GENERAL PURPOSE STANDING COMMITTEE No. 4

Wednesday 7 June 2000

Examination of proposed expenditure for the portfolio areas

TRANSPORT, AND ROADS

The Committee met at 8.00 p.m.

MEMBERS

The Hon. Jennifer Gardiner (Chair)

The Hon. I. Cohen
The Hon. J. Hatzistergos
The Hon. J. H. Jobling

The Hon. I. M. Macdonald The Hon. D. E. Oldfield The Hon. Janelle Saffin

PRESENT

The Hon. P. C. Scully, Minister for Transport, and Minister for Roads

Mr R. Christie, Co-ordinator-General

Department of Transport

Mr J. Murray, Director-General

Mr J. Cassar, Assistant Director, Finance

Mr S. Fox, Director, Service Funding

Mr P. Hayes, Director, Policy

Mr K. Robinson, Program Manager,

Program Management

Mr A. Rogers, Senior Manager, Policy
Co-ordination

State Rail Authority

Mr S. Lane, Chief Executive Officer

Mr R. Noyes, Chief Financial Officer

Rail Services Australia

Mr T. Ogg, Chief Executive Officer

Waterways Authority

Mr M. Taylor, Chief Executive Officer

Mr K. Bywater, Finance Manager

Marine Ministerial Holding Company

Mr B. Stanwell, Finance Manager

Rail Access Corporation

Mr J. Cowling, Chief Executive Officer

Mr S. Foster, Manager, Corporate Relations

Roads and Traffic Authority

Mr P. Forward, Chief Executive Officer

Mr C. Ford, Director, Traffic and Transport

Mr M. Hannon, *Director, Road Network Infrastructure*

Mr P. Scarlett, Director, Finance

Ms S. Sinclair, Director, Road Safety and Road User Management

Ms J. Stricker, General Manager, Environment and Community Policy

Freightcorp

Mr L. Di Bartolomeo, Managing Director

Ministerial Staff

Ms L. Hunt, Chief of Staff

Ms L. McNamara, Senior Policy Adviser

Mr S. Kennedy, Senior Policy Adviser

Mr V. Beri, Senior Policy Adviser

Mr S. Carroll, Policy Adviser

Mr M. James, Policy Adviser

Ms L. Mannering, Policy Adviser

Ms J. Brough, Senior Media Adviser

CHAIR: I welcome the Minister, his advisers and staff to this public hearing of General Purpose Standing Committee No. 4. At this meeting the Committee will examine the proposed expenditure from the Consolidated Fund for the portfolio areas of Transport and Roads. If time permits, we will also examine the Ports estimates. In regard to broadcasting of proceedings, part 4 of the resolution referring the budget estimates to the Committee requires the Committee to hear evidence on the budget estimates in public.

Under Legislative Council Standing Order 252, this Committee has resolved to authorise the media to broadcast sound and video excerpts of its public proceedings held here today. The Committee's resolution conforms with the guidelines governing the broadcast of proceedings adopted by the Legislative Council on 11 October 1994. The attendant on duty has copies of these guidelines. I emphasise that only members of the Committee and the witnesses before the Committee may be filmed or recorded. People in the public gallery are not considered to be part of the proceedings and, therefore, should not be the primary focus of any filming or photographs. In reporting the proceedings of this Committee, as with reporting the proceedings of both Houses of Parliament, you must take responsibility for what you publish or what interpretation is placed on anything that is said before the Committee.

While there has been provision in previous years' budget estimates resolutions for members of a Committee and substitute members to refer directly to their own staff at any time, there is no such provision in the current resolution. Members and their staff are therefore advised that any messages should be delivered through the attendant on duty or the Committee clerks. For the benefit of members and Hansard, and the effective operation of the Committee, it is very important that departmental officers identify themselves by name, position and department or agency before answering each question.

With respect to the validity of questions, wide latitude is allowed in asking questions on any of the budget estimates and related documents before the Committee. However, where a member is seeking information in relation to a particular aspect of a program or a subprogram, it will help the Minister and the Committee if the program or subprogram is identified.

The Committee will deal first with Transport. After an hour we will decide whether to continue with Transport or to examine the portfolio areas of Roads and, possibly, Ports. As you are aware, two hours has been allocated for today's hearing. If after that time members have not exhausted the questions to which they require answers, we will have the opportunity to hold additional hearings. As the Legislative Assembly is sitting this evening, the Committee has resolved that if a division is called, the Minister will attend the lower House and the Committee will continue to question the advisers until he returns. I now declare the proposed expenditure open for examination. I would like to thank the Minister for bringing Mr Christie to this meeting at such short notice.

Mr SCULLY: Madam Chair, may I say at the outset that Mr Christie was appointed by me today, but he will not be formally appointed by the Governor until tomorrow. Technically speaking, he will not formally commence work until tomorrow afternoon, but I have asked him to be available for questions on the basis that his informal appointment took place today.

CHAIR: Minister, can you advise the Committee how much the new Co-ordinator-General of Rail is to be paid?

Mr SCULLY: That has not yet been settled. When I asked Ron Christie to take the job he did not even raise the question. It was only recently that I actually said that we would need to settle his pay and conditions. It is the sign of the man that he is interested in getting on with the job and did not refer to pay and conditions when he accepted the position. This is not about pay and conditions but about getting to the bottom of what has caused the deterioration in on-time running.

Members should appreciate that 12 months ago we had the best on-time running in 25 years—quarter of a century. For reasons that have not been fully ascertained, it has since deteriorated. I recommended to the Government—and my recommendation was fully endorsed by the Government—that a person of Ron Christie's stature should be engaged, with full authority across all the boards, agencies and chief executives, to get to the bottom of the problem of the deterioration in on-time running and work through the solutions.

CHAIR: Who will determine the remuneration?

Mr SCULLY: The Director-General of the Premier's Department has indicated to me that it will have to be settled in the next few days. As I say, it is a matter that will be determined in the near future.

The Hon. J. HATZISTERGOS: Is it a Statutory and Other Offices Remuneration Tribunal [SOORT] approval?

Mr SCULLY: It may well have to be a SOORT determination, but it is a matter that will have to be discussed in the next few days.

The Hon. J. H. JOBLING: If it is a SOORT determination, surely there are specific requirements to be met.

Mr SCULLY: I said that it may require a SOORT determination. As I said, I asked Ron Christie if he would do the job; he said yes. We did not refer to pay and conditions. I have not settled a figure; Ron Christie has not settled a figure. This is not about pay, and I am disappointed that you would think it is.

CHAIR: Will there be any possibility of a bonus payment being taken into account?

Mr SCULLY: As I say, the only discussions I have had with Ron Christie about pay and conditions is that we would need to settle his pay and conditions. I have known Ron Christie for many years, and the only discussion I have ever had with him about his working conditions is when I said to him, "We had better settle your pay and conditions." He never raised it with me.

It is not unreasonable that we need to resolve this, and it will be resolved in the near future, but he is only interested in getting there and doing the job and seeing if he can fix the problems. As I say, it is about improving the reliability and performance of the railways. I find it disappointing that you would think Mr Christie would have that at heart. He does not, would not, and has never.

The Hon. J. H. JOBLING: Surely that is very unusual in a senior executive position. I do not know of anybody else in that position who has been employed without matters having been resolved before the appointment has taken place?

Mr SCULLY: As I say, this is the sign of the man. You obviously do not agree.

The Hon. J. H. JOBLING: As a Minister you are potentially expending moneys without knowing what you are expending them for, and under what determination.

Mr SCULLY: I thought it was important that the people of New South Wales had some answers, some solutions to their rail problems. Ron Christie was the man whom I asked to do the job. He accepted the job. I then said, after he accepted the job, that we needed to have his pay determined and the conditions settled. That may require a SOORT determination.

The Hon. J. H. JOBLING: What did you have in mind then?

Mr SCULLY: That is a matter for determination.

The Hon. J. H. JOBLING: In other words, you have no ideas and no views?

Mr SCULLY: It is not for me to determine. There are processes in government. The Governor appoints the Co-ordinator-General of Rail.

The Hon. J. H. JOBLING: At the end of the day, yes.

Mr SCULLY: No, not at the end of the day. You are actually into formal structures. If you are fair dinkum about what you said a few moments ago, the formal structure is that the Governor will appoint the coordinator-general. Now the pay will have to be settled. It may not require a SOORT determination.

The Hon. J. H. JOBLING: Sight unseen and cost unseen.

Mr SCULLY: I am disappointed that you would think that this is about pay and conditions. It is not. It will be sorted out and it may require a SOORT determination. What I want Ron Christie to do is to get in there and start managing the day-to-day affairs of the railways to the extent necessary to improve the performance and reliability of the railways.

The Hon. J. H. JOBLING: I accept that that is necessary, but I recall that in another place the contract created a great deal of difficulty for just such an action.

CHAIR: Will any specific performance criteria be set for Mr Christie?

Mr SCULLY: The performance criteria are that I would like him to get in there and find out what is wrong with the performance of the railways, what needs to be done to improve them, and to do what he needs to do to improve them.

CHAIR: So after a whole series of summits, et cetera, you do not know?

Mr SCULLY: You obviously do not understand Ron Christie and do not have an understanding of his background as a rail operator. I am confident that he, as a rail operator, knows where to look, whom to talk to, and what actions to take, having ascertained the situation. He needs to get in there. He has not started yet; he will start tomorrow.

CHAIR: Will you give an undertaking to publish the performance criteria when they are set down?

Mr SCULLY: Subject to normal protocols.

The Hon. J. H. JOBLING: The Chief Justice's performance criteria are published.

