

REPORT ON PROCEEDINGS BEFORE

**PORTFOLIO COMMITTEE NO. 6 - TRANSPORT AND
CUSTOMER SERVICE**

SYDENHAM-BANKSTOWN LINE CONVERSION

CORRECTED

At Jubilee Room, Parliament House, Sydney, on Tuesday 10 December 2019

The Committee met at 14:00

PRESENT

Ms Abigail Boyd (Chair)

The Hon. Catherine Cusack

The Hon. Anthony D'Adam

The Hon. Wes Fang

The Hon. Shayne Mallard

The Hon. Daniel Mookhey

The CHAIR: Welcome to the third hearing of the inquiry into the planned conversion of the Sydenham-Bankstown line from heavy rail to metro as part of the Sydney Metro City and Southwest project. This inquiry will examine various issues including the adequacy of the business case for the project, the suitability of the metro system, the public consultation process, tendering and planning processes, the impact on the environment and heritage conservation, and the impact to commuters over the next five years. Before I commence I acknowledge the Gadigal people, who are the traditional custodians of this land. I also pay respects to the Elders past and present of the Eora nation and extend that respect to any other Aboriginals present. Today we will continue to hear from Transport for NSW, following on from the evidence given at our last hearing.

Before we commence, I will make some brief comments about procedures for today. Today's hearing is open to the public and is being broadcast live via the Parliament's website. A transcript of today's hearing will be placed on the Committee's website when it becomes available. In accordance with the broadcasting guidelines, while members of the media may film or record Committee members and witnesses, people in the public gallery should not be the primary focus of any filming or photography. I also remind media representatives that they must take responsibility for what they publish about the Committee's proceedings. It is important to remember that parliamentary privilege does not apply to what witnesses may say outside of their evidence at the hearing, so I urge witnesses to be careful about any comments they may make to the media or to others after completing their evidence as such comments would not be protected by parliamentary privilege if another person decided to take an action for defamation.

The guidelines for the broadcast of proceedings are available from the secretariat. There may be some questions that witnesses could only answer if they had more time or with certain documents to hand. In these circumstances witnesses are advised that they can take a question on notice and provide an answer within 21 days. You are all very familiar with that. Witnesses are advised that any messages should be delivered to Committee members through the Committee staff. To aid the audibility of this hearing I remind Committee members and witnesses to speak into the microphones. The room is fitted with induction loops compatible with hearing aid systems that have telecoil receivers. In addition, several seats have been reserved near the loudspeakers for persons in the public gallery who have hearing difficulties. Finally, everyone present should turn their mobile phones to silent for the duration of the hearing.

TIM PARKER, Executive Director, Projects, Sydney Metro, on former oath

JON LAMONTE, Chief Executive Officer, Sydney Metro, on former oath

HOWARD COLLINS, Chief Executive Officer, Sydney Trains, on former oath

The CHAIR: If witnesses would like to, they are more than welcome to start by making a short opening statement.

Mr COLLINS: Thank you. It will be a short statement, I assure you. Thank you for the opportunity to appear again before the Committee. The inquiry is focused on the Bankstown line conversion between Sydenham and Bankstown. I think it is important to note that the metro conversion is part of a plan for the whole rail network—indeed, the whole transport system. Put simply, metro is complimentary; it is not in conflict with my existing rail network. Sydney needs both. It is not an either-or proposition. Sydney metro opened in May. We have seen significant numbers on the railway. Mr Lamonte tells me every day it is going up and it is probably 12 million or 13 million as we speak, whilst our Sydney Trains heavy rail network continues to carry out over 1.3 million customer trips per working day.

Despite significant investment, we have a network of Sydney Trains today, which is desperately needed to be untangled. To do this we need a standalone network that takes pressure off the heavy rail network whilst we also continue to invest in our own heavy rail. This is why metro is so vital and so needed. The conversion is an important part of the City and Southwest Metro project. It is part of a broader plan for the whole rail network, as I have said, and overall for Greater Sydney. In a nutshell, to conclude, removing this branch line from the existing railway makes the system operate more efficiently, delivers benefits far and wide and removes a bottleneck, as we will describe, around the Sydenham area. We have even a diagram to demonstrate this today because sometimes railway words get lost when a diagram will do. Certainly, they will be tabled if and when necessary. Thank you very much for allowing us to speak. I will hand over to Mr Lamonte who has a short piece as well.

Mr LAMONTE: Thanks very much.

The Hon. ANTHONY D'ADAM: Can the document be tabled now? Is that possible?

Mr COLLINS: It might be timely but certainly these are available to talk about Sydenham in more detail. It is probably more appropriate when we talk about that detail.

The CHAIR: Do you have copies of them?

Mr COLLINS: We will be able to provide you with copies, certainly. I understand we have copies available.

The CHAIR: If we need copies, it would be good to get them copied now. We can either get Committee staff or—

The Hon. SHAYNE MALLARD: It is not his first inquiry, Madam Chair. I think he knows what to bring.

The CHAIR: Have you brought copies with you?

Mr COLLINS: Yes, we have.

The CHAIR: Fine. Then we will deal with them at the time. Thank you.

Mr LAMONTE: The benefits of metro for customers are very clear. Each station will get 15 metro trains an hour in the peak—that is, one train every four minutes in each direction. Right now there are just four trains an hour in the peak at some stations such as Hurlstone Park and Canterbury. There is room to grow, with the capacity to add more trains and longer trains well into the future. Metro means a fully accessible railway—and Australia's first. There will be lifts at each metro station. Right now five of the 11 stations do not have lifts. There will be level access between platforms and trains at all metro stations. There will be no more step up into a train or board ramps. Metro has three doors per carriage and no internal stairs. Customers coming from beyond Bankstown, who wish to use the metro, will be able to simply interchange at Bankstown station, providing access to new CBD stations at Pitt Street and Barangaroo whilst connections to Central will be retained.

Meanwhile, I am delighted to say that we are planning for customers beyond Bankstown so they still have access to train services to the city. More detail on that will be to follow in the coming months. To summarise, the conversion of the line is a critical investment for millions of people, who rely on the public transport network

every day. This line conversion was first announced in 2012 and received planning approval in 2018, so we have been getting on with the job. During the planning approval process, we consulted with thousands of community members and other stakeholders. We have read, and listened to, all the feedback received about the project and as a result of the feedback, we have significantly changed the design. The revised project, which was approved almost a year ago, addresses the issues and significantly minimised impacts, particularly in regard to vegetation, construction noise and traffic impacts.

We developed a design that retains all heritage buildings and concourses, while still providing lifts at all stations. We are very conscious that construction work will have an impact. The revised project has significantly reduced impact, including much fewer requirements for temporary station closures during construction. But while stations are temporarily closed, Transport for NSW will provide replacement bus services, the vast majority of which will be accessible. We are also working over the Christmas and holiday break to minimise disruption as we get on with the job of building this railway. The Sydenham to Bankstown conversion is a result of an extensive process of engagement, analysis and development that stretches back many years and continues today. Thank you.

The CHAIR: Thank you. Mr Parker, I will give you an opportunity if you wanted to say something at this point.

Mr PARKER: No.

The CHAIR: The way we have decided to divide up our question time today is for the Opposition and the crossbench to share the questioning for the first hour and 20 minutes and then to have 10 minutes at the end for the Coalition Government to do any sweeping up or ask whatever they like. I will begin with the Opposition.

The Hon. ANTHONY D'ADAM: I might direct my first question to Mr Parker. But if I have misdirected, you could correct me. I want to ask about the harbour crossing tunnel and the decision around the width of the tunnel and how that was arrived at. As I understand it—correct me if I am wrong—the tunnel was too small to run city rail trains through at some future stage were that to be an option. Is that correct that you cannot actually fit a standard train through the tunnel?

Mr PARKER: I think the tunnel was designed to be the right size for a single-deck metro. It has been designed as a six-metre diameter tunnel. That is the size for a metro train. We have not designed it for double-decker because we do not intend to run double-deckers. It is for a single-decker train. That tunnel is the same size that runs out to north-west as well.

