

PORTFOLIO COMMITTEE NO. 6 - TRANSPORT

Friday, 26 August 2022

Examination of proposed expenditure for the portfolio area

TRANSPORT, VETERANS, WESTERN SYDNEY

CORRECTED

The Committee met at 9:30.

MEMBERS

Ms Abigail Boyd (Chair)

The Hon. Mark Banasiak (Deputy Chair)
The Hon. Scott Farlow (Acting Deputy Chair)
The Hon. John Graham
The Hon. Shayne Mallard
The Hon. Daniel Mookhey
The Hon. Peter Primrose
The Hon. Penny Sharpe
The Hon. Mick Veitch

PRESENT

The Hon. David Elliott, *Minister for Transport, Minister for Veterans, and Minister for Western Sydney*

* Please note:

[inaudible] is used when audio words cannot be deciphered.

[audio malfunction] is used when words are lost due to a technical malfunction.

[disorder] is used when members or witnesses speak over one another.

CORRECTIONS TO TRANSCRIPT OF COMMITTEE PROCEEDINGS

Corrections should be marked on a photocopy of the proof and forwarded to:

**Budget Estimates secretariat
Room 823
Parliament House
Macquarie Street
SYDNEY NSW 2000**

The CHAIR: Welcome to the initial public hearing of Portfolio Committee No. 6 and its inquiry into budget estimates 2022-2023. I acknowledge the Gadigal people of the Eora nation, the traditional custodians of the lands on which we are meeting today. I pay my respects to Elders past, present and emerging and celebrate the diversity of Aboriginal peoples and their ongoing cultures and connections to the lands and waters of New South Wales. I also acknowledge and pay my respects to any Aboriginal and Torres Strait Islander people joining us today. I welcome Minister David Elliott and accompanying officials to this hearing. Today the Committee will examine the proposed expenditure for the portfolios of Transport, Veterans and Western Sydney.

Before we commence, I would like to make some brief comments about the procedures for today's hearing. Today's hearing is being broadcast live via the Parliament's website. The proceedings are also being recorded and a transcript will be placed on the Committee's website once it becomes available. In accordance with the broadcasting guidelines, media representatives are reminded that they must take responsibility for what they publish about the Committee's proceedings. All witnesses in budget estimates have a right to procedural fairness according to the procedural fairness resolution adopted by the House in 2018.

There may be some questions that a witness could only answer if they had more time or with certain documents to hand. In those circumstances, and those circumstances only, witnesses are advised that they can take a question on notice and provide an answer within 21 days. If witnesses wish to hand up documents, they should do so through the Committee staff. I remind Minister Elliott and the officers accompanying you that you are free to pass notes and refer directly to your advisers seated behind you. Finally, everyone should turn their mobile phones to silent for the duration of the hearing. All witnesses will be sworn prior to giving evidence. Minister Elliott, I remind you that you do not need to be sworn as you have already sworn an oath to your office as a member of Parliament.

Ms CAROLINE MACKANESS, Director, Office for Veterans Affairs, sworn and examined

Mr ROB SHARP, Secretary, Transport for NSW, on former oath

Mr MATT LONGLAND, Chief Executive, Sydney Trains, affirmed and examined

Mr PETER REGAN, Chief Executive, Sydney Metro, affirmed and examined

Mr HOWARD COLLINS, Chief Operations Officer, Transport for NSW, on former oath

Ms CAMILLA DROVER, Deputy Secretary, Infrastructure and Place, Transport for NSW, on former affirmation

Mr JOOST DE KOCK, Deputy Secretary, Customer Strategy and Technology, Transport for NSW, on former affirmation

Ms TRUDI MARES, Deputy Secretary, Greater Sydney, Transport for NSW, on former oath

Ms DANIELA FONTANA, Executive Director, Bus Procurement, Transport for NSW, affirmed and examined

Mr ANTHONY WING, Commissioner, NSW Point to Point Commission, sworn and examined

The CHAIR: Today's hearing will be conducted from 9.30 a.m. to 12.45 p.m. with a 15-minute break at 11.00 a.m. We are joined by the Minister in the morning. In the afternoon we will hear from departmental witnesses from 2.00 p.m. to 5.15 p.m., again with a 15-minute break at 3.30 p.m. During these sessions there will be questions from the Opposition and crossbench members only, but if required an additional 15 minutes is allocated at the end of the morning and afternoon sessions for Government questions. Thank you all very much for your attendance today. I will begin with questions from the Opposition.

The Hon. DANIEL MOOKHEY: Thank you, Chair. Greetings to you, Minister, and thank you to your officials for their attendance today. It is good to see you again. Minister, at the outset I want to acknowledge the constructive role you've played in the last seven months as your Government has tried to resolve the issues of the rail dispute. Certainly amongst Government Ministers who have been involved, we want to acknowledge the fact you have played a very constructive role. Word is that we are close to a settlement, at least in respect to the deed. I was wondering whether you could give us an update as to where you currently see the dispute up to?

Mr DAVID ELLIOTT: As you quite rightly identified, the deed, which is in the—

The Hon. DANIEL MOOKHEY: Minister, do you mind moving the microphone forward?