Mr SCULLY: As I said, subject to normal protocols, I will comply with what is normally the case in respect of publication of those sorts of determinations.

CHAIR: Can we ask you to provide that information when it is available?

Mr SCULLY: As I say, I will comply with the normal requirement for publishing determinations of that sort.

CHAIR: If necessary, we will ask you again at another meeting. Can you explain the rationale for giving Mr Christie authority over the boards of the State Rail Authority [SRA], Rail Services Australia [RSA] and the Rail Access Corporation [RAC]?

Mr SCULLY: I have been working pretty hard over the last few weeks to come to a good understanding of why, after having had the best on-time running in a quarter of a century, we had a gradual deterioration and then a steep deterioration. I have had many meetings with the agencies and the chairmen, chief executives and senior executives, and I was not satisfied that I was getting the reasons for this occurrence. It seemed to me that we needed to have more co-ordination and a greater degree of co-operation between the agencies.

You must understand—if you have any understanding of railways—that there is cross-fertilisation of issues in terms of performance. No one organisation has complete responsibility for the performance. That is why I wanted to get Ron Christie in—to actually get to the bottom of the reasons without being fettered and hampered by boards or management structures; to get in there and find out what is going on and make the decisions.

CHAIR: Would it have been logical to suspend the operation of the boards for the duration of Mr Christie's appointment, thus saving taxpayers half a million dollars a year?

Mr SCULLY: Ron Christie has not been put in there to run the boards or the normal services of the agencies, as they do not relate to the problems which he has been given to solve. The boards and the chiefs will still go about their business. There is a whole range of issues in terms of running the railways that will still go on. The chief executives will still run their organisations and report to the boards, and the boards will still be accountable to the shareholding Ministers and Treasury, subject to one thing: The Co-ordinator General has a roving brief across the rail industry to get to the bottom of this problem and to put in place decisions to fix it.

CHAIR: So the Peter Barrons, the John Menadues and the Gail Gregorys carry on regardless despite this debacle?

Mr SCULLY: Gail Gregory is not on the State Rail board. She is now the head of CountryLink.

CHAIR: That is another debacle.

Mr SCULLY: Hold on. You cannot say someone is on the board when that person is not on the board. John Menadue's term expired some time ago.

CHAIR: But the board will continue on while Mr Christie does his job and the taxpayers continue to pay the board members.

Mr SCULLY: I do not know whether you understand how organisations operate and run. There is a whole range of responsibilities.

CHAIR: You said you did not know how rail runs, and that is why Mr Christie has been brought on board.

Mr SCULLY: The on-time running is only one aspect of the whole organisation's responsibility. I will give you an example. Rail Services Australia runs a number of businesses that may well have no bearing on on-time running. The Rail Access Corporation does all sorts of things that may or may not have a bearing on on-time running. I would not want Ron Christie burdened with running those parts of the rail organisations that have no relevance to the task he has been given. It is appropriate that the chiefs and the boards continue to operate their organisations but be subject to the power and authority that Ron Christie has been given to fix the reliability and safety issues that we have been confronted with. I would have thought that would be clear.

CHAIR: A few minutes ago you referred to the interrelationship between the various boards. Is it not a fact that today's announcement is a compromise; that you felt you could not merge the SRA, the RAC and the RSA ahead of the stage 2 report from Justice McInerney, but that your agenda is to reintegrate after August?

Mr SCULLY: Are you asking me or telling me?

CHAIR: I am asking you is that not your agenda.

Mr SCULLY: Well, I think it is quite obvious from a number of press statements that I have made that we have had three reports—Medlock, Worrall and Oliver—in respect of safety issues. Each of those reports raised questions of concern in respect of the interfaces between the rail agencies. You have to be careful to make sure that at the interfaces, at the edges, of the organisations, where they touch administratively, safety issues do not fall between the cracks. There was advice that there needs to be a greater level of co-ordination and co-operation between the agencies. I have endeavoured to address that need with a number of initiatives; for example, the chief executives strategic safety committee and other initiatives. But my concern, and the concern of a number of members of your House of Parliament, resulted in the recommendation I made to government to have the terms of reference to Justice McInerney extended to have him independently consider and report questions of structural change in the rail industry.

It is appropriate that we, as a government, do not determine those issues until the judge has an opportunity to deliberate. Remember that stage 2 of the McInerney inquiry starts tomorrow, and a report is required later in the year. The Government has asked Ron Christie to report also on the effectiveness of the current arrangements between rail agencies. I would expect that to follow the McInerney report. Whatever views I may have about the current structure, I think it is appropriate for the judge to provide his report before we consider what we might or might not do in response to that.

CHAIR: Mr Christie, in your media release today you acknowledge the commitment and skills of the staff within the three organisations. Do you have confidence in Messrs Lane, Ogg and Cowling?

Mr SCULLY: I think it is more appropriate that I answer that question. I have been asked about my confidence.

CHAIR: It was Mr Christie's media release that I was referring to.

Mr SCULLY: I have expressed confidence in the three chief executives. I have put them on notice in respect of their performance. I have told them that the public expects them to improve their performance. I think that is on the record.

The Hon. J. H. JOBLING: With respect to the Minister's comment, might I point out that the Chair addressed a question to Mr Christie, and Mr Christie may answer the question without the Minister's assistance.

CHAIR: Are you happy to answer that question, Mr Christie?

Mr CHRISTIE: Thank you for that. However, I remind you once again that I have not commenced in this position as yet. The Minister has expressed confidence in the three CEOs, and that is good enough for me at this stage. I will be working very closely with all three of those people and, hopefully, towards a result to deal with the problems that we have at the moment.

CHAIR: Do you anticipate any changes in the senior management positions of any of the authorities?

Mr CHRISTIE: I have to remind you once again that I have not commenced this project yet and you are asking me questions that require me to form an opinion. Having not commenced the project, I do not see how I can answer your question.

CHAIR: But you would not rule out changes?

Mr CHRISTIE: I am not ruling out or ruling in anything, but I have to remind you that I am not at the moment doing the project.

CHAIR: We can obviously conduct further hearings to see how you are going in your very demanding role.

The Hon. J. H. JOBLING: Would you agree, Minister, that at this stage there is a crisis in what one might describe as the rail system, and that the public have a right to know and to understand what the problem is?

Mr SCULLY: There are a number of concerns in respect of the deterioration of reliability, and the public would expect government to address those concerns. I believe that I have done that to the best of my ability over the last few weeks, and I believe that the public will be reassured that a person of Ron Christie's stature is now at the helm and getting on with the job to find out why the performance has deteriorated and what needs to be done to improve it.

The Hon. J. H. JOBLING: Rail passengers whom I run into on a daily basis are very concerned about on-time running, costs, and the fact that you have now agreed to the Legislative Council's request that Mr Justice McInerney's inquiry, which will begin tomorrow, be extended. Does that not indicate that there are problems?

Mr SCULLY: I think what the Opposition sought was a full, open inquiry. There is a full, open inquiry. A number of members of the upper House—I believe it was the crossbenchers—generated the interest in structural reform. That is something that I have been interested in and concerned with following those three reports that I referred to earlier, and I think it is appropriate for the judge to consider it. He will no doubt provide recommendations at the end of the year.

CHAIR: What will the role and the future of the Public Transport Authority be under these new arrangements, given that that authority's job was to help integrate and co-ordinate the various modes of transport?

Mr SCULLY: The Public Transport Authority continues to have an important role. It has, as part of its representation, the Taxi Council. I know that the Public Transport Advisory Council goes along, the private bus industry is represented, and the State Transit Authority is represented and chaired by Antoinette Le Marchand. She is conducting an inquiry and review into concessions, and she has also had an important co-ordinating role in terms of the integrated ticketing project. They meet regularly and discuss a range of issues across operators. That will continue. It is not a body that deals with direct operational issues; it is more, in a sense, a policy co-ordination role where there is a forum for rail operators, public transport operators and bus operators to exchange ideas.

CHAIR: Are you prepared to express your confidence in Ms Le Marchand?

Mr SCULLY: Of course. I do not think there has been any reason to do otherwise.

CHAIR: Will part of Mr Christie's new role be to direct her as well?

Mr SCULLY: No. She does not have an operational role in the sense of running an organisation. She chairs an authority in which operators come along and exchange ideas and talk policy in a broad comprehensive sense. Simon Lane, as one of the rail operator chiefs, would continue to go; also John Stott, State Transit; the Bus and Coach Association; and the Taxi Council. These are all operators of transport services. I do not think you would envisage having Ron Christie directing the taxi industry.

CHAIR: Mr Lane, can you advise the Committee of the estimated total cost with respect to last week's fare-free day?

Mr LANE: Somewhere in the region of just over \$2 million.

CHAIR: Did the decision to initiate that fare-free day originate from the authority or from the Minister?

Mr SCULLY: That was my decision.

CHAIR: It was Mr Scully's decision?

Mr SCULLY: You know that. I think you have seen that in the press clippings.

CHAIR: What consultation occurred before the decision was made and/or announced?

Mr SCULLY: I told the chief executive that I thought, given the performance of CityRail and other rail agencies, it was appropriate to make a gesture of goodwill to the travelling public, and I told him I wanted that implemented.

The Hon. J. H. JOBLING: Mr Lane, noting the comment of the Minister, can you tell us whether the authority was in fact asked for advice on the implications of the decision on the ticketing system or the periodical tickets before this decision was made?

Mr LANE: Was I asked for the implication?

The Hon. J. H. JOBLING: Were you asked for advice on the implication of the ticketing system or the effect on the periodical ticket holders before the Minister made his announcement?

Mr LANE: Yes.