The Hon. ANTHONY D'ADAM: I suppose I wanted to explore the contingency thinking around that decision because obviously than then forecloses the possibility that with future technological change, there might be a capacity to run double-deck trains down the tunnel, some 20, 30, 40 years in the future. That option is foreclosed. Were those contingencies considered when the decision was made?

Mr PARKER: Certainly, when we looked at what system we were going to provide we thought about contingencies, which is why we are starting off with six-car trains, expandable to eight. Double-decker trains are used in some places around the world, but the vast majority of trains—metro systems—are single decker. That is why we believe that the trains we are providing, with the technology we are providing, will provide adequate capacity for many, many years to come.

The Hon. ANTHONY D'ADAM: How many years to come, do you think?

Mr PARKER: I think the existing system has lasted for 100, so I would imagine that our system will also last for 100 years.

The Hon. ANTHONY D'ADAM: The existing system has greater carrying capacity, though, than the metro.

Mr PARKER: Sorry?

The Hon. ANTHONY D'ADAM: It has greater carrying capacity in terms of passengers.

Mr PARKER: It is the carrying capacity in that, at the moment, we talk about a metro running 30 trains an hour. That is the sort of capacity we have talked about, so it is a train every two minutes. The reality is we are already seeing changes in technology and there are places such as Paris Line 1 that is beginning to run up to a minute and a half. That gives you another six trains per hour. Remember, it is not just the capacity of the trains; it is the number of doors to get people on and off and the size of the station. All of that has to be designed and that is what we have designed. We have designed a high-capacity metro system, which is why we are very happy with

the single deck. People can get on and off quickly and that is why we think we have got the right solution for a long-term capacity to meet the demands of Sydney well into the future.

The Hon. ANTHONY D'ADAM: Can you tell me about the safety in the tunnel? Are you satisfied that the tunnel can be evacuated if there was some kind of catastrophic incident in the tunnel?

The Hon. CATHERINE CUSACK: Point of order: This inquiry into the Sydenham-Bankstown line conversion has very specific terms of reference. In terms of safety issues in relation to the tunnel under Sydney Harbour, could the member direct us to the term of reference?

The CHAIR: Can you explain how it is related to any other related matters?

The Hon. CATHERINE CUSACK: To remind him, it is the Sydenham-Bankstown line conversion inquiry.

The Hon. DANIEL MOOKHEY: To the point of order: We are a couple of minutes in. Firstly, allow the member to develop his line of questioning. Secondly, I feel like this point of order is designed more to be a theatrical point than a substantive point about procedure.

The Hon. CATHERINE CUSACK: No, it is a genuine point of order.

The Hon. WES FANG: To the point of order: I have got the terms of reference on my iPad because I was debating whether the tunnel under the harbour is related to the terms of reference. I say this because part 1 says:

... being the southwest part of the Sydney metro City and Southwest project ...

I am not sure that even "any related matter" would cover this.

The Hon. DANIEL MOOKHEY: If we want to take this seriously, I feel like this has something to do with the "any related matter" clause of the terms of reference. That was my submission to you, Madam Chair.

The Hon. CATHERINE CUSACK: The reason for the point of order—you are right; there is a bigger purpose to this—is that this inquiry has specific terms of reference. It is not some general fishing expedition, if people do not have questions related to the line conversion. This could be clarified if the member could explain to us how safety issues in the proposed tunnel under Sydney Harbour are relevant to the Sydenham to Bankstown line conversion.

The Hon. DANIEL MOOKHEY: I am astounded that the Government would be arguing that safety issues are not related.

The Hon. CATHERINE CUSACK: I ask the member to give us that connection.

The CHAIR: I have heard enough. I will hear from the Hon. Anthony D'Adam, if he wants to respond; otherwise, I will rule.

The Hon. ANTHONY D'ADAM: As I understand it, the reason why Sydenham to Bankstown was chosen in lieu of other lines is because the tunnel had to pop up on the other side of the city—the CBD—and the obvious connection was to the Sydenham to Bankstown line. Other options were considered. The project has to be considered in its entirety, and obviously that has some consequence. Perhaps the Government is not concerned about passenger safety.

The CHAIR: I will rule on the point of order. It is clearly related to the stated purpose of the Sydenham to Bankstown conversion, in that it has been said that it is part of an overall project. I think it is a valid line of questioning, but do be careful to keep it as narrow as possible.

Mr PARKER: Could I have the question again, please?

The Hon. ANTHONY D'ADAM: My question was about whether you were confident that the tunnel could be evacuated in the event of a catastrophic incident.

Mr PARKER: Basically, we are not doing anything different that is done elsewhere around the world. We have a whole bunch of fire and life safety systems within the tunnel. That includes emergency ventilation, hydrants, hose reels, emergency phones—a full range of services. We also have connectivity with the trains and we can actually talk to people on the trains. The ability to evacuate the trains in an emergency can be both by the side doors and there is also a door at the front and at the back.

The Hon. ANTHONY D'ADAM: How long would it take to get people out of the tunnel?

Mr PARKER: It depends where the train is parked in the tunnel. Invariably, what you do is you create—

The Hon. ANTHONY D'ADAM: If it is in the midpoint?

Mr PARKER: Sorry, let me continue. Because we have got the tunnels, invariably what happens is—again, you have to understand that a fire in a train in a tunnel is quite rare, but if you did have such a situation you do have to, obviously, manage it. We have a tunnel ventilation system that blows the smoke down the tunnel, which leaves you a place of safety to retract to. So that is what you do: You go to a place of safety, which is obviously not the smoke side, but the non-smoke side, and then you can walk out. We also have doors between the tunnels, so you can go from the affected tunnel into the unaffected tunnel. That is fairly standard practice for modern railways.

The CHAIR: I think when we spoke last time, we had got to the point of understanding that we are not talking about the benefits of metro in isolation. I think I made it very clear that from my perspective I view the metro, as an additional transport option, as being a really good thing in terms of accessibility, frequency—a whole bunch of things make it a very attractive additional transport option. There is a level of community discontent with this proposal which, from my reading of the submissions, boils down to if they had no train line going through from Sydenham to Bankstown and a metro was proposed, everyone would be very happy. But because they already have a train line and it is being converted into metro, that is where the difficulty comes. It is my impression that the additional benefits of metro over heavy rail for that particular stretch between Sydenham and Bankstown has not been made out particularly well. I would like to ask you now to explain the benefits of this conversion over and above what we could get with making improvements to the ordinary rail that we have now.

Mr COLLINS: I will start. I look at this from an agnostic and holistic point of view. I would say it is as Mr Lamonte described earlier: The ability to run a frequent service every four minutes for all those stations—

The CHAIR: Can I just stop you there? Is it not true that we can have heavy rail running at four-minute intervals, as we have in Chatswood?

Mr COLLINS: I think you can to a certain extent, and I think it is the point that was made earlier: double-deck digital train systems could provide some uplift of capacity. We are doing that with more trains and more services. But you get to a point where, really, you cannot get people on and off those trains because they have stairs and they have two sets of doors. Therefore, the more suitable product, which also has greater benefits in other areas, is to utilise the metro-style product. If you look around the world, you will see many lines being built in addition to the heavy rail network or lines being converted and upgraded in a similar sort of way.

The CHAIR: We are also seeing them go back the other way, though, in places.

The Hon. WES FANG: Point of order: We are supposed to allow the witness to—

The CHAIR: It is a conversation.

The Hon. WES FANG: No, it is not. It is a question and answer.

The CHAIR: Please continue, Mr Collins.

Mr COLLINS: As Mr Lamonte described, the metro provides the capacity initially for a train every four minutes, a regular service, automated, better running times because these trains can achieve greater running times. A lot of safety benefits as well will be platform screen doors, which provide that support. So upgrading a line—as we are already seeing from the Epping to Chatswood line—was not, as many predicted, a disaster. Actually, we have upped the speed of the trains. We have seen greater reliability of the metro conversion on Northwest.

