buses so what is their experience with rock throwing and violence to passengers?

Mr GLASS: We have experienced incidents of rock throwing especially in some of our contract areas around Sydney. Most of our contract areas on the North Coast and Central Coast do not seem to experience as many problems. It does seem to be concentrated within our Sydney region. Under the obligations of our contract all our buses are fitted with CCTV cameras, which increases our ability to better track these incidents and to be able to get identification and police assistance. I think we are finding that we are getting a lot more cooperation from the police in reducing crime. We have also undertaken a community involvement program under which we are sponsoring the PCYC teams of young people in areas where we had the most experience of rock throwing. They are basically football teams, and we have found that by sponsoring their teams and having our name across the back of their jerseys and things like that and by going and speaking to them about the dangers of what they are doing we have experienced a decrease in the number of rock throwing incidents in that region.

The Hon. DAVID CLARKE: What about violence on buses?

Mr GLASS: There is violence to the driver, which is relatively steady in our areas. Once again, the CCTV cameras obviously act as a deterrent for most people. In terms of violence against other passengers—passenger to passenger—that remains a very low incidence rate.

Ms SYLVIA HALE: Who is ultimately paying for the 300 new buses that are to be made available?

Mr MELLISH: The taxpayer.

Ms SYLVIA HALE: Will you lease them from the Government or will the Government make them available?

Mr MELLISH: No, the operator will procure them under the metropolitan bus system contract and various funding for the buses that is allocated to the operator to enable him to procure those buses. If the operator is unsuccessful in getting a new contract the buses that have been procured using funds from the Government remain available for the successor operator.

The Hon. DAVID CLARKE: Is it a lease system?

Mr MELLISH: It is up to each operator. They may pay cash for them or they may lease them. The funding from the Government is a fixed 15-year payment. You receive your payment for the bus over 15 years but if you lease it over six years or pay cash for it it does not matter. You still get the payment over 15 years.

Ms SYLVIA HALE: Who maintains the buses? Who pays for the maintenance?

Mr MELLISH: The operator pays for the maintenance but once again the cost of maintenance is included in the service kilometre rate in the contract. It is a gross cost-style contract with patronage incentives. If you are able to carry more people, then that growth in patronage is shared between the Government and the operator.

Ms SYLVIA HALE: Other than the disruption that would be caused if Mr Glass's 600 buses were removed from the roads, given the extent of the Government subsidy to the private bus industry if that money were to be diverted into the provision of a public transport system that was owned and operated by the public, for example a light rail system, ultimately the public could be better off. I do not expect you to agree with that. Tell me why that would not be the case.

Mr MELLISH: I think you should be thinking about the passengers. The payment to the bus operator is to provide the services prescribed by the Government. They do the planning and they decide where you run and how you run because they are taking the risk in the funding. With regard to the debate about rail versus bus or light rail versus bus, we believe that in terms of value for money given the number of passengers the private bus operators can move in the time it is more efficient to put in a bus network because you are not bound by the rail line and you can integrate with other services. In Sydney the cost per kilometre of a private bus operator is about half that of the Government bus operator. If you wanted more services and you privatised the State Transit Authority [STA] you could run 50 percent more services for the same cost.

The Hon. DAVID CLARKE: How much is spent altogether by the Government on the metropolitan bus system contracts—a global amount?

Mr MELLISH: My recollection of the last seven-year renewal was that it was just under \$3 billion.

The Hon. DAVID CLARKE: That is \$3 billion over seven years?

Mr MELLISH: Yes.

Ms SYLVIA HALE: Is the cost of conducting the Government services double that of the private services? Is that because Government services provide services at uneconomic hours?

Mr MELLISH: No, the service requirements and service planning guidelines are exactly the same. The contract with the STA is the same as the contract with the private companies. The reason that they are more expensive is largely related to the labour practices. Their wages are higher and they require more drivers to do the same task. For example, if they break their drivers at meal times they have to bring them back to their meal rooms. If we break a driver we do it at a shopping centre or a railway station so that we can be more efficient. I think we would have about two drivers per bus and the STA would probably have about three drivers per bus. Historically it relates to a lot of the employment conditions that have built up through Government employment versus private employment and also the amount of overheads and infrastructure needed to run a statutory authority.

The Hon. DAVID CLARKE: So the Government requires you to produce services at a lower amount than it is expecting from its own buses?

Mr MELLISH: The service kilometre rate that they are paying private operators, I understand, is a lot less than they are paying to the Government operator. I am not privy to their rate but I understand it is less.

CHAIR: Do the private operators have difficulties in recruiting bus drivers compared to the STA?

Mr MELLISH: I think we both have problems recruiting drivers. I do not think it is better or worse for one or the other. There is a general shortage of drivers and we have difficulty in recruiting them and keeping them.

Ms SYLVIA HALE: Is that because of the stresses of the job?

Mr MELLISH: I think that is one of the factors.

Ms SYLVIA HALE: We had evidence earlier this morning—I am not sure whom it was from but it might have been one of the representatives of Hornsby Shire Council, that they were of the view that even if you introduced bus transit ways it would never be sufficient to really deal with the problems of congestion on the roads. You would never move enough people and you would encounter a lot of costs trying to align the roads or acquire additional land for those transit ways to operate. Do you agree with that viewpoint?

Mr MELLISH: No, I think if you are going to provide a corridor, whether for light rail, rail or bus, the acquisition and setup costs are lower for bus than they are for rail or light rail, and you have greater flexibility. I think if you look at the data from Brisbane and overseas you will see that Brisbane carries something like 20,000 passengers per hour. If it is set up right with the infrastructure you can achieve as good a number, or in many cases better numbers, of passengers per hour with a bus rapid transit [BRT] system than you can with rail. Brisbane is a perfect example in Australian conditions where it is moving those sorts of numbers and it integrates with the local service so you have the ability to run in a local area and then run along the transit way.