The Hon. J. H. JOBLING: What advice did you give him?

Mr LANE: I advised the Minister that it was possible to alter the software to reduce the weekly price by 20 per cent.

The Hon. J. H. JOBLING: Have you taken advice on that determination?

Mr LANE: I have.

The Hon. J. H. JOBLING: Are you satisfied with the advice that you gave him that \$2 million was a reasonable sum of money to give back?

Mr LANE: I gave advice to the Minister as to the approximate cost of the proposal to have a fare-free day.

The Hon. J. H. JOBLING: What, in your mind, was the justification?

Mr LANE: The Minister was concerned about the poor performance of the train services in Sydney, particularly on the first three days of operation of the new airport line. The Minister sought my advice in terms of the impact on our financial position if we were to have a fare-free day.

The Hon. J. H. JOBLING: As the CEO of the State Rail Authority, what concerns had you previously expressed before coming to this conclusion?

Mr LANE: In respect of what?

The Hon. J. H. JOBLING: Of advising the Minister that he might proceed with this fare-free day?

Mr LANE: The Minister sought my advice regarding the possibility of altering the price of weekly tickets for one week and asked me for the financial implication of doing that, and I provided the information to the Minister. Following the discussion, the Minister decided to announce a fare-free day for the following week.

The Hon. J. H. JOBLING: Do you believe you covered all the implications and considered the possible pitfalls, and did you draw them to the Minister's attention?

Mr LANE: I sought advice from within the SRA regarding the technical possibility of reducing, through the software, the price of a weekly ticket by 20 per cent, and I was advised that it was possible to do it. I informed the Minister of that advice.

The Hon. J. H. JOBLING: So the final determination and the advice, rightly or wrongly, would then rest with you, giving the advice?

Mr LANE: Correct.

CHAIR: Mr Lane, will you outline the key performance indicators which make up your performance agreement?

Mr LANE: I have a number of key performance indicators relating to areas to do with quality, safety, financial performance and people, the details of which I will have to take on notice.

The Hon. J. H. JOBLING: Mr Lane, having thought about your answers and the advice to the Minister, which you have told the Committee about, when were you actually made aware that ticketing problems would be encountered?

Mr LANE: What ticketing problems?

The Hon. J. H. JOBLING: In relation to the fare-free day.

Mr LANE: What ticketing problems?

The Hon. J. H. JOBLING: You do not know of any ticketing problems?

Mr LANE: I became aware on the Tuesday before the fare-free day that there was a reduction in the flexipass tickets also of 20 per cent, and within one hour of having been given that advice we gave an instruction to our staff regarding the further sale of those tickets.

The Hon. J. H. JOBLING: If I were to tell you that I was informed by some stationmasters—and I do not wish to disclose their names for obvious reasons—that they informed head office on Monday, before lunchtime, that there were problems, what would you say to that?

Mr LANE: I was advised on the Tuesday morning.

The Hon. J. H. JOBLING: If my belief is correct, can you offer me any reason why it would take so long to advise you?

Mr LANE: I can only say that I was advised on Tuesday morning, and I assume that I was advised promptly when a member of the senior management team became aware.

The Hon. J. H. JOBLING: If my view is correct, surely you would be extremely concerned?

Mr LANE: You are putting a proposition that I cannot substantiate one way or the other.

The Hon. J. H. JOBLING: If I am right and this problem was known by midday on Monday, and you were not advised of it until Tuesday, that would suggest a severe management problem.

Mr LANE: If it were the case, I would be surprised and disappointed.

The Hon. J. H. JOBLING: What would you do about it if it were the case?

Mr LANE: I would discuss it with the manager concerned.

The Hon. J. H. JOBLING: Considering the period when this discount was applicable and the question of revenue loss, can you advise the Committee how many yearly and other periodical passes, other than weeklies, were sold with the bonus 20 per cent discount?

Mr LANE: I will take that question on notice, but the number of flexipass tickets that were sold on the Monday and in the early part of the Tuesday morning was only marginally higher than we would normally expect on those days of the week.

The Hon. J. H. JOBLING: Therefore you agree that it happened?

Mr LANE: It is a matter of public record that it happened.

The Hon. J. H. JOBLING: I wanted to place it on our record for the benefit of the Committee and the Parliament. Whilst you have taken the question of numbers on notice, have you any idea of the actual revenue loss to State Rail from this particular sale of yearly and other periodic passes, other than weeklies?

Mr LANE: I would not like to mislead the Committee by giving an incorrect number, so I will take that question on notice.

The Hon. J. H. JOBLING: Can you apply that to the number of yearly passes at the same time?

Mr LANE: Yes.

The Hon. J. H. JOBLING: It has been put to us that staff at certain stations, to put it crudely, tipped off account holders to the discount. Do you have you any knowledge of that?

Mr LANE: No knowledge at all.

The Hon. J. H. JOBLING: If I were to suggest a station to you, would you undertake to make investigations if your own staff had advised people of the flaw in this discount?

Mr LANE: We would investigate that.

The Hon. J. H. JOBLING: Might I suggest to you that you look at Wynyard station.

Mr LANE: Thank you.

The Hon. J. H. JOBLING: Given the likely GST increases in rail fares, was the discount therefore, not the 20 per cent as claimed, but closer to 30 per cent?

Mr LANE: At the moment we are not charging the GST component on tickets beyond 30 June because at the present time the Independent Pricing and Regulatory Tribunal [IPART] has not made its determination beyond 30 June.

The Hon. J. H. JOBLING: Clearly, if one were to buy a ticket now—and I accept that it is not 1 July—it would be a substantive advantage, plus the discount that would appear to have applied to the annual passes.

Mr LANE: We are in the process of providing a circular to our station staff regarding the sale of tickets beyond 30 June to counter your notion.

The Hon. J. H. JOBLING: On that basis, will you undertake to look specifically at that problem, bearing in mind the bonus discount plus the sale prior to the GST, and advise the Committee of the amount and whether it is closer to 30 per cent than 20 per cent?

Mr SCULLY: Can I make a comment. I appreciate that you want to have your cake and eat it too. There are people who like to buy periodic tickets that are for well beyond a week. We do not have an approval from IPART to charge GST. It is a question of whether you allow people to buy tickets that normally provide a substantial discount or do you say to them, "Sorry, you are going to have to buy weekly tickets for a substantial period of time until the pricing tribunal has authorised a GST component"?

I am quite comfortable with the fact that, provided there is not a rush on tickets, the level of sales is roughly the same; that it is inappropriate to prevent people buying those lengthy tickets and to tell them that until there is a GST clearance they can buy only weeklies or monthlies. I discussed that with Professor Parry, and his comment was that he did not think that the erosion of the revenue would be great and he felt that it was not inappropriate to continue until we got the clearance. I put that to him in an informal discussion. I said that there was a difficulty for the railways, that it was preferable to get a GST clearance in respect of periodicals. I indicated that the travelling public expected to be able to purchase long-term tickets and we should not deny them that, but I indicated to him that we would have to wait until we got that clearance from him.

The Hon. J. H. JOBLING: As I understand it, and as I understand Mr Lane's evidence, on Tuesday at about 10 o'clock you and he put a stop in place to make sure these things did not happen. Do I understand that correctly?

Mr SCULLY: Yes, I asked for them.

The Hon. J. H. JOBLING: Therefore, can I suggest to you that I have a photocopy in front of me of a receipt for a yearly ticket issued at Westmead station on Tuesday at 7.29 p.m. That suggests that the lines of communication are highly doubtful and that what you said occurred did not in fact occur.

Mr LANE: If a member of staff at Westmead did not follow the procedure correctly, that is a matter we will investigate.

The Hon. J. H. JOBLING: That was at 7.29 p.m. You had had allegedly dealt with the problem—which I contend you were aware of by midday the previous day—at 10 o'clock in the morning.

Mr LANE: I have already informed the Committee that I had no knowledge of the problem until about 8.30 on the Tuesday morning.

CHAIR: Mr Lane, can I go back to that question about key performance indicators which make up your performance agreement. I think you mentioned quality, safety—

Mr LANE: Finance and people

CHAIR: But you said you could not remember the detail of that. Would that not be in the forefront of your mind under the current circumstances?

Mr SCULLY: That is not what he said. I do not think the record should stand. That is not a fair interpretation of what he said, and the transcript should not let it stand.

The Hon. J. H. JOBLING: Surely Mr Lane can answer that.

CHAIR: Mr Lane, can you give us your key performance details?

Mr LANE: I can recall some of them but not all of them.

CHAIR: Can you give us the ones you can recall?

Mr LANE: I can recall the ones in respect of on-time running of CityRail services, where the target is 92 per cent. There is an objective in respect of the preparedness for the Olympic Games. In terms of safety, there is a target to implement strategies to reduce the lost time injury frequency rate by 50 per cent over the four-year period of the corporate plan, where we are well ahead of that target. There are objectives in respect of implementing strategies to improve operational safety in light of the Glenbrook accident.

In the people area, there are specific objectives regarding absenteeism, again about reducing absenteeism, putting in place strategies to reduce absenteeism by 50 per cent over the four-year period of the

corporate plan, and, again, we are ahead of ourselves in respect of that. There is an objective in respect of the recruitment of females into the operational grades and ensuring that we have a high rate of retention. Where we used to lose 90 per cent of females in the operating grades within six months of recruitment, we are now retaining 90 per cent beyond the six-month period. In the finance area there were objectives in respect of achieving budgeted outcomes in line with government policy. They are the ones I can recall. The specifics I would have to take on notice.

CHAIR: When was the last time you had a performance review with the Minister, what was the outcome of the review, and have you been paid a bonus for 1998-99?