The CHAIR: But we have added new—

The Hon. WES FANG: Point of order.

The CHAIR: No, this is—

The Hon. WES FANG: No, allow the witness to complete their answer and then you may ask a supplementary question.

The CHAIR: Mr Fang, I am entitled to direct the questioning as a member of the Committee. That is what I am doing. I am not cutting off the witness. This is an amicable conversation.

The Hon. WES FANG: You are also a respondent to the fair go component that we have elected as part of this Parliament. I ask you to allow the witness to finish his answer.

The CHAIR: I am in no way harassing the witness. We are having a conversation.

The Hon. DANIEL MOOKHEY: To the point of order: We had an example maybe five minutes ago of a witness who at the time felt that perhaps his thoughts were being interrupted by a continuous flow of questions. He made the point to my colleague Mr D'Adam, "Can you just give me some time?" which is usually a good cue to see whether or not a witness is objecting. I just wonder whether we can agree that we might in the spirit of politeness allow a witness to indicate if they need more time. But often it is the case that the interaction between the questioner and the witness does also direct the thoughts of the witness to the particular points of reference as well.

The CHAIR: As we will continue, is it not that with the Epping-Chatswood component we opened up new stations?

Mr COLLINS: No, not between Epping and Chatswood. It is the conversion of the existing line which ran between Chatswood and Epping from a Sydney rail double-deck metro with a number of stations.

The CHAIR: As part of the extension of that line though?

Mr COLLINS: Then a new tunnel and connection was made at Epping which went as far as Tallawong Road.

The CHAIR: So when we talk about capacity and the success of that bit of metro we are talking about it accessing new areas and new stations—so new commuters getting on at different places.

Mr COLLINS: Correct, but I think my point was—and I will give a break so that people can know when I have stopped as opposed to when I am continuing on—that the conversion of a line, whilst, yes, we could continue to run, we could put in lifts, we could run more trains, the difficulty is that going past Sydenham gives us a problem and therefore, even with a digital railway, if we have no bolthole to get into past Sydenham then it makes it very difficult to continue those direct services through from places like Bankstown into the city. And for me it helps us sort out the difficulty we have of lots of branches on the network.

The CHAIR: Just on that, are you saying then that the Sydenham to Bankstown component, that conversion, is vital in order for that metro part to come from the city to Sydenham? Could you not have that—

Mr COLLINS: I think building lines like this one certainly gives it a benefit but also we get a benefit in Sydney Trains of creating more of a core service through the centre which we can uplift and provide a digital service and gives customers, which I think at the end of the day is really what we are talking about here, an opportunity to have faster, more direct services into the city on the Bankstown branch and also choices between Sydenham and North Sydney.

The Hon. DANIEL MOOKHEY: I want to follow up that line of questioning, Mr Collins. Presumably a business case was prepared for the Sydenham to Bankstown conversion.

Mr COLLINS: I would have to pass to my colleague.

Mr LAMONTE: Yes, it was. The summary is on the website.

The Hon. DANIEL MOOKHEY: And when was it done, by the way?

Mr LAMONTE: Let me just check the date for you. I will come back to that in a second.

The Hon. DANIEL MOOKHEY: Sure. But I presume it was done before you embarked upon the actual conversion.

Mr LAMONTE: Yes, that is right.

The Hon. DANIEL MOOKHEY: As part of the production of a business case you are required to model alternative policy solutions or a number of policy solutions—that is your understanding?

Mr LAMONTE: Absolutely.

The Hon. DANIEL MOOKHEY: Did you at that time, prior to the investment decision being made, model what could be done to the existing line to upgrade capacity, as described by my colleague Ms Boyd?

Mr LAMONTE: I will confess that it is before my time when this was done so I might ask Mr Parker to help me out here, but all alternatives were looked at and reviewed. The option analysis was done, which was part of the business case, and actually that was described in the environmental impact statement [EIS] as well as in the business case summary.

The Hon. DANIEL MOOKHEY: Can I just unpack that before you pass to Mr Parker? When you say that all options were considered, how many options were considered?

Mr LAMONTE: That is why I suggest you might pass it to Mr Parker, because he was there for the business case.

Mr PARKER: Sure. This goes back to Rail Future, back to 2012, when there was an analysis done about what the future railway would look like. That was where we looked at where you take a line after you get to the city. So the line was identified and where do you take it after the city? There were various things looked at: Do you run it to the inner west? Do you run it down to the Illawarra? Do you run it from the airport line? Do you run it down to the Sydenham-Bankstown? Through that analysis—and I was not involved in it so I am only reporting on it—the conclusion was that for both the metro and the broader system the conversion of the Sydenham to Bankstown line was in fact the best option available.

The Hon. DANIEL MOOKHEY: Mr Lamonte, do you have any answer as to when that was produced? Where I take the next question somewhat turns on that.

Mr PARKER: Sorry, when that report—

The Hon. DANIEL MOOKHEY: When the business case was produced.

Mr PARKER: The Rail Future report was produced in 2012.

The Hon. DANIEL MOOKHEY: I accept that but when was the business case.

Mr PARKER: The business case summary was published in 2016.

The Hon. DANIEL MOOKHEY: In 2016 Transport for NSW—

The Hon. ANTHONY D'ADAM: That was when it was published—when was it produced?

Mr LAMONTE: The final business case summary was published in October 2016.

The Hon. ANTHONY D'ADAM: When was it produced? There is a difference between when it gets published and when it was actually produced.

Mr LAMONTE: I might have to take that one on notice. If I can answer it quickly in the session I will.

The Hon. DANIEL MOOKHEY: But it is reasonable to assume that the final business case was produced circa 2016.

Mr LAMONTE: Absolutely.

The Hon. DANIEL MOOKHEY: So at that point in time Transport for NSW was required to produce its business cases under the Infrastructure NSW assurance framework, not the Transport for NSW investment assurance framework.

Mr PARKER: That is correct.

The Hon. DANIEL MOOKHEY: As part of the infrastructure investor assurance framework you are actually required to do a far more substantive options analysis than relying on a 2012 report. Thus I return to that question I asked: What were the options that were considered for the purposes of the final business case? Or, actually, earlier, to be fair—you are meant to do the infrastructure investor assurance framework a bit earlier in the process but you are meant to narrow it down to a couple of options and then take them through to conclusion.

Mr LAMONTE: If I may I will make one point. The business case was prepared in accordance with both New South Wales and Australian government frameworks. It was independently reviewed under the New South Wales Government' infrastructure investment assurance framework and was also evaluated by Infrastructure Australia. As for the all of the options, they are discussed in the summary that was published in October 2016 and also in the environmental impact statement which followed.

The Hon. DANIEL MOOKHEY: In that process, one of them was the upgrading of the existing line—can you confirm that?

Mr LAMONTE: I am sorry—could you repeat that?

The Hon. DANIEL MOOKHEY: In that final business case was one of the options considered upgrading the existing line?

Mr LAMONTE: The alternatives of upgrades versus new lines have all been considered.

The Hon. DANIEL MOOKHEY: Okay. And what was the cost-benefit ratio of upgrading the existing line versus the cost-benefit ratio of the option you proceeded with?

Mr LAMONTE: If I might just—

The Hon. DANIEL MOOKHEY: Or benefit-cost ratio, actually.

Mr LAMONTE: Just to put this into context, of course this is all in our submission and it is page 8 of our submission. It may be helpful to refer to our submission.

The Hon. DANIEL MOOKHEY: Does that contain the benefit-cost ratio of the option of upgrading the existing line?

Mr LAMONTE: No, it would not, because we would have investigated. We would publish the final benefit-cost ratio of the—

The Hon. DANIEL MOOKHEY: Okay. Well, what was the benefit-cost ratio of the option you pursued?

Mr LAMONTE: I do not have that to hand. I will have to take that on notice.