Ms SYLVIA HALE: But would you not have far greater fuel costs and therefore far greater emissions problems and the possibility of steadily increasing fuel prices?

Mr MELLISH: The fuel price is certainly relevant. The emissions from the Euro 4 and Euro 5 diesels are equal to if not better than, depending on which profile you look at, the compressed natural gas [CNG] buses. The new engines are particularly efficient. If you look at the total cost of running light rail, train and bus, my understanding is that bus comes out well ahead. It depends on how many people you want to move in an hour and what infrastructure you need to achieve that I think the biggest bang that you could get for your buck is that the Government spent half a billion dollars on this northwest transit way but it is slower for the passenger to travel on that transit way than on the local roads. The bus priority system that was supposedly introduced for the transit way was modified to wait for the integrated ticketing project, which failed. So we would strongly urge the Committee to recommend that the bus priority measures of that transit way be restored to what they were intended so that the passengers, the frequency and the quality of the service can be what it was designed to provide.

The Hon. DAVID CLARKE: Are you saying that having spent half a billion dollars on this transit way, it is actually slower for a passenger to go on that route than it is to go on the normal road?

Mr MELLISH: That is the feedback I have had from the local community.

The Hon. DAVID CLARKE: Why is that?

Mr MELLISH: Speed limits and traffic lights.

The Hon. DAVID CLARKE: The normal traffic is subject to traffic lights.

The Hon. LYNDA VOLTZ: They have to stop and pick up passengers.

The Hon. DAVID CLARKE: Is it because of the stopping and starting all the time and passengers paying as they get on the bus?

Mr GLASS: It is the fact that the bus gets a very, very short burst of green signal to get across the intersection whereas on the adjacent roadway, because it is a major road, it gets maybe a minute, a minute and a half worth of green time to get across the intersection. The bus gets a 20 second gap of green to get across the intersection and then it turns red again so that the traffic turning left into that side street then gets the green light. So what happens is the bus gets a very short burst of green and then it sits red until it goes through the whole phase and gets back to the same one again. That is why you find that the bus that is going on the main road can get quite a good run of green lights whereas the bus going on the transit way will be held up at every single intersection on most occasions as it waits for its green light to come up and let it through the intersection.

The Hon. DAVID CLARKE: That is a bizarre situation. Are you saying if buses used the normal roadways and were not subject to the special conditions and lights on the transit way that it would be a lot better?

Mr GLASS: The Roads and Traffic Authority has worked with us to improve the situation. But it is at a situation now where at night we can travel faster on the adjacent roadway than by using the transit way.

The Hon. DAVID CLARKE: Would the passengers be better off if they did not travel on the special transit way that we just spent half a billion dollars on?

Mr MELLISH: No, because the congestion on the roads would make it worse. The point is that we are not utilising the facility to its full extent. You could get a great deal more value by providing priority to the buses, which was originally intended. That was reversed waiting for integrated ticketing.

The Hon. LYNDA VOLTZ: So like the Zurich system where the bus pulls up at the light, the light registers the bus and gives it the green light?

Mr MELLISH: It should anticipate it arriving, yes, and give it the green light.

Ms SYLVIA HALE: Why has the Government not reverted to the original plan?

Mr MELLISH: I am not sure I know the answer to that. It was because they want what is called the Public Transport Information and Priority System [PTIPS] to be introduced on all the strategic corridors. The priority system was not going to be linked to passenger boarding. It was just going to be linked to timetable services and whether the bus was running late. The industry's view is it does not matter whether it is running late or whether it is empty, you give it priority because the benefit to the community will be significant.

The Hon. DAVID CLARKE: After you have introduced all these changes that you are working with the Roads and Traffic Authority to put together, how much better off are you? For example, are passengers 30 per cent worse off than people in a normal car as opposed to 50 per cent worse off than they were before the improvements were made?

Mr GLASS: With the work that the Roads and Traffic Authority has done during the peak hours, the passenger now gets a comparable journey. It is pretty much the same, if not faster, to use the T-way during peak hours. However, outside peak hours and at night there is probably a two to three minute penalty by using the T-way as opposed to the adjacent roadway. They are working with us to try to improve that as well. We are slowly paring back the difference. Hopefully maybe by the end of the year we will have a situation where it is almost similar to use both roadways. The thing to remember is that the transit way offers us the same travel time regardless every single time. So if there is an accident on Sunnyholt Road, if there is some congestion, if the local service station decides to offer petrol at \$1 a litre and the traffic queues out onto the main road, we are not affected by any of that. We have absolute priority; nothing affects us. We just keep going straight up and down our roadway. So in terms of timetabling it is a godsend because we know every single trip will take 19 minutes to get from here to there. In terms of offering passengers a good trip it does that because they know that their trip will always be exactly the same amount of time. They are not going to be affected by roads, they are not going to be affected by traffic, they are not going to be affected by congestion. We just have to continue working with the Roads and Traffic Authority to try to get that 19 minutes down to 17 minutes or 15 minutes, and that will be done by using the priority system.

The Hon. DAVID CLARKE: Down to the level that a normal driver would take?

Mr GLASS: No, above what the normal driver would take.

CHAIR: That brings us to the conclusion of today's hearing. I thank both of you very much for your assistance. The Committee appreciates your presence here today.

(The witnesses withdrew)

(The Committee adjourned at 4.05 p.m.)