Mr LANE: Within the structure of the board of the SRA, an appointments and remuneration committee has sat and reviewed my performance every six months since I have been in the position, which I started on 1 December 1997. Last year, I think it is a matter of public knowledge, the appointments and remuneration committee reviewed my performance for the for the year ending 30 September 1999 in the 1998-99 financial year, which is in line with the SOORT determination, and the guidelines from the Premiers office. As a result of that review, the appointments and remuneration committee made a recommendation to the full board. That was discussed in December. Again, that discussion with the full board was made in my absence. As a result of that, there was a recommendation made to the Minister in respect of my bonus.

Mr SCULLY: I trust you are not alluding to the *Sun-Herald* O'Farrell defamation, almost, which suggested that a payment was made for the current year's performance. That was a disgraceful piece of journalism. It was mischievous and untrue.

CHAIR: I am just asking a question to which the public wants an answer.

Mr SCULLY: Good. Well, the record should stand. The bonus was not for the current year. It was for 1998-99, when we had the best on-time running in 25 years. Certain public statements were made by the shadow Minister for Transport repeating an assertion made in the *Sun-Herald*—mischievous, misleading and probably defamatory.

The Hon. J. H. JOBLING: Surely that is for others to decide, and not for the Minister to make equally inflammatory statements.

The Hon. I. M. MACDONALD: A very good statement indeed.

The Hon. I. COHEN: Minister, I refer to the Rail Services program. Page 20-5 of Budget Paper No. 3, Volume 2, states:

The SRA is budgeted to receive a total of \$588.1 million in recurrent funding . . . This represents a \$72.1 million reduction in the SRA's operating subsidy compared to the 1999-2000 Budget.

It states also:

The reduction in the operating subsidy to the SRA does not represent a change in the level of service provision. Operating costs are expected to be lower as a result embedded tax savings and fare revenues will be higher than in 1999-2000 because of last year's fare increases, continuing growth in patronage as well as the one-off impact of the Olympics.

Minister, can you itemise the expected revenue levels for each of these factors, for example, fare increases, growth in patronage and revenue from the Olympic period?

Mr SCULLY: Roughly \$53 million for the fares. Most of the remainder is in respect of patronage growth and a small element of productivity. But I might get Rob Noyes, the Chief Financial Officer of the State Rail Authority, to answer your question.

Mr NOYES: There is an additional \$11 million in revenue coming from the airport link. CountryLink will recover \$6 million in revenue that was lost this year. There is additional fare box revenue. It was anticipated at the time the budget was done that \$15 million would come from the CPI increase next year. That will not be happening, but it was at the time the budget papers were done.

The Hon. J. H. JOBLING: Would you like to suggest to the Committee what the reviewed new figure is in that regard now?

Mr SCULLY: No, I should answer that. As you know, the Government withdrew the CPI application and obviously when IPART has completed its deliberations supplementation will be required to the recurrent to compensate for the loss of the CPI increase.

The Hon. J. H. JOBLING: With respect, Mr Chairman, may I repeat my question to Mr Noyes, who is the Chief Financial Officer? If he is advising the Committee that the figure of \$15 million is now incorrect, what figure should we consider in its place?

Mr NOYES: A reduction of \$15 million.

The Hon. J. H. JOBLING: It is going to stay at the reduction of \$15 million?

Mr SCULLY: No.

Mr NOYES: Initially there was a 2.8 per cent increase allowed for CPI for fares. That has not been granted. We will not get that \$15 million.

The Hon. I. COHEN: Given that CPI figure differentiation, do you guarantee that it does not represent a change in the level of service provision?

Mr SCULLY: Perhaps I can answer that. I know that the Opposition has attempted to assert that there has been a cut.

The Hon. I. COHEN: It is my question.

Mr SCULLY: Yes, I know, but the Opposition has attempted to assert elsewhere, shamefully, that there is a reduction in the amount of money available for the services provided by CityRail and the State Rail Authority. I think there is a misunderstanding of how recurrent money is allocated in the budget. The way the rail operates, there is a pool of funds made available from ticket sales, from other sources of revenue and also from the Consolidated Fund. You need a certain pool of money to pay for electricity and wages, to buy diesel, to run the organisation. You actually need a certain level of funds.

What people are concerned about primarily, in my view, is the improvements to service, which is about new trains and airconditioning and easy access on stations, about buying cameras and reducing the gap in rail stations when the trains come in. These are capital works, where we are actually increasing the amount of money. If you are getting more revenue in one pocket, you do not need as much subsidy from budget in the other pocket. It is as simple as that. It is, effectively, an accounting exercise. Because there are more fares coming in, you need less subsidy. That is all.

The Hon. J. H. JOBLING: Or do you need the same subsidy plus the fares to maintain the system, buy new equipment and improve the services? I can guarantee that the services are deteriorating. I use them. I do not know how often you do.

Mr SCULLY: If you know why the on-time running has deteriorated, I would like to hear about it. I believe Ron Christie ought to be given the opportunity to find out.

The Hon. I. COHEN: I refer to Budget Paper No. 3, Volume 2, page 20-29, subprogram Purchase of Public Transport Services. CityRail and CountryLink services are budgeted to receive \$185,968 million, compared with \$262,729 million last year, which is a reduction of approximately 30 per cent.

Mr SCULLY: That is capital.

The Hon. I. COHEN: What is the explanation for such a massive reduction in this line item? In the Olympic year, when rail services would be expected to play a crucial part in the success of the Games and when the New South Wales economy is booming, why has the Government cut this item in the rail budget by 30 per cent?

Mr SCULLY: I am told that is the same as the explanation in respect of fare increases.

The Hon. I. COHEN: It is increased fares?

Mr SCULLY: It is increased fare box revenue and increased revenue. That means the subsidy needs to be less, but the pool of money—

The Hon. I. COHEN: Including the Wednesday fare-free day? Has all that been factored in?

Mr SCULLY: Rail will have to absorb that.

Mr LANE: The fare-free day does not affect next year's finances.

Mr SCULLY: Yes, that is this financial year.

The Hon. I. COHEN: And you are saying that the extra revenue is going to account for that 30 per cent reduction?

Mr SCULLY: As I said, the pool of funds requires it. The trouble is that this is not the annual report of the State Rail Authority. The temptation is to look at that and think that it means certain consequences in respect of service provision. You actually have to look at the annual report of the State Rail Authority to see the total revenue that comes in. Fares go up, the Treasury subsidy goes down. The money should be roughly the same.

The Hon. I. COHEN: Minister, regarding rural transport services, Budget Paper No. 3, Volume 2, states on page 20-5 that \$169 million will be spent on rail lines throughout rural New South Wales. The budget papers also state on pages 20-13 and 20-14 that \$160 million will be spent on the Pacific Highway, and further funds will be spent on upgrading the Summerland Way. What proportion of the funds to be spent on rural rail services will be spent on the North Coast line? What plans, if any, does the Government have for improving the provision of public transport on the North Coast? I refer to perhaps Casino, Lismore, Byron, Murwillumbah as a local transport route via rail.

Mr SCULLY: You have loaded a lot in one question.

The Hon. I. COHEN: I will go back, if you like.

Mr SCULLY: I will endeavour to deal with it step by step. The first one is the CSO to Rail Access Corporation for the maintenance of what is regarded as unprofitable, uncommercial rail lines. What fundamentally separates the Labor Government from a Coalition government is that we made a decision not to close any more rural rail lines. Second, we ensured that sufficient maintenance funds were applied to current non-commercial lines to make sure that they did not close by being left to lie fallow. Third, we have actually put in place steps to reopen rail lines. The Premier recently opened the Cowra-Blayney line, for example, which is a tourist line, and we are already putting \$15 million into the Kandos-Gulgong line, which is a freight line, and that will be opened at the end of the year. The next question you asked was about the \$160 million on the Pacific Highway.

The Hon. I. COHEN: I appreciate that it is a comparison.

Mr SCULLY: That is the most important transport spine for people travelling between Newcastle and the Queensland border. Too many people were being killed. It hampered economic growth and restricted freight, and it was appropriate that we put a significant investment into it to improve and upgrade it. On the level of investment on the rail line between Newcastle and the Queensland border, I would have to seek some advice, and I am happy to come back to you on that, but I am interested in doing what I can to ensure the improvement of public transport. There are obviously more limited options in the country than there might be in significant urban centres.

The Hon. I. COHEN: I take your point, Minister. Nevertheless, you are talking about resolving the transport of freight. Surely upgrading the rail would have been the most efficient resolution to the transport of freight and would also have factored in a significant saving of lives in accidents on the road. That is where the accidents are occurring, with long-distance road haulage.

Mr SCULLY: I am keen to get more rail freight, obviously, but the cost of upgrading that link between Sydney, with Hornsby, and Brisbane is billions of dollars. In fact, we have a \$0.5 billion dollar commitment to upgrade the rail line to the Central Coast, and that will entail improvements to freight. It will mean that in the areas where we straighten the line and leave the old rail line, freight operators will be able to

use those passing lanes while passenger trains go on the upgraded section. But to go beyond the Central Coast would cost a huge sum of money. We really cannot get any interest from the Federal Government beyond an insulting \$250 million, which it promised in August 1997 to spend over the next four years. It has spent about \$70 million. I would like to do more in Freight Rail, but it is very, very expensive.

The Hon. I. COHEN: But in terms of my question regarding the improvement in the provision of public transport on the North Coast, that is an issue in the Casino, Lismore, Byron and Murwillumbah local transport option. The rail structure obviously will be there. Surely it just needs to have appropriate attention to give public transport options to people on the North Coast.