The CHAIR: Also I am interested in knowing whether the alternatives compare. The two options that I think the community is most interested in are the current option, where we have that conversion of the Sydenham to Bankstown line as well as the bit to the city, versus making all of those necessary upgrades to the rail network as it currently is up until Sydenham and then having metro. I think that is the comparison that they are looking at. Is that a comparison that the department looked at?

Mr COLLINS: Yes. If I could add something there, I think the other thing which is important to understand in terms of technology and going back to 2012 or 2013, at that time the European train control system and the digitisation of an existing railway was really a test bed and not something we had seen across the world. It is only after several years and a number of early projects which now have come into fruition have we seen the possibility of upgrading an existing line with conventional signalling able to be developed into a reality. If you look at the history of, for example, More Trains, More Services, that is a relatively new Government policy which has been brought about by now the ability for global products to be available which allows us to consider that upgrade. That is relatively new.

If you went back to 2013 and someone said to me when I first arrived, "How are you going to squeeze more capacity out of the network?" I would say, and I can remember saying this, "I don't want to be the bleeding edge of technology which could actually be a worse situation than the existing." We want to see how a number of projects pan out—Thameslink, for example, a number of European and other systems—and then we will obviously do the thing which is sensible. Reliability and performance improves when these technologies are being tested and brought into service and we are now in the system benefit of saying, "Within 21 to 25 we have the capability of improving our network to a certain extent utilising double-deck trains."

The CHAIR: Given that, would it be sensible to halt this project—

Mr COLLINS: I do not think so, because my view is that the benefits we will get, and are already seeing from the existing Metro Northwest railway far outweigh waiting or understanding, you know, the changing course mid-stream of this type of railway. Plus, as I have said before, we get a dedicated new, modern, more safe—because it is the newest technology for tunnelling, the newest technology for screen doors—we get the benefit of this product, enhancing the existing rail network. Also, if I may finish, it gives us more capacity as we are not squeezing in those Bankstown line trains in the four-track, if not two-track, corridor north of Sydenham. It gives us another route into town with more stations. Therefore it is a no-brainer as far as I am concerned. Railway operators around the world see this as a benefit.

The CHAIR: But again—you know what I am about to say—the bit between Sydenham towards the city is not the question. So, yes, we are happy to have that as a metro. We are happy to have more stations. That is great—

Mr COLLINS: So what do I do with the trains which are trying to get into the other four tracks?

The CHAIR: Are there no other options?

Mr COLLINS: There could be options but this one, I really do believe, is a pragmatic, sensible, tried and tested product. It gives us options for people. Building the metro allows us, at that time when it becomes a

new, two-lane corridor, to refocus on upgrading the existing line. I do see that the journey we are going to see is a great benefit. Maybe it is time to table the famous map that we have prepared.

The CHAIR: Yes, please. We will hand out copies now.

The Hon. DANIEL MOOKHEY: We have been waiting for it.

Mr COLLINS: I am sure, with bated breath.

The CHAIR: Given the disruption that this conversion will cause—it is five years, right—of construction, of impact on commuters—

Mr COLLINS: Absolutely not, when you consider we are looking at this railway. Yes, this Christmas it is an opportunity where we do shut down the railway for several days in two parts, but we are running the Bankstown line up until metro is almost ready. Then there is a short period of time where we carry out the conversion. So it is hardly—if I may correct you—five years of disruption.

The CHAIR: That is fine. I am happy to correct that. It is five years of time in which there will be periods of time of disruption.

Mr COLLINS: Just like, perhaps, many other parts of our railway have, as we upgrade them.

The CHAIR: That is not the focus of my question, so I will move on. Given some disruption. Given the impacts that we have heard about in terms of the fencing, in terms of the impact on environment and wildlife, given the what we see as a huge community opposition, is there no benefit in halting the conversion of that bit—just that bit between Sydenham and Bankstown—until 2021, when you say we are going to hopefully have the best technology, to then put in that digital signalling and improve that part of the line rather than losing it forever and never having that opportunity?

Mr COLLINS: The plan for More Trains, More Services focuses on the T4 line, and also the T8 airport line. That is the plan. Those are the areas we believe are the most beneficial of our network to upgrade, rather than the Bankstown line. I would say my view is it is pretty clear the way we have worked this through—we looked, I understand, at a number of options in the early days—that this provides the biggest benefit. If we were even upgrading this line we would have to do the similar things that metro are doing in terms of times when we have to cut over the old signalling system to the new. There would be times when we would have to change the layouts of the track to get the best benefits.

The CHAIR: Of course.

Mr COLLINS: So it is not as if our upgrade would not cause any disruption. It will minimise it, like Metro are doing, but there is not a difference between disruption of one or the other.

The CHAIR: We heard from a number of academics and experts who disagree. They have put forward submissions that they believe that losing the Bankstown line is a big mistake. Why do you think they disagree? What do you see that they do not?

Mr COLLINS: I have huge respect for those people who put pen to paper—past executives of the old railway. Whilst I am probably of a similar generation I would say that I have probably worked in another place where I have seen my attitude change from the traditional type of railway to the arrival of a metro-style approach. If you go around the world, if you talk to today's experts—last week we had all the experts in town at our biggest AusRAIL conference—the technology, sliding doors, automatic trains and all those things are really things which will be of the future for every world city. It does not mean to say we are losing our fantastic Sydney Trains network. That will work even harder for us, but as far as I am concerned, this is a complementary benefit, and we should not fear it; we should embrace it.

The CHAIR: There were some questions asked of you last time—and I think there was a supplementary question in relation to the letter from the four ex transport heads talking about the problems that they see if we convert that part of the T3 line. You were asked last time when you had first become aware of that document. Then in the supplementary answers we have a statement that you were definitely aware, I think, by some point in 2017. Is that correct; do you know which document I am talking about?

Mr COLLINS: Yes. I can even recall the Saturday morning that I came across the news article at that time which talked about this report, although it was written—and I asked my press officer to get a copy of it because I had not seen it. That was in 2017—if I remember, late in 2017.

The CHAIR: Did you then read it?

Mr COLLINS: I certainly read the article, and I understood the context of it, but I think that was dealt by Transport for NSW in their press office. I did want, and I asked my press officer in Sydney Trains, to get hold of a copy so I could understand it. I can understand plans in the past, thought processes of 40 years of experience, but I am trying to say, "Let's look at where we are today. Let's look at the benefits we get out of a metro-style system." It is not as if we see it as a threat. I see this as a benefit for all of us in Sydney.

The CHAIR: Did you read that document, though? Have you seen it?

Mr COLLINS: In the detail? I have seen the document. I understood the context of it.

The CHAIR: So you have looked at it and you understood the reasoning.

Mr COLLINS: Yes. But to be frank I understand the reasoning as the traditional railway people or timetable planners, but I think, with the greatest respect, looking at what is out there in the global market and the modern railway and the opportunities that we are already seeing, of the benefit of a metro—our first automatic railway in Australia—the benefits we are seeing certainly confirm to me that this is the right choice. It eases our problem of lots of trains tangled up with each other. The suggestion of maintaining a heavy rail, double-deck train system, when there is an opportunity to provide that branch line and all those customers to Bankstown. And if you look at the rail strategy beyond, it is planned for the future of metro extending, maybe west of Bankstown. I think there are public documents available which talk about a separate connection to Liverpool. This is not the end of the story in terms of provision, and we have already talked, last time we met, about ensuring people understand that those stations west of Bankstown will maintain and have a rail service. So people are unnecessarily scaring people about a bus going to turn up every half an hour is not true.

The CHAIR: But then we are talking about metro going for very long distances, and having no option for any express trains any more. Are you suggesting that metro can then be used for quite long distances?