Mr SCULLY: I am happy to explore options for public transport in regional centres, but, generally speaking, you need to provide a good local road fabric because for mobility the vast majority of people in rural and regional settings require a motor vehicle. But if there are options for local bus services or local train services in certain circumstances I am happy to work those through with you.

The Hon. I. COHEN: I put to you, Minister, that Lismore is a university town.

Mr SCULLY: That is a large centre.

The Hon. I. COHEN: There are a significant number of young people who do not necessarily have private transport. They travel for a significant time on buses, which could be radically cut down by a local transport rail system, even small scale on rail bogies. That would help students move around this area. It is something that is desperately needed.

Mr SCULLY: It is always a question of cost-benefit and the allocation of scarce dollars. Heavy rail, as you know, is hugely expensive. It would have to be addressed against other priorities in other parts of the State. I do not rule out anything. Lismore, of course, is not a small urban area; it is a reasonably large urban area, but I would have to ask whether or not there would be the economic benefit for the huge investment of a heavy rail project up there.

The Hon. I. COHEN: I do not quite understand the huge investment, because all the infrastructure is there.

Mr SCULLY: You are talking about extending it, I understand.

The Hon. I. COHEN: Not extending the actual rail, but revitalising the existing infrastructure and making a relevant local public transport system that is user friendly.

Mr SCULLY: If that is something you want addressed, I would probably get a representative of the Department of Transport to talk to you, see what you have in mind, and talk to the mayor, the local member of Parliament, and the local bus company. I will see there if there is not some form of integrated plan or some vision for the future or some dollars to improve the services there. I would want to know why and see if we can work that through. I am happy to do that if you believe that is an area that needs some attention.

The Hon. I. COHEN: I have raised this issue before.

Mr SCULLY: The least I can do is have a good look at it and see if there is anything we can do to improve it. I am happy to do that.

The Hon. I. COHEN: Thank you, Minister. The Newcastle to Sydney high-speed rail linkage is an important part of Action for Transport 2010. Why is there no allocation in the budget for stage 1, Hornsby to Warnervale?

Mr SCULLY: There should be an allocation of funds to do detailed work unless Treasury took it out. In Budget Paper No. 4, page 101, under my portfolio there is an allocation of just under \$3 million dollars.

The Hon. I. COHEN: I stand corrected, thank you.

Mr SCULLY: That is a pretty important project. I have already established a project team and we are doing a feasibility exercise as to the best options for providing higher speed links between the Central Coast and Hornsby.

The Hon. I. COHEN: Minister, with regard to the purchase of public transport services, which is referred to on page 20-29 of Budget Paper No. 3, Volume 2,, incidents which are compromising safety and efficiency in the rail system such as the rusty rail line at Redfern several weeks ago are continuing to cause serious public concern. The findings of the McInerney report that a combination of factors was responsible for the Glenbrook accident suggest that poor maintenance is a major contributing factor to these incidents. Have sufficient funds been made available to the State Rail Authority and Rail Access Corporation to improve maintenance standards? If so, how much and where does this item appear in the budget papers?

Mr SCULLY: May I just correct the record. What you have said is correct, that there are a number of causes in respect of the Glenbrook accident. My recollection of one of the causes was in respect of a failure of a signal, and the judge actually said that this could not be attributed to insufficient maintenance. That is important. I have not read the report from cover to cover. I have read significant parts of it. I have sought advice on it. The advice I have received is that the judge has not said that there is insufficient maintenance which would cause a safety concern. It is very important that we put that on the record.

The other thing I want to say is in respect of the allocation of dollars. I think it is too early to say whether or not there is an insufficient level of maintenance funding. It may well be that some of these problems in respect of on-time running and reliability are that the investment of the available funds has not been undertaken in the best possible manner. That is why I want the co-ordinator-general to get in there and make some determinations about it. Sometimes it is a reprioritisation of funding. Sometimes it can be an overinvestment in capital works on the railway in areas that are not essential for reliability, safety and continued comfort of passengers. Sometimes you can spend the dollars in a better way. That is why I need Ron Christie to get in there and have a look.

The Hon. I. COHEN: I appreciate what you are saying about the Glenbrook situation. Nevertheless, things like the incident at Redfern and other incidents have pointed towards maintenance problems.

Mr SCULLY: Not necessarily insufficient money.

The Hon. I. COHEN: But maintenance problems nevertheless. In terms of those maintenance problems, your department has \$43,821,000 allocated for redundancies. How many maintenance staff are likely to be made redundant, and will those redundancies result in reduced staffing levels in that area?

Mr SCULLY: May I say first of all that you have referred to one particular derailment. In the last five years of the last Government there were 2,000 derailments, or 400 per year. In the first five years of this Government, there have been 1,000 derailments, or 200 per year.

The Hon. I. COHEN: Perhaps they should have attended to maintenance issues far earlier.

Mr SCULLY: All I can say is that we have had a 50 per cent improvement. Members of the Opposition say that that is not good enough, but I did not hear them say it was not good enough when they were in office. Four hundred is too high; 200 is too high.

The Hon. I. COHEN: You are targeting these significant allocations for redundancies and I am asking whether that comes from maintenance staff. Given the situation in State Rail, I am suggesting that may not be a wise move. Would you clarify that?

Mr SCULLY: I am told that there is a reduction in Rail Services Australia [RSA] redundancy funding in the next financial year. It has gone from \$38 million to \$22 million. Can I just put this in perspective. Twenty-two years ago there were 42,000 employees in the State Rail Authority. There are now about 20,000 odd. The railways of today are fundamentally different from the railways of a few years ago.

CHAIR: They are worse.

Mr SCULLY: I will not be provoked into talking of your record when you were in office. I think that is an inappropriate comment.

The Hon. J. H. JOBLING: With respect, we are dealing with your Government now.

Mr SCULLY: I am happy to have Terry Ogg, Chief Executive of the SRA, talk about that. He has been running the organisation for four years now and there has been a voluntary redundancy program in respect of surplus staff.

Mr OGG: On 1 July 1966, Rail Services Australia had 6,733 employees spread across a number of areas. Rail track maintenance was one of those areas. We had a number of people in workshops and a number of people in white-collar jobs, supporting people. As a result of job and work redesign, which has resulted in multiskilling of individuals; as a result of substantial investment in modern communications and information technology systems; and as a result of the introduction of modern management practices, we have shed some 2,000 jobs across the organisation.

Productivity of our work force has risen from an average of \$87,000 revenue per person to \$167,000 revenue per person. The physical scope of work that is being undertaken by our people on the track this year, 1999-2000, is roughly the same as was undertaken by our people four years ago—slightly altered, of course, because of different priorities, but the physical scope is roughly the same. But because of the \$130 million odd annual reduction in the cost base of the organisation, that physical scope of work is being delivered at significantly reduced cost for the people of New South Wales.

The Hon. I. COHEN: Mr Ogg, given the increasing number of rail workers killed in accidents, do those reductions and the reduction of staffing levels maintain or improve occupational health and safety under these circumstances?

Mr OGG: Four years ago our organisation was audited by WorkCover. We have significantly increased the rating given to us by WorkCover over four years on occupational health and safety. The deaths of rail workers have been a major concern to the organisation and we participated in a number of investigations and studies by independent experts, Medlock, Worrall and Oliver, and some months ago we appointed Dupont to assist with creating greater awareness of safety in all our people, because safety is a combination of both systems and behaviour.

We are addressing the system and through the Dupont process we are addressing behaviour. Dupont is recognised as one of the experts around the world in safety management. The company has had spectacular success in safety in its own organisation and it has assisted companies in Australia, such as BHP, to reduce lost-time injuries and safety incidents significantly. It has also played a major part in advice and assistance to major American railways, Union Pacific and Norfolk Southern, in reducing their safety incidents and worker injury.

The Hon. I. COHEN: I am aware that you have changed certain work practices, particularly when lines are in use and with workers on the line, but are you quite clear that the redundancies and the lowering of staff levels have not compromised safety in any way, shape or form, particularly with your maintenance crews in State Rail?

Mr SCULLY: Rail Services.

Mr OGG: All work that we do is under constant review. I am confident that we have not compromised safety through the voluntary reduction program that we have had in place. Indeed, over the last four months we have been focusing increasing attention in this area and ensuring that all teams have the resources, both physical and in terms of equipment and safe working, that they need to get the work done.

The Hon. I. COHEN: Minister, referring to the line item Operating Statement, on page 20-21 of Budget Paper No. 3, Volume 2, the budget documents show a retained revenue line item of retained taxes, fees and fines of \$1,790,000. Does this figure include revenue from fines levied on fare evading passengers; what is the revenue expected from fare evasion in 2000-01; how does this relate to the 1999-2000 budget; and are there any plans to increase the number of ticket inspectors?

Mr SCULLY: May I say that they are two completely separate things. The item represents an accreditation fee of \$5 per taxi per unit to provide funds for the operation of the Taxi Advisory Committee. The Taxi Advisory Committee is working on a range of initiatives to improve the industry for both drivers and passengers. It was established in 1998-99 to provide advice on taxi industry policy and as a forum for discussion. May I say, with respect, that it has nothing to do with revenue protection. I should indicate that we have about 100 revenue protection officers who go round at random across the system, but at the moment the Auditor-General is auditing our revenue protection measures and I would assume that out of that process he will make protection recommendations which the chief executive and I, with the co-ordinator-general, will have to give consideration to.