Mr COLLINS: I think the difficulty with Sydney's network—and again I do not want to waste people's time; I know your time is limited here—is that it does try to be three things on one line. It tries to deal with the people who live three hours away—double-deck trains, making yourself comfortable, toilets, fantastic. Then you get into suburban when double-deck is pretty good but they get pretty crowded. I know that every day because I am standing up often between Sutherland and the city every day. Then they almost become metro-like in the Martin Place experience where it is difficult. You have seen my staff valiantly trying to get people on and off at Town Hall and Wynyard. It is not the ideal product. What we are doing now is segregating that product and saying for this distance, which is not extreme—66 kilometres of route is actually quite possible in many cities around the world using automatic technology. If you do the calculation, the performance of these single-deck trains in terms of acceleration, dwell times, boarding and alighting often make up a better benefit even if they are stopping at every station, compared with some of our semi-fast and fast services.

The CHAIR: Did you want to talk to us about the plan

Mr COLLINS: If I can. Thank you very much for receiving this. It does give you the opportunity to understand, using the colour codes, that you have got the Bankstown line, which is the orange T3 line, which just north of Sydenham station has to squeeze into what is, in effect, two tracks sharing with the T8 line.

The CHAIR: Sorry, what are you looking at? Sydenham station, got it.

Mr COLLINS: Sydenham station is in the middle there, I just explained you, platforms 1 to 6. That orange thing—the T3 line, coming up. You can see it at the moment just north—previously it was just south—but just north since the 1962. It merges in with the T8 line and then you have the Illawarra line, which is carrying not only the T4 but also the South Coast services. You trying to convert six busy corridors into four. What the dotted line, which is underground, does is that it converts the orange line, platforms 1 and 2, into a metro service and then has two independent extra lanes of the motorway equivalent of a railway through the city. I think as my colleague Tim Parker said earlier, the other thing is that if you travel along these lines, and you want to go to Town Hall, it is a pretty cosy affair, coming in and out the station there. We have run that station very well but it is very crowded. What it will allow you to do if you are on this line from Bankstown is to get out at Pitt Street, which is a brand-new, modern station with plenty of ventilation. Many people work at Barangaroo. If you are on that line or Sydenham or maybe on the Bankstown line, you will be going straight into Barangaroo. The table, I think, submitted as part of our submission talks about the difference in travel times.

The CHAIR: For my benefit, are you saying that you would not get this benefit if it were still with—

Mr COLLINS: No, because even with upgrading this line, which is not a priority—this one is the priority—you will not get the capacity. And you know what? If there is a sick customer or something happens, when you have four as opposed to six, it shortens your options of keeping going.

The CHAIR: Sorry, my question was, can you not still have the metro going out of Sydenham?

Mr COLLINS: You could do and stop at Sydenham but the orange line has to somehow feed in then into the—you have still got six routes in and out and still have to feed into four—and then you would have to interchange.

The CHAIR: Yes, but if it stopped there, if we had it stopping at Sydenham—with the heavy rail stopping—

The Hon. WES FANG: Yes, but we are converting the line.

Mr COLLINS: Where would you put the Bankstown line trains? You would have to put them in the middle—platforms 3 and 4.

The Hon. WES FANG: I do not think she gets it.

The CHAIR: Thank you, Mr Fang, for your commentary.

The Hon. SHAYNE MALLARD: It cannot terminate at Sydenham.

The CHAIR: No, that is right. I am trying to make it crystal clear there are not options to have both metro and heavy rail at Sydenham, that there is no interchange option and that there is no project that could solve that problem.

Mr COLLINS: I often find as railway person it is sometimes difficult to explain to people exactly what—

The Hon. DANIEL MOOKHEY: Sorry, the map is obscuring.

Mr COLLINS: Sorry, I apologise. I just want to perhaps re-emphasise this point: Your suggestion would be to have the metro line terminating at platforms 1 and 2 and not going to the Bankstown line?

The CHAIR: Exactly. I am saying exactly as we are going to have both metro and heavy rail at Bankstown, why cannot we have both metro and heavy rail at Sydenham?

Mr COLLINS: I think any reasonable railway operator, timetabler and even our learned gentleman would explain to you that that means the worst of both worlds because we still are running the Bankstown line. Where does the Bankstown line go at the moment? It cannot go to platforms 1 and 2 because there is a metro station there at the moment, so we have to move it across to go into platforms 3 and 4. Therefore, it makes it more congested and more difficult than it is today.

The CHAIR: So there is no possibility to construct a longer platform like we are going to do at Bankstown.

Mr COLLINS: The alternative would be to build another set of platforms further to the west for metro, but then it would make the interchange and the connection between—because people may interchange. If you are coming up on the metro, you may want to hop across to the T8 service. It would make it more difficult. This benefit allows through traffic and also good interchange.

The CHAIR: As I understand the proposal at the moment, at Bankstown we have the metro and the trains both sitting along the same platform. It means that if you come in on a metro and want to change onto the heavy rail—

Mr COLLINS: You just walk for it.

The CHAIR: —you have to walk for 400 metres.

Mr COLLINS: Whereas here, you would have to go up and down stairs or lifts or cross over because it is not cross-platform or walk-for-platform interchange at this point.

The CHAIR: So there is no option to extend platforms 1 and 2 to fit both metro and—it is impossible.

Mr COLLINS: It is even more complicated. Without getting into more detail, we have an XPT and maintenance depot. We have access to sidings. We have thought long and hard and worked very closely with

metro of how we upgrade the existing rail line to give us the four tracks and also give metro the capacity to run through and get as close as we can to each other for some good interchange.

The Hon. WES FANG: Point of order: I ask you to remind the audience that while they are welcome to view the proceedings, they are to do so in silence.

The CHAIR: Thank you, Mr Fang. Yes, I remind the audience that it is great to see you here but if you could please view in silence that would be fantastic.

The Hon. ANTHONY D'ADAM: Mr Collins, you alluded to comments about buses as an alternative and not being something that you are considering. In the transcript from our previous hearing, I asked you about the option about restoring the inner west line and you say that it is one of the options and that "there are many options we are considering." Can you step us through the options that you are considering for the western stations for the stations west of Bankstown?

Mr COLLINS: I certainly will. How the process works is that our own people from Sydney Trains and colleagues from metro meet with Transport for NSW, who have the timetabling and planning function. We discuss the latest figures and options. As you know, history does show that prior to 2013 there was a direct route via Liverpool into the city via a part of this line. It was changed when the timetable was changed in October 2013. There are a number of options we are considering. I think what I would say is that one of the things that we want to do is ensure that 4½ years before we make any changes to that current T3 service, we do consult with the community. We do understand. Obviously, you have talked about the 19,000 people who are west of Bankstown.

I wanted to make a couple of statements. One is that we while provide a rail service. There are a number of options. It would be wrong of me now in this inquiry to say that we are going to do X, because that has not been finalised. But we have now in the next few months and early as possible, so people understand what their options are, well before 2024 when this part of the metro opens, of those services we operate. We do recognise there could be through services, as in the past. There could be shuttle services. There could be a number of options. We also have to take into account, as people know, that that corridor also is a freight rail connection through Sefton. It connects with Enfield. A lot can happen in terms of demand and changes over the next few years but I assure you we will provide a rail service. We are not going to leave people behind and marooned on those stations that are west of Bankstown. For some people, though, who are near Bankstown, the best option will be a very attractive option of maybe one or two stops on our network and then getting on to the metro.

The Hon. ANTHONY D'ADAM: Does that not depend on the frequency?

Mr COLLINS: Yes, and I think we understand that issue. We have, as you know, increased our timetable twice in the last six years: once by 16 per cent and then once by 18. We do need to consider what those frequencies are in the future and what those options are. We are working with our timetable and planning teams under the new Greater Sydney team to understand what those services could be. I assure you we will engage with the community and any members who are interested in that to look at what could be made possible and those decisions, I understand, will be announced by Government. But we are not ready yet to make that announcement.

The Hon. ANTHONY D'ADAM: Obviously, there is the shuttle option. Can you go into the specifics? You say there are many options being considered. I think the specifics are important because that gives the assurance that some of the options that you are not considering, like buses or a light rail conversion, are off the table.

Mr COLLINS: Yes. Certainly my view is a heavy rail connection for the rest of the network is important to maintain. Also because of its multiuse in terms of freight and passenger, that is another reason why you would maintain it. But there are some options. I cannot give you details of that because it would be wrong of me to mislead the inquiry or members of the public that I have decided one before we go through that consultation process.

The Hon. ANTHONY D'ADAM: If there are options, it is not clearly going one way or another.

Mr COLLINS: If you go to Wikipedia and look at the railways of the past, and you look at the actual track layouts and how it works, you will probably get an understanding of what two or three of those options could be.

The Hon. ANTHONY D'ADAM: I want to ask about the consultation, because obviously there is anxiety in the community around this. What consultation mechanisms are you proposing around the options that you are considering?

Mr COLLINS: I have always believed that Sydney Metro have done a lot of good work in the community, but also—

The Hon. ANTHONY D'ADAM: This will not be a metro consultation. This will be—

Mr COLLINS: Yes, but let me explain. Under the new Transport for NSW organisational structure, which you may have heard about, there are now two organisations under Transport for NSW. One is Greater Sydney and the other one is Regional and Outer Metropolitan. Greater Sydney forms up also a planning and place team and a community engagement team for the three cities: the CBD, the river city of Parramatta and the Western Parkland. That team, under Elizabeth Mildwater, will be ensuring and improving the consultation not only with local community but with council, and ensuring that there is almost what I call a one-stop shop for ensuring that we in Sydney Trains do not turn up one week; RMS, as they used to, probably turn up the next week, and metro maybe the week after. We definitely understand that and it genuinely will be.

I will be, I am sure—part of that process being part of Greater Sydney in the future—ensuring that we do sit down, understand people's concerns about frequency and service and we do our best to ensure that those people west of that great metro service do understand what the real options are for them. We want to understand from the community whether they are best placed. We are all interested in what happens in our own backyard, I am sure, so therefore—as we often face as public servants—people of one station want more service and people say, "No, no, no, we want it on our station." But I think data, information, usage and future projected growth in these areas will help us guide the best service west of Bankstown.

The Hon. ANTHONY D'ADAM: It strikes me that it is odd that you do not have a plan already—that what happens to those stations west of Bankstown is an afterthought and that you have not actually worked it out yet. Is that not a bit odd in terms of transport planning?

Mr COLLINS: Superficially, it might seem like that. But if you have seen what we have been doing with the Sydney Trains network, I think as growth has been quite extreme—37 per cent over the last five years—and as parts of the city have flexed in terms of huge growth in stations, some doubling their size, we do have to have a flexible plan. I think it would have been wrong of us, when announcing Bankstown was going to be converted, to have said, "Right, this is the service we are putting on for the rest of the network."

The Hon. ANTHONY D'ADAM: But it seems you have got no plan.

Mr COLLINS: We have a number of options. We have considered that. We have certainly had a view for some time that this will be a heavy rail solution. I think what we are looking at is what those options are, considering it is 4½ years or thereabouts until the metro opens and a lot can happen—probably another 37.5 per cent growth in the next few years. We want to make sure that that service provision fits in with our network. We will, over the next few months, certainly look at that and start the consultation process with Greater Sydney.

The Hon. ANTHONY D'ADAM: Sorry, did you say over the next couple of months?

Mr COLLINS: Yes, I said over the next few months. I am very keen, as the operator—and I am sure residents are as well—that we start that planning process and we start that consultation process.

The Hon. ANTHONY D'ADAM: So that consultation will involve an elaboration of the various options that you are considering?

Mr COLLINS: It will go through a number of those options. It will share data. We will do as we have done with a number of other projects and activities and as Sydney Metro has done in the past, and look at what those are. There may well be a recommendation, but we want to hear from the community and understand what we can do to ensure we minimise the impact. Let's be really honest about this: There will be impacts on some people who feel they have not got their direct service that they had. But the vast majority of people—we want to make sure they benefit.

The Hon. ANTHONY D'ADAM: Can I ask you about the land acquisition around the city sites? Talk me through the process of deciding to acquire private land rather than use public land—available public spaces—to locate the stations.

Mr LAMONTE: Can I just clarify whether this is particularly around Sydenham to Bankstown, or are you talking more widely at the moment?

The Hon. ANTHONY D'ADAM: I am talking about the stations in the CBD: Martin Place, Pitt Street station and the Barangaroo station. The Pitt Street station is on privately acquired land.

The Hon. WES FANG: Point of order: I come back to the point we took earlier. I am unsure what part of the terms of reference this covers. The intro to the terms of reference says—

The Hon. ANTHONY D'ADAM: I will elaborate, if you like, as I unfold the question.

The Hon. CATHERINE CUSACK: This is a question about the ownership of the land.

The Hon. ANTHONY D'ADAM: Where I am going with this is, I suppose, the business model of the metro and how the interrelationship between property and development of property—

The Hon. WES FANG: Have we run out of questions about the Sydenham to Bankstown component?

The CHAIR: It is clearly related to the business model for the rest of the line.

The Hon. ANTHONY D'ADAM: It is related.

Mr LAMONTE: In terms of the acquisition of land, acquisition of property follows New South Wales rules for property acquisition and much as we have done on the Northwest, as we have done on City and Southwest and as we have done on Metro West. There is a full process of engagement and a process of incorporating the Valuer General and their valuation.

The Hon. ANTHONY D'ADAM: That is not quite what I am getting at. One of the submissions talks about the development of the City Circle and how that was done. All the station locations in the City Circle were done on existing public land. I am suppose I am getting at how that option was ruled out as a criterion for locating the stations. Why did you locate the stations at sites that were required acquisition, as opposed to sites that were already in public ownership?

The Hon. CATHERINE CUSACK: Is this at Bankstown that you are talking about?

The Hon. ANTHONY D'ADAM: Yes.

The Hon. WES FANG: At Bankstown?

The Hon. ANTHONY D'ADAM: No, this is in the city. But it goes to the business model of the Metro Southwest.

The Hon. WES FANG: Can I ask for clarification: When was City Circle built?

Mr COLLINS: It started in 1926.

The Hon. ANTHONY D'ADAM: But the principle is the same.

Mr COLLINS: It was not finished until 1956.

The Hon. WES FANG: Thank you. And we are in 2019, right?

The Hon. DANIEL MOOKHEY: The preliminary question to that asked by Mr D'Adam is was there a consideration given to building the stations on public land?

The Hon. CATHERINE CUSACK: This is not stations to do with the line that we are inquiring into. Can I clarify that you are specifically asking about stations that are not on the section of line that this inquiry is into? Is that correct?

The Hon. DANIEL MOOKHEY: I am asking questions of Mr Lamonte. So I will just do that and you can continue to ask me questions. Mr Lamonte, did Transport for NSW ever contemplate constructing the stations on Crown land or public land?

Mr LAMONTE: This is before my time as I am sure you all recognise. But I will let Mr Parker talk about it because I think the stations you are referring to will probably be Martin Place and Pitt Street.

The Hon. DANIEL MOOKHEY: I think that is what Mr D'Adam said in the first instance.

Mr LAMONTE: Okay.

The Hon. WES FANG: Point of order: This line of questioning is not part of the terms of reference.

The Hon. CATHERINE CUSACK: It is completely—

The Hon. WES FANG: It is outside of them and there are rules on this.

The CHAIR: Again it is exactly the same as the previous order.

The Hon. WES FANG: I would ask you to allow me to point towards the terms of reference. They say:

1. That Portfolio Committee No. 6 - Transport and Customer Service inquire into and report on aspects of the planned conversion of the Sydenham-Bankstown Line from heavy rail to metro, being the southwest part of the Sydney Metro City and Southwest project, including:

And then it goes on to say "any related matter".

The CHAIR: Yes. It is—

The Hon. WES FANG: I do not think the south-west part could be considered the CBD.