The Hon. I. COHEN: On page 20-3 of Budget Paper No. 3, Volume 2, under the heading Expenditure Trends and Recent Developments—Infrastructure, the budget documents refer to the first of 80 new state-of-the

- art Millennium train carriages being added to the CityRail fleet in 2001. What is the schedule for these new carriages being added to the system? Will there be 80 added at once or will it be an incremental addition?
- **Mr SCULLY:** No, I am advised that the first train will be due in May next year and there will be a commissioning period to ensure that they are working effectively.
- **The Hon. I. COHEN:** Is it true that after the 80 carriages are delivered the Government has an option to purchase a further 120 carriages, with an option of a further 120 carriages after that; and will the Government be taking up those options?
- **Mr SCULLY:** There will be 81 initially, at a cost of \$226 million, and there are a further 120. So that is the contract and option. The Government has not made a decision in respect of the second transit Millennium trains, but they obviously come out on a conveyor belt. Once the first one is produced they come quite quickly, but effectively a train set at a time.
- **The Hon. I. COHEN:** Will the arrival of these 80 new carriages mean the retirement of the 56 Tulloch trailer carriages, which are now over 35 years old and still in active service?
- **Mr SCULLY:** The initial preference of the Government and the State Rail Authority was to use the 81 carriages to retire the 56 Tulloch class carriages, but we have had unprecedented growth in certain parts of the rail network and I have asked Simon Lane and his board to give consideration to whether we should hold on to those 56 and give them a modest refurbishment. The growth, particularly on the Illawarra line, and partly on the East Hills and Central Coast lines, is such that we may well have to hold on to those a little longer than we had anticipated.
- **The Hon. I. COHEN:** I refer to page 20-25 of Budget Paper No. 3, Volume 2, program 67.1.1 Development, Co-ordination and Planning of Transport Services. Can you explain the reference in the program description to "implementation of self-regulation by the private sector"?
- **Mr SCULLY:** I will get the Department of Transport to develop it. It is pretty self-explanatory. Perhaps I will get Jock Murray, the Director-General of the Department of Transport, to give the detail.
- Mr MURRAY: The implementation of self-regulation in the private sector relates to the steady improvement in the performance of those service providers to government programs covered under our purchasing of transport services, which includes contract bus operators who operate commercial and non-commercial contracts for the delivery of school student services, and also operate regular bus routes in Sydney and elsewhere in New South Wales. The self-regulation regime is a concept that was introduced under the 1990 Passenger Transport Act, and it is working reasonably effectively.
- **The Hon. I. COHEN:** Minister, given that \$6 million was expended on the Public Transport Infrastructure Improvement program in 1999-2000—which is referred to at page 20-43 of Budget Paper No. 3, Volume 2, why has no money been allocated in 2000-2001?
- **Mr SCULLY:** I understand that is a roads-related program. It is the Roads and Traffic Authority's Public Transport Improvement Fund. That was a four-year program, which has now expired. At my instigation there has been an enormous increase in commitment to public transport facilities from the Roads and Traffic Authority via the proposed construction, over the next 10 years, of 90 kilometres of bus-only freeways. That is actually coming out of the Roads budget; it is effectively the cost of a motorway. In fact, whilst that fund no longer exists, because that was out of the 3 x 3 levy, which has now gone away, I thought that a more effective use of public transport dollars out of the Roads budget was to actually build something that people could see and appreciate. A lot more money is coming out of the Roads budget for public transport than ever before.
- **The Hon. J. H. JOBLING:** In view of some comments that Mr Ogg made in relation to Rail Services Australia, I would like to ask him some questions. I would like to deal with the question of signalling, which is an integral part of the operation of the railways that particularly concerns Rail Services Australia. Can you advise the Committee how your authority is implementing Minister Scully's recent directive that Sydney's main rail junctions are to have 24-hour coverage to avoid delays and inconvenience to rail commuters?
- **Mr OGG:** We have 23 one- to four-man teams—depending on the skill mix required—scattered around the city at 17 different locations, covering the junctions which the Minister identified plus others. Those

teams range from individuals with signalling qualifications through to civil teams to fix moving parts. We also have mobile teams available on call. The period for which those teams are available depends on the location, but they are generally available from about 6.00 a.m. through till about 8.00 p.m. on a series of shifts.

The Hon. J. H. JOBLING: As I understand it the Sydenham emergency mobile unit, which I believe in your terminology is called Sydenham Z-car, is to undertake maintenance on signals 24 hours a day, 365 days a year, covering the Bondi to Como area. Am I basically correct in that understanding?

Mr OGG: Yes, we have a couple of sets of Z-cars, one of which is based at Sydenham. We have been discussing with our clients, Rail Access Corporation and the State Rail Authority, the best deployment of Z-cars. To date, the Z-car at Sydenham has been used essentially 24 hours a day, seven days a week. As you would appreciate, the peak lasts for a few hours in the morning and a few hours in the evening. The running of trains through Sydenham is very hectic during the a.m.-p.m. peak but it reduces at other times, particularly in the late evenings, early mornings, and on the weekend.

We have been looking at whether the same method of response is needed in those late evening and early morning hours and on the weekend. No decision has yet been made on that. We have certainly been discussing with the team at Sydenham what the options may be. There will be no compromise on having people available for the a.m.-p.m. peak. The issue is whether the same response time is necessary when the train frequency diminishes, from about 11.00 p.m. through till about 4.00 a.m. and over the weekend.

The Hon. J. H. JOBLING: As I understand it, the Sydenham Z-car also has responsibility for the new advanced train running information control system—I think that is what the acronym ATRIC stands for—which controls the movement of trains on the new airport link. Am I correct?

Mr OGG: It has responsibility for the section of track up to the junction of New Southern Rail at Turrella. From Turrella through the tunnels to the Sydney portal it is the responsibility of Transfield. The organisations work closely to ensure that all systems at the interfaces and at the tunnels are operating.

The Hon. J. H. JOBLING: Obviously my understanding is basically correct. I understand that as from 1 July the Sydenham Z-car will operate with only two persons per shift, and that the new roster will not incorporate coverage for night shift and weekends.

Mr OGG: In regard to the Sydenham Z-car, as you will appreciate we put forward mechanisms by which dollars can be saved and reliability can be maintained. We are consulting with the staff. The roster is programmed to start on 1 July if we have completed the consultation process. The consultation process has not yet been completed. We anticipate that will occur some time over the next week to 10 days. It is quite possible, therefore, that the start time for the new arrangement—and it may not be the one currently contemplated—is likely to be 1 August. The arrangement that you speak of is one of probably a number of options that are being reviewed and discussed with the people concerned. As we come to the conclusion with the people and the clients, Rail Access Corporation and the State Rail Authority, we will implement the agreed solution.

The Hon. J. H. JOBLING: Mr Ogg, bearing in mind the unfortunate fatality that occurred some time ago at Sydenham, are you not saying that the operation of two staff shifts will clearly contradict circular 470, issued by Rail Access Corporation, which requires three to four staff to be present when working in multiple line areas?

Mr OGG: The Z-car is essentially a response unit. Essentially, they are called out when the system breaks down. They do some minor maintenance work in the off-shift periods when time permits, but they are essentially a response unit. The safe working for the team is put in place in accordance with the safe working rules that are in place at the time, including 470/99, which is the rule to which you refer. We do not at this stage believe that there will be any violation of rule 470/99 but, as I said, the arrangement outlined may not necessarily be the final arrangement. It is one of the arrangements being discussed with the staff and with the client

The Hon. J. H. JOBLING: But surely there is a total conflict if you have only two staff members present when Rail Access Corporation circular 470 clearly sets out that three or four staff must be present when working in multiple line areas. That is not in accordance with circular 470.

Mr OGG: I thought I answered your question. Rule 470/99 focuses on safe working in multiple-track environments. It is designed to ensure that there is a safe place for workers to undertake their work. The means

of providing a safe place are many and varied. We apply 470/99 as a means of ensuring that there is a safe place, that trains on adjacent lines slow down, and that protection of those lines is in place in accordance with 470/99.

The Hon. J. H. JOBLING: I understand that Sydenham is the second biggest signalling area in one of the networks. How can you justify two staff when the circular states that there should be three or four in multiple line areas?

Mr OGG: Rule 470/99 is a detailed instruction, and the RSA has not violated it since it was issued. The RSA was involved in its drafting. Experts from the RSA worked with experts from the RAC to ensure that it was drafted correctly and accurately and that it is implemented that way. We have not violated it and we do not intend to. As I said to you, the arrangement that you proposed is one of a number that have been proposed and one of a number that are being discussed with staff and our clients. It may or may not be the one that is ultimately implemented.

The Hon. J. H. JOBLING: We may have to beg to differ on that one. But with the new arrangements which you are suggesting, there would be fewer persons, and perhaps it would not incorporate coverage for night shifts and weekends. In view of the Minister's release and directive that Sydney's main rail junctions have 24-hour coverage, can you tell me how the new arrangements will permit the implementation of the Minister's commitments to commuters?

Mr OGG: The new arrangements involve a change in response time—which is not a great change—in the hours between 11.00 p.m. and 4.00 a.m. during the week, when there is very little traffic on the track in that particular area, and they also have an impact on weekends. The arrangement that you have discussed is one of a number that we are talking about with the staff, and it may or may not be the one we implement.

The Hon. J. H. JOBLING: This question has been asked of others earlier, but as a matter of interest can you tell me what are the key performance indicators in your performance agreement?

Mr OGG: The key performance indicators in my performance agreement are: safety; quality; financial performance; organisational learning and growth; key business relationships, particularly with stakeholders, clients, suppliers, et cetera; and compliance with our statutory objectives set out in the statutory State Owned Corporations Act, which were embodied in the legislation that created Rail Services Australia.