The CHAIR: If I could just respond, it is exactly the same as the previous point of order you raised. In the opening statements from the witnesses and throughout all of their submissions they refer to the benefits of this conversion based on the entire network. Very importantly they often conflate the project—

The Hon. WES FANG: Are you putting words in the witnesses' mouths now?

The CHAIR: No—the project between Sydenham and Bankstown is often conflated with the entire line being metro-ised. This is clearly within the terms of reference.

The Hon. ANTHONY D'ADAM: It also goes to content in a submission.

The Hon. CATHERINE CUSACK: This is a specific question about property acquisition for the construction of the Martin Place line, okay?

The CHAIR: This is—

The Hon. DANIEL MOOKHEY: Chair, can I just ask that you rule?

The CHAIR: I have ruled, actually.

The Hon. DANIEL MOOKHEY: If you have ruled, can we just proceed?

The CHAIR: It is very clear that this is part of the terms of reference so if we could just proceed.

The Hon. WES FANG: I think we will have to refer this to the Clerks.

The Hon. DANIEL MOOKHEY: The question was: Was that option of constructing the stations on public land ever considered by Transport for NSW and, if so, when?

The Hon. CATHERINE CUSACK: What public land at Martin Place are we referring to?

Mr PARKER: I go back to where we put stations and we have talked about the wider benefit. The benefit of the metro is about providing extra stations in the city. That is one of the big benefits. We have talked about the existing stations. They are working really well but by providing new stations you get more capacity, so in other words you can actually help the city grow by providing more stations.

The Hon. DANIEL MOOKHEY: Can I just pause there because this might now clarify some of this? That presumably was counted as a benefit for the purpose of the benefit-cost ratio for the Sydenham to Bankstown conversion.

Mr PARKER: Certainly de-crowding is because again it provides the benefit that we have been talking about. When we look at where we put stations, as I said, Martin Place is a really good place to put a station. Why? It is right in the heart of the city. Pitt Street is a great place to put a station. Why? Because we know how crowded Town Hall is. So Pitt Street, being so close to Town Hall, will provide absolute relief to Town Hall because it is very close—it is within a few hundred metres. We put a station in Barangaroo. Why? Because we have a very big development at Barangaroo. We have Wynyard but Barangaroo provides the relief. That is the basis of the city.

When you look at the city and you say, "Where is the public space?" what that would actually mean is either trying to dig up roads, and that is obviously very complex in the city, or putting them in Hyde Park, which actually does not put them where the population is, because we already have stations there—we have St James and Museum. So these are located where we can and there is a process we go through to look at: Where is the best location? What are the buildings we have to take? We try to minimise the take but that is the process we go through to try to get those stations in the best place to serve the people of Sydney and our customers.

The CHAIR: Can I just clarify something Mr Mookhey just asked? It is true to say then that the metro-isation of that part of the train line from Sydenham into the city, including those new stations, has in itself relieved congestion or has the capacity to relieve congestion.

Mr PARKER: Absolutely.

The CHAIR: So it does then alleviate that bottleneck problem that we keep hearing about.

Mr PARKER: I think what we talked about last time was when you look at a metro it is not just about how many people you can cram on a train—they have to get off the train somewhere at a station. I think anyone who has been at our stations during rush hour knows that they are pretty crowded now.

Mr COLLINS: To assist my colleague can I table another diagram?

The CHAIR: Yes, please.

Mr COLLINS: It is a map of the CBD which shows where existing rail lines are and the construction of which is complete of the tunnel for Sydney Metro. We will hand those around now.

The Hon. ANTHONY D'ADAM: Can I ask about the Pitt Street site? Does Sydney Metro intend to develop the airspace above the station once the station is completed?

Mr LAMONTE: There has already been a contract let which includes over-station development at Pitt Street. That is on the record on the website.

The Hon. ANTHONY D'ADAM: How much was that worth?

Mr LAMONTE: Forgive me—I do not have the precise figure but I am happy to provide that on notice.

The Hon. DANIEL MOOKHEY: Who was the contract given to?

Mr LAMONTE: If you give me one second I will refer to that one.

The Hon. DANIEL MOOKHEY: While you are looking it up, what development have we contracted them to do?

Mr LAMONTE: We have not contracted them.

The Hon. DANIEL MOOKHEY: No, but what have we given them the rights to do.

Mr LAMONTE: We have essentially let air rights for them to develop and build above the stations.

The Hon. DANIEL MOOKHEY: Presumably they would have to seek planning approval.

Mr LAMONTE: Absolutely.

The Hon. DANIEL MOOKHEY: You have effectively sold them the air rights.

Mr LAMONTE: Effectively.

The Hon. DANIEL MOOKHEY: In terms of the financial model for the Sydenham to Bankstown conversion, was the sale of those air rights contemplated? Did you count that as a part of your funding model?

Mr LAMONTE: They are not linked.

The Hon. DANIEL MOOKHEY: They are not related.

Mr LAMONTE: No.

The CHAIR: Was one of the assumptions in the base case analysis that in all cases the service would effectively be privatised?

Mr LAMONTE: We have been there with the definition of "privatisation" before but—

The CHAIR: Yes. Here we go: "privatised", "franchised", "sold off to private interests", any kind of private investment.

Mr LAMONTE: Absolutely. So with the north-west public-private partnership [PPP], which is the operation through to 2024, the intention was that we would consider whether that should be augmented to go through the city and on down to Bankstown. The Government recently announced that that augmentation is to go ahead with the current consortium.

The CHAIR: I guess what I am asking is: When it was decided that converting Sydenham to Bankstown was the best option out of whichever other options were considered when the base case model was developed, was one of the assumptions always that the operation of the line would be privatised as part of that or was that an afterthought?

Mr LAMONTE: No. It has always been thought about. Obviously all the options were looked at as to what the best way of doing this was, but it was viewed that an option to have a public-private partnership with an external operator to operate this should be part of the way we would approach that.

The CHAIR: Is it fair to say that when you were considering instead doing digital upgrades and whatever else needed to happen to modernise the existing rail that you were comparing a publicly owned and run service with a primarily unionised workforce versus having a privatised metro system on there in the cost-benefit analysis between those two options?

Mr LAMONTE: No. I should correct that it is not. The metro is publicly owned. There is no question that it is anything other than publicly owned.

The CHAIR: Sorry, yes. It is publicly owned, privately operated.

Mr LAMONTE: Correct. This is for a set period of time whereupon we will get the assets back at the end of that time. So that was not part of the consideration of a question of whether it is Sydney Trains in their model or metro. This was looked at as: What is the right model to operate this particular line?

The CHAIR: Was that in the cost-benefit analysis? If you say that it was assumed that metro would always be run on a privatised basis and you were basing that against the existing public—

Mr LAMONTE: There are various different ways of operating that metro line and one of them could be a publicly operated system or it could be privately operated. It was viewed that the public-private partnership was the best way of doing that.

The CHAIR: But that was used as an assumption for that option, for the metro-isation option of the line but could not be used for the train improvement option.

Mr LAMONTE: Yes, but these are two very different options. I think we are talking apples and oranges here.

The CHAIR: What I am asking is: If it was not for the privatisation aspect of the operation of that metro option, would the metro would have come out on top in that cost-benefit analysis?

Mr LAMONTE: I think we are talking very different propositions. Once we had decided that we were going to have a second crossing of the harbour, that it was going to be done by a single-deck metro alternative and all of the things that flowed from that, which was essentially Sydney's Rail Future through the business case and what is in the EIS and it is that consistent trail that you have seen for many years, it was simply a question of: What is the best way of operating that line? That is where this particular PPP comes from.

The CHAIR: Operating it from a transport perspective or from an overall transport plus planning, including property development, perspective?

Mr LAMONTE: The PPP is simply about how to operate that. There is no question about property development as part of that PPP or anything else. May I crave your indulgence just to say that the Pitt Street consortium that you asked for was a consortium of Oxford Properties, CPB Contractors and Grocon.

The Hon. DANIEL MOOKHEY: What can they do? What development rights do they have? Is it commercial, residential or is it up to them to put the plan together?

Mr LAMONTE: That is a matter between them and, obviously, the planning—

The Hon. DANIEL MOOKHEY: The planning approval.

Mr LAMONTE: —and what the planning approval will be.

The Hon. DANIEL MOOKHEY: So they just get the air rights.

Mr LAMONTE: Essentially.

The Hon. DANIEL MOOKHEY: How much was it for?

Mr LAMONTE: That bit, as I said to you, I will have to take on notice, but the details are there on our website.

The Hon. DANIEL MOOKHEY: In terms of the trade of the air rights above the building, was that done through the new scheme that allows buildings who are not intending to develop to trade their airspace or off-set, or is it just specifically for that site?

Mr LAMONTE: These are integrated station developments. It is not simply a matter of the air rights. It is also a matter of the consortium building the station for us. So it is an integrated station model but it is consistent with what, essentially, you have seen at Martin Place.

The Hon. DANIEL MOOKHEY: And that was through a tender?

Mr LAMONTE: Yes, it was.

The Hon. DANIEL MOOKHEY: Unlike Martin Place.

Mr LAMONTE: That was an unsolicited proposal, but this is, in exactly the same way as Victoria Cross will be another example.

The Hon. ANTHONY D'ADAM: So does Sydney Metro then lease the station back—or the metro? Because it is owned by the consortium, what is the arrangement for Sydney Metro once the station is operational? How does it work?

Mr LAMONTE: No, we essentially own the station. They build the station for us and they own whatever is on top.

The Hon. CATHERINE CUSACK: A great deal for taxpayers is what it is.

The Hon. ANTHONY D'ADAM: I am just trying to explore how it works. Can you just clarify? Once it is completed, will there be a public subsidy for the operation of the metro?

Mr LAMONTE: I am sorry?

The Hon. ANTHONY D'ADAM: Is it going to be self-funding, or is it going to require public subsidy in order to operate?

Mr LAMONTE: You are talking about the operation of the line.

The Hon. ANTHONY D'ADAM: The line, yes.

Mr LAMONTE: That is really a matter for how fares are set and what degree of the fare box comes back. The operators do not set fares. Their fares are set in exactly the same way as Sydney Trains. The level obviously is a matter for government to decide. The operator's contract—the way the contract is let is exactly the same way as on Northwest—is not based on patronage. They do not get the revenue; the revenue comes back to Transport for NSW.

The Hon. DANIEL MOOKHEY: Exploring the parallels with the way in which the Metro Northwest operator is remunerated, the Northwest operator is remunerated by the number of services they operate. Is that correct, broadly speaking?

Mr LAMONTE: It is a number of key performance indicators [KPIs]. We have had 12 million passenger journeys on it so far. They have run 55,000 services. They are running a very consistent form and headway, and they get paid a service payment based on that delivery.

The Hon. DANIEL MOOKHEY: Have you set those KPIs for Sydenham to Bankstown yet—as in the PPP and the operational contract component of the PPP?

Mr LAMONTE: Essentially the same range of KPIs around cleanliness and headways will apply right through the line, through the city and out to Bankstown.

The Hon. DANIEL MOOKHEY: On notice are you able to provide us a comprehensive list of what those KPIs are?

Mr LAMONTE: Absolutely.

The Hon. WES FANG: Provided they are not commercial-in-confidence.

The Hon. DANIEL MOOKHEY: Not the method—although, to be fair I think we should be asking that—but just what the categories are.

Mr LAMONTE: What the categories are—yes, by all means.

The CHAIR: We talked about property development around the metro. As we know the Sydney Metro is now a corporation and it has both property developer aspects to its role as well as metro operation. Clearly that is a different kind of entity to Sydney Trains. Again, I am trying to weigh up how much benefit was given to that

model of privatised operation and potential value capture from the uplift around stations with the metro, versus improving the current train network?

The Hon. WES FANG: Madam Chair, are you trying to imply something?

The CHAIR: No, I am trying to ask a question.

Mr LAMONTE: If it is helpful, first of all we are not a corporation. We are a statutory entity but we are within Transport for NSW and within the Greater Sydney cluster. It is also probably helpful to say that there is no planned property development within the tight rail corridor that is Sydney to Bankstown. There are limited opportunities there. Obviously we would aim to support the growth that councils want and support and liaise with the council and the department of planning in their wider aspirations. Again, if it is helpful just to answer one question that came up, the Pitt Street contract was \$463 million for a 39-storey office building above the station.

The Hon. DANIEL MOOKHEY: Remind me again, what is the total budget for the Sydenham to Bankstown? What does the project cost?

Mr LAMONTE: The final budget will not be announced until we have let all the contracts, and there are some major contracts still to go.

The Hon. DANIEL MOOKHEY: I think the Government has variously described this as a \$2 billion or \$3 billion project. Is that circa the range?

Mr LAMONTE: For the—

The Hon. DANIEL MOOKHEY: The Sydenham to Bankstown conversion.

Mr LAMONTE: It is all one project for city to southwest, so many of the contracts cover both aspects. They do not segregate Sydney to Bankstown.

The Hon. DANIEL MOOKHEY: Sure, I accept that definition, but then what is—

Mr LAMONTE: The broad point about city and southwest, exactly as we approached Metro Northwest, is that the final budget will be announced once all the major contracts are let.

The Hon. DANIEL MOOKHEY: To be fair, I accept that—and that is a consistent position, much to my chagrin, that Transport for NSW maintains about all its projects—but the Government has publicly said that this is a project which is circa \$2.1 billion or \$2.2 billion. I might be wrong, but that was what was in the election; they campaigned on it. But \$439 million as a proportion of the total project budget is a lot of money.

Mr LAMONTE: As I have tried to explain, we do not separate it out as a separate budget for Sydenham to Bankstown. It is just one program—city and southwest. As I said, the consistent line about—

The Hon. DANIEL MOOKHEY: What else doesn't it include? If it is not the Sydenham to Bankstown, are we talking about the bit from the city to Sydenham? Is that the only other component that is not covered by the Sydenham to Bankstown conversion?

Mr LAMONTE: As an example of how these contracts work, the recent contract we have let to augment the public-private partnership down to the southwest includes all the trains for the whole of that line. It is the systems that affect the whole of that line, so it is not easy to break out sections of it.

The Hon. DANIEL MOOKHEY: Maybe we can short-circuit this discussion. I will just put this to you and you can tell me whether you agree or disagree. Do you agree that \$439 million as a proportion of the total budget for the city to southwest is a large amount, or not?

Mr LAMONTE: I cannot really speculate on what that figure represents. Clearly \$439 million is a large number.

The Hon. DANIEL MOOKHEY: It is a lot of money.

The Hon. ANTHONY D'ADAM: How much did the Pitt Street site cost to acquire?

Mr LAMONTE: I am not sure that I have that information but I will see what I can provide for you.

The Hon. ANTHONY D'ADAM: Take it on notice.

The CHAIR: Unfortunately we are out of time for our part of the questioning, so I will now hand over to the Government to ask any questions.

The Hon. DANIEL MOOKHEY: You do not have to.

The Hon. WES FANG: Thank you very much for appearing today.

The CHAIR: No, you do not have to.

The Hon. CATHERINE CUSACK: Can we put our questions on notice?

The Hon. WES FANG: We will put our questions on notice.

The CHAIR: Yes. I will also be putting forward some supplementary questions, so that is great. That means an early mark for all concerned. Thank you very much for attending. I really do appreciate your coming again to speak with us. It is incredibly helpful for us to understand the project better. The Committee has resolved that answers to any questions taken on notice—I think there were a couple that had not been responded to by the end—as well as answers to supplementary questions, be returned within 21 days. But the secretariat will contact you and organise all of that with you.

(The witnesses withdrew.)

The Committee adjourned at 15:22.