The Hon. J. H. JOBLING: To complete the record, when was your last performance review meeting with the Minister?

Mr OGG: My performance is evaluated by my board. My performance is evaluated by the Minister in regular meetings with the Minister. They have been held over the last six to 12 months. My board reviews my performance on a six-monthly basis and all aspects of my performance in relation to the performance of the business is discussed.

The Hon. J. H. JOBLING: Therefore, in the year 1998-99 have you been paid a bonus?

Mr OGG: I was paid a bonus for the year 1998-99.

The Hon. J. H. JOBLING: Would you care to tell us what the bonus was?

Mr OGG: No.

CHAIR: Why not?

Mr OGG: I think that is a matter for the board and the chief executive officer.

The Hon. J. H. JOBLING: Mr Lane was quite prepared to acknowledge his.

CHAIR: Was your bonus bigger or smaller than Mr Lane's?

Mr SCULLY: I will take that question on notice and seek advice as to whether or not that is confidential.

CHAIR: The Committee will no doubt consider separately the question of calling for these documents for each of these CEOs.

The Hon. J. HATZISTERGOS: It is all very intimidating. I am sure they are all shaking.

CHAIR: It is not a matter of intimidation; it is a matter of public interest.

The Hon. J. H. JOBLING: It is a matter of public record and public knowledge. Details of the bonuses of the Chief Judge and the Commissioner of Police are available, and in the public interest I do not see why yours should not be.

CHAIR: We will take that on notice for the time being.

The Hon. J. H. JOBLING: Mr Lane, I would like to briefly look at issues of security and, in particular, security cameras. I have recently seen security cameras installed on many stations, but have some grave doubts about what I am really seeing. Therefore, if I am worried I suspect that others are. Can you tell me how many stations have been completed and handed over by Philips to CityRail under the \$55 million security camera upgrade initiative, which I think was announced on about 24 May 1998.

Mr LANE: I understand that somewhere in the region of 183 are now operational.

The Hon. J. H. JOBLING: When you say they are operational—

Mr SCULLY: It means they are working.

The Hon. J. H. JOBLING: No, it may go further than that. I understand the word, thank you, Minister. I would like to know how many stations are in fact being centrally monitored 24 hours a day from a local area control room, as I believe you announced in May 1998?

Mr SCULLY: I can tell you that 183 stations are operational. About 63 stations have been fully commissioned, where risk is passed from Philips to State Rail. As you would appreciate, there is a difference in managing contracts between completion of work, before it is fully operational, and when it is handed over to the client buyer. That has happened on 63 stations. There are 180-odd which are fully operational. Philips has not performed as well as I would have liked, or as well as Simon Lane would have liked. They are a little behind schedule. They have indicated that the Olympic stations will be finished prior to the Olympic Games and the whole project will be completed by the end of the year. It is a few months behind schedule.

The Hon. J. H. JOBLING: What is behind schedule?

Mr SCULLY: The completion. The schedules have not been satisfactory in terms of the construction timetable that was agreed to with them when the contract was signed. To give Philips some credit, no government anywhere in Australia, so far as I am aware, has embarked on a program of putting in place 4,600 digital cameras with 7,000 high intensity lights and help points at every single station. This is a \$100-million plus program. I do not think any coalition government in Australia has embarked on it. Let us put it in perspective.

The contract is a complex one. Rail Access has been laying some optical fibre. It requires a high level of technology and capacity, which Philips is implementing. A patrol commander at Redfern for example, indicated that they had already used some of the digital footage in respect of apprehending offenders. I have been very pleased with the success of it so far. I think Philips could have performed better. I would have liked it to be on time, but I am assured that it will be finished by the end of the year.

The Hon. J. H. JOBLING: I understand what is involved. You referred to Olympic stations. Exactly which stations are you referring to as Olympic stations?

Mr LANE: We have identified 63 key operational stations or key stations in terms of our Olympic effort. Essentially you have the stations along what we call the Olympic metro, from Central through to Blacktown; stations through the CBD; North Sydney; and local stations to Olympic venues. If you want a specific list I will need to take that question on notice.

CHAIR: I will make a note that you will take the question on notice.

The Hon. J. H. JOBLING: When do you expect the networking on the central monitoring system to be operational on those 63 stations?

- **Mr LANE:** We are waiting to hear the results of the intense software testing which is being carried out by Philips at its Sydney plant this week. We will be able to provide better information when we have received confirmation of the results of that testing.
 - **The Hon. J. H. JOBLING:** That is primarily for these Olympic stations?
- **Mr LANE:** It is for the software application that is required to integrate the operations of the cameras. We want to see clear evidence of the success of those tests, which will then enable them to roll out to the remote control rooms relatively quickly.
- **The Hon. J. H. JOBLING:** It would have to be relatively quick if the system is to be used for Olympic security. There are only 100 days to go before the Olympic Games.
- **Mr LANE:** Philips has informed us that it is satisfied that the intense testing it hopes to complete this week will give us a high degree of confidence in the final commissioning program that it needs to implement. Once Philips is satisfied with the integration of that system, it believes it can quickly replicate it.
- **The Hon. J. H. JOBLING:** As the chief executive officer of the State Rail Authority, would you say this will happen in one week or one month?
- **Mr LANE:** As I have informed the Committee, Philips is carrying out some detailed intensive testing this week and we are waiting to hear the results. Once we have heard the results—which we hope will show that it is a success—Philips will be able to give us more confidence than it has been able to give us to date regarding the roll out of that program.
- **The Hon. J. H. JOBLING:** What do I say to the commuters I travel with when they ask me, "What assurance have I got that the installed cameras are functioning and centrally monitored"?
- **Mr LANE:** I think we have exhausted the issue about central monitoring. In terms of whether they are working, we carry out full checks on the functionality of every camera that has been installed on the 183 or so stations on a weekly basis. We are working hard with the contractor in respect of reporting and rapidly repairing defects. I can confirm that over the last two months the number of cameras that have been found to be defective has been less than 6 per cent of those that have been installed, and Philips has improved its response times in a rectification program.
- **The Hon. J. H. JOBLING:** I understood that car parks were also to have high-tech cameras installed. In how many of the car parks are those high-tech cameras operational?
- **Mr SCULLY:** We will seek advice on that. I understand that about 2,000 cameras have been put in place. I think that is probably 1,900 more than the number that were in place when the previous coalition Government was in office.
- **The Hon. J. H. JOBLING:** I understand what you are saying, but I am dealing with certain things that you have said.
- **Mr SCULLY:** I think you had about 100 Fred Flintstone cameras, which we are pulling out and we are putting in thousands of digital modern cameras.
 - **The Hon. JANELLE SAFFIN:** What are Fred Flintstone cameras?
- **Mr SCULLY:** Wet film technology, the old VCR stuff that did not work. I am happy to talk about it. Would you like to question me on the Fred Flintstone cameras that the Coalition had in place.
- **The Hon. J. H. JOBLING:** Having offered the new technology that are you talking about, will you now explain to the Committee why you signed off on answers to parliamentary questions published in April and May, that the program was on time and due to be completed by July 2000?
- Mr LANE: I sign questions based on advice at the time. I have no reason to believe the advice was incorrect.
 - **The Hon. J. H. JOBLING:** Are you concerned about that advice?

Mr SCULLY: I was very concerned about how poor the camera technology was that you put in place when you were in government. They had to be removed. They were inadequate. We have the most comprehensive security upgrade within the history of CityRail. Already patrol commanders are telling me that they are apprehending offenders as a result of that digital recording technology. We already have 1,900 more cameras in place than when you left government. That is a pretty good record. But is it on time? No. Would I like it to have been more up to date? Yes, I would. My advice is that it will be done towards the end of the year.

The Hon. J. H. JOBLING: Towards the end of the year, not, as you signed off, by July.

Mr LANE: In March this year Philips provided us with a revised schedule which showed that they would be completed by 30 June this year. Subsequently it has provided us with a revised schedule which shows that it believes the whole system will be entirely finished by Christmas.

The Hon. J. H. JOBLING: That is a lot of use for Olympic security! Having said that, I now address a question to Mr Lane. You admit that there are considerable delays in the program. The total estimate of the program was \$55 million, but it is obviously taking longer and the costs have increased. How much is the blowout?

Mr SCULLY: Wait a minute.

The Hon. J. H. JOBLING: Perhaps the Minister might like to answer that.

Mr SCULLY: A contract was signed with Philips. I am happy to take the question on notice and provide the exact amount that Philips indicated. You are asserting that because Philips has delayed, there was a cost increase. I will have to seek advice. I will take that on notice.

The Hon. J. H. JOBLING: Thank you, Minister. The obvious answer is in the contract you signed with Philips.

Mr SCULLY: I did not personally sign it.

The Hon. J. H. JOBLING: I am sure that you, as a wise Minister, would have had cover. What penalties are to be incurred by the contractor as a result of those delays?

Mr LANE: The nature of the contract is that there are penalty provisions for late payment. We are having discussions with Philips to resolve contractual issues that have emerged as a result of those delays. At this stage they are not complete but, to the credit of Philips, despite the delays it has maintained and in recent months increased the number of people working in the field installing the cameras.

The Hon. J. H. JOBLING: One would assume so in view of what the Minister has said. Will you make available to the Committee an indication of the penalties that would be incurred by way of delay and what has happened to the cost of the program?

Mr SCULLY: I would have to seek advice as to whether or not that is commercial in confidence. If it is in a contract, I do not think that is appropriate to be produced in this forum, but I could seek advice on that.

The Hon. J. H. JOBLING: If there are delays, surely the public is entitled to understand.

Mr SCULLY: I will seek advice. I will take it on notice subject to whether or not it is commercial in confidence. I trust that it would be if it is in a contract.

CHAIR: We will consider that matter later.

Mr SCULLY: Can I put something on the record? A number of questions have been asked about contracts and performance bonuses. I think some of the members here would be unaware that in respect of the two State-owned corporations, Rail Access Corporation and Rail Services Australia, the contracts with the chief executives are determined by the boards after consultation with the shareholding Ministers. In respect of Rail Services Australia it is the Treasurer and the Assistant Treasurer. I am advised that the bonuses are determined by the board without reference to me as portfolio Minister.

The Hon. J. H. JOBLING: In the interests of the public's understanding and knowledge, would you be prepared to table the performance agreements of Mr Murray, Mr Lane, Mr Cowling, Mr Ogg and Mr Stott, and inform the Committee whether or not they were paid a bonus in the year 1998-99?

Mr SCULLY: As I say, I will seek advice as to whether or not it is commercial in confidence matter. Subject to that—

The Hon. J. H. JOBLING: Yet it is good enough for the police commissioner or the Chief Judge to have their information out in the open.

Mr SCULLY: I do not have an objection in principle. I just need to seek advice as to whether or not they are commercial in confidence.

The Hon. J. H. JOBLING: I await your reply.

The Hon. I. COHEN: Minister, why is the renovation work at Central station behind schedule, and have any additional funds been allocated to complete the job by the Olympics?

Mr SCULLY: I might get Simon Lane to deal with that question.

Mr LANE: There have been some delays to the schedule with our contractor. The issues between us and Abigroup have been resolved and the work is on target to be completed, I think, by the end of July. There were some complexities in the work that I think were not properly understood by at least one of the parties, which contributed to the delay. All the main construction work is complete. The structural work is complete and Abigroup has kept on schedule with its latest revised schedule, which we received in February.

The Hon. I. COHEN: Given that it has caused a major public inconvenience and, might I say, a dangerous situation with the flow of pedestrian traffic in those areas, have extra funds been put towards resolving those problems?

Mr LANE: Yes, some extra funds were provided. There were some variations to the contract. There were some issues between the parties, which have been resolved and there were some delays, particularly in the early period, encountered by our contractor. Those issues have all been resolved and the work is expected to be completed, I think, by the end of July.

The Hon. I. COHEN: In terms of grants and subsidies, Budget Paper No. 3, Volume 2 shows a \$368,303 million allocation under the line item Grants and Subsidies to operators of buses, taxis and ferries. How much of this amount is allocated to the payment of school student transport scheme [SSTS] payments.

Mr SCULLY: Probably a fair bit. I would be happy to provide the exact figure. Of the \$368 million, my advice is that \$326 million approximately is SSTS.

The Hon. I. COHEN: And what is the method?

Mr SCULLY: That is to private buses only.

The Hon. I. COHEN: When you say private buses, what is the method of calculating the payment of the subsidy to individual private bus operators in the western suburbs and Sydney?

Mr SCULLY: I think Jock Murray, the Director-General of the Department of Transport, would be the one to answer that question.

Mr MURRAY: In the year 2000-2001, the school student transport scheme will reach in total approximately \$402 million. I will provide on notice the precise distribution of these funds across all of the operators to whom they are afforded. However, I can advise that of that \$402 million, \$300 million-odd is paid to private bus operators for the provision of school student transport services. These are provided in two forms: non-commercial services, which are usually confined to rural New South Wales—very small operations of one small bus in one small town; and some quite large operators in major areas such as Coffs Harbour or Raymond Terrace, just by way of example. The contracts under which these funds are paid are performance-based contracts, and the formula for payment is based on a model developed by Price Waterhouse a couple of years ago. I would be pleased to provide on notice full details of those calculations.

The Hon. I. COHEN: Perhaps you could tell the Committee what process is in place to ensure that these operators provide the services paid for by this subsidy?

Mr MURRAY: In consultation with the Minister, we commissioned a 100 per cent independent audit of all of the contracts under which school student travel is paid. That contract is now on foot. It commenced, as I recall, late in March, and I will provide accurate advice on notice to the Committee on that point. The audit is costing of the order of \$1.6 million and will be completed by August. This is an independent audit of every single audit on every single operator under the school student transport scheme.

The Hon. I. COHEN: Have these processes been audited in previous years?

Mr MURRAY: Not to this extent. They have been audited in full conformity with the contract requirements under the Act, which are once during the five-year life of the contract. I took the view, again in consultation with the Minister, that the accountability for the substantial appropriation could not be fully satisfied in this once-in-five-years audit approach and, therefore, undertook a 100 per cent audit.

Mr SCULLY: We wanted to make sure that the money the taxpayers were paying to the bus operators was actually being used for the purpose for which it was paid, that is, that buses were leaving depots, going along certain routes according to their published timetable map, delivering school students prior to the bell and leaving school at a certain time after the bell, and that is what is being audited.

The Hon. I. COHEN: In response to a question on notice on 4 April 2000—

Mr SCULLY: My birthday.

The Hon. I. COHEN: Mine is on World Environment Day. You advised:

Payments are assessed on a contact-by-contract basis. Operators may hold more than one contract.

Does that mean that you and your department are unable to provide basic information relating to the payments to the school students transport scheme or that you are not prepared to make public the payments being made by the taxpayer to the government contractors?

Mr SCULLY: No, we can make those available.

Mr MURRAY: Again, on notice, we will provide full details of all payments made under those contracts.

CHAIR: Mr Murray will provide the Committee with information on three matters

The Hon. I. COHEN: The budget operating statement in Budget Paper No. 3, Volume 2, in subprogram 67.1.1, Development, Co-ordination and Planning of Transport Services, shows a capital grant to the Parramatta to Chatswood rail link of some \$75,392 million. The total cost of this project is estimated at \$1.4 billion, or \$200 million per year until 2006, and this Government allocates only \$75.4 million. What is the Government's intended rebudgeting for the costs of this infrastructure development; that is, will there be an accelerating commitment between now and 2006?

Mr SCULLY: Yes, obviously. Most of the \$75 million will be used to complete the environmental impact statement process, the representations report. We have scores of consultants and designers and people involved in the management of the project. The registration of interest process is very, very important. That is well advanced, and I anticipate that there could be a small component of possible construction, but the substantial part of it is managing the consultants, designers, architects and teams of people who are going to be involved in getting the tender specifications ready and dealing with that registration of interests process. Obviously when the project starts the annual funding will ramp up considerably.

The Hon. I. COHEN: The estimated expenditure for the Liverpool to Parramatta transitway up to 30 June 2000 is shown as \$35,994 million. Given this expenditure, how many kilometres of transitway have been built, what services are currently operating over the transitway, and was this construction covered by an environmental impact statement?

Mr SCULLY: The initial part has not been fully completed. It is about 2.4 kilometres. There was an assessment of environmental factors and a conclusion drawn that an EIS was not needed for that component. It had been set aside as a transport corridor.

The Hon. I. COHEN: Why was that?

Mr SCULLY: The advice I received was that that component had been set aside some time ago and that on every possible variable of where you might put the transitway, that particular segment appeared in every possible variable. The advice I received is that a consideration of environmental factors was required but an EIS was not required. However, an EIS was required for the much fuller project. That is nearing completion, and I expect it to be published in the next few months.

The Hon. I. COHEN: The total projected expenditure for transitways is shown as \$215 million. Can you advise of any transitway of similar design, construction and operation in the world that has successfully attracted additional passengers to public transport?

Mr SCULLY: The total cost of the Liverpool to Parramatta transitway is in the order of about \$200 million. The cost of the 90 kilometres is estimated at about \$800 million. I guess some of these projects are in their infancy. I know that Ottawa has a transitway network. One is being built in Brisbane at much greater cost—several hundred million dollars. The advice I have received is that on what we are proceeding with we can expect to have a fair degree of patronage.

The Hon. I. COHEN: Have the others you have referred to attracted additional passengers?

Mr SCULLY: The advice I have received is they are reasonably well patronised. I have used the Adelaide Obahn, which was developed partly by my good colleague Diana Laidlaw, as you probably know. I am advised that they work reasonably well. Members should understand that western Sydney does not have north-south public transport options. We are endeavouring to provide options for people to be able to travel north-south in western Sydney.

The Hon. I. COHEN: Page 20-42 of Budget Paper No. 3, Volume 2 refers to bus and transit lanes. The budget papers show that bus lanes will grow in 2000-01 from 50 to 55 kilometres. What percentage does this figure represent for the total route length of bus operations in the Sydney metropolitan area and in what areas of Sydney are those additional five kilometres of bus lanes to be provided in 2000-01?

Mr SCULLY: That is a Roads matter. I would require the RTA personnel to answer that.

The Hon. I. COHEN: I will save that question.

CHAIR: May I ask a question of Mr Christie. Can you tell the Committee what your remuneration was at the Olympic Roads and Transport Authority [ORTA]?

Mr CHRISTIE: I do not know the exact figure, but I can provide it. I do not carry it in my head, but it is in the region of \$295,000 per annum.

CHAIR: Do you get bonuses on top of that?

Mr CHRISTIE: I will provide that information. I am not going to try to estimate what that was.

The Hon. J. H. JOBLING: The answer to the question was "yes", I take it?

Mr CHRISTIE: I will give you the details. There is a performance component in the SES salaries.

CHAIR: We would appreciate it if you would take that question on notice, and we will look forward to the others as well. On behalf of the Committee I thank you, Minister, and your officers, and look forward to seeing you again soon to deal with Roads and Ports.

The Committee proceeded to deliberate.