Mr DAVID ELLIOTT: The deed, which is in the jurisdiction of my colleague Minister Faraway, is being negotiated as we speak. Last night I spoke to Alex Claassens just to see where he was with it and whether he needed me to do anything. They appear to be close to resolution, but there are still one or two outstanding matters that need to be determined. Of course, separately and in my purview is the enterprise agreement. We will be having some further intense negotiations relating to that next week. I'm hoping that Alex and I can sit down and thrash out any outstanding matters on Wednesday. We've slated Wednesday from 10 o'clock until the sparrow's—no, I can't use that term here, can I?—until the end of business to make sure that we give every opportunity to both the union and, of course, the Government to conclude. I don't know if Mr Sharp wants to—

The Hon. DANIEL MOOKHEY: I appreciate that update, Minister. Feel free to use any aviary-like metaphor you wish to in this forum. In respect to why it's been so prolonged, certainly there's been a view that other Ministers have got themselves involved when perhaps they weren't coordinating with you as much as they should have been, given that you have been the lead in respect to the enterprise bargain. Have you found yourself in a position where other Ministers have sought to put their beak in where it's not necessarily wanted?

The Hon. SCOTT FARLOW: You're good with the aviary metaphors, aren't you?

Mr DAVID ELLIOTT: I think my frustrations are a matter of public record, as I tend to do, which gets me into trouble a bit. But I think at the moment everything seems to be constructive. Certainly my engagement with the union has been nothing more than transparent albeit frustrating. Of course, I have been on the public record as accepting that the Government is not faultless, but I am even more frustrated—and these are the conversations that I've had privately with the union and members of the union—that it appears to me that regularly the goals get moved, the tryline gets put back, new claims get put on the table and, of course, excuses are abundant.

The Hon. DANIEL MOOKHEY: Much to my chagrin, the union also seems to acknowledge that you have been transparent with them. But you have said:

It's very hard for me to look [the unions] in the eye and expect them to believe me after I had the rug pulled out from under my feet last time ...

When you said that you had the rug pulled out from under your feet last time, what did you mean?

Mr DAVID ELLIOTT: That's a matter of public record. There was a decision made in my mind that I was taking to Government, and that decision was set aside for reasons that the Treasurer and the finance Minister had dictated.

The Hon. DANIEL MOOKHEY: Which decision are you specifically referring to?

Mr DAVID ELLIOTT: Relating to the deed. Relating to the cost of modifications.

The Hon. DANIEL MOOKHEY: So it's the case—

Mr DAVID ELLIOTT: I'll continue on that, Daniel, if you don't mind. I get that this is a lot of money. This is a lot of money that doesn't need to be spent. This is a lot of money that could have gone to hospitals and schools. This a lot of money that could have actually gone to improving our rail network. This is money that doesn't need to be spent because the safety regulator has already told us it doesn't need to be spent. This is money amending trains that are working perfectly well overseas.

The Hon. DANIEL MOOKHEY: But Minister, you took—

Mr DAVID ELLIOTT: But I conceded that the opportunity cost of not making these modifications was potentially going to be more than the cost of the modifications themselves.

The Hon. DANIEL MOOKHEY: To be clear Minister, you then did take a proposition to the Government that was along the lines that you negotiated with the union and you found yourself in a position where, after the Treasurer and the Minister for Employee Relations got involved, they basically, as you put it, pulled the rug out from under you and rejected the position that you had brought to them. Minister, were you aware at the time of that particular May press conference that Minister Kean and Minister Tudehope were going to stand up and all but overturn your work, and instead engaged in some comments and aggressive behaviour that certainly inflamed the dispute?

Mr DAVID ELLIOTT: Well, I think—

The Hon. DANIEL MOOKHEY: So when you say that the rug that was pulled out from under you, it's the fact, isn't it, that you took a position to the Cabinet, they rejected it, they ambushed you at the press conference and they set back the course of negotiations by a matter of months. Isn't that the case, Minister?

Mr DAVID ELLIOTT: I have to correct you. That's not right because I hadn't formally taken—I'd formed a position but I hadn't taken that position to Cabinet or to ERC or to my colleagues.

The Hon. DANIEL MOOKHEY: So when you said that they pulled the rug out from under you, they pre-emptively pulled the rug out from under you, did they, Minister?

Mr DAVID ELLIOTT: You could possibly say that.

The Hon. DANIEL MOOKHEY: That must have created some frustration on your part, given how much time you have put into negotiating this.

Mr DAVID ELLIOTT: You can read body language very well, Daniel.

The Hon. DANIEL MOOKHEY: Well, every now and then I do it for a living, Minister.

The Hon. JOHN GRAHAM: That's true, Minister, but Hansard can't, so if you were able to answer that question.

Mr DAVID ELLIOTT: I think continue to stick with the line "you may well possibly comment"—you may well possibly think that I couldn't possibly comment.

The Hon. DANIEL MOOKHEY: But you did make the point, right, that:

No wonder the union is sceptical of us. Hard to put the genie of distrust back in the bottle when it's so freely moving among us.

Mr DAVID ELLIOTT: Poetic.

The Hon. DANIEL MOOKHEY: Indeed. Quite the poem, really.

Mr DAVID ELLIOTT: Maybe an interest in poetry.

The Hon. DANIEL MOOKHEY: What I want to know is if you do accept that the conduct of Minister Kean and Minister Tudehope, particularly, is the reason why the genie of distrust escaped the bottle.

Mr DAVID ELLIOTT: Listen, I think we've gone a long way from that in a very short time. As I've said, the Government has to concede that things haven't gone well, haven't gone to plan and haven't gone in a manner that you would like industrial engagement to go, but remember a couple of things here, Daniel: Firstly, this enterprise agreement expired two Ministers before me; remember that the ordering of the NIFs predated, I think, pretty much everybody at this table. When I talked about the distrust between the union and the Government, it is also vice versa because I'm now inundated with complaints from constituents, from local members of Parliament, from members of the Opposition about delays in trains and delays in services, and the cancellation of services.

The Hon. DANIEL MOOKHEY: You make the point, Minister, that things have moved on, but to be clear—

Mr DAVID ELLIOTT: No, but things have moved on relating to who's to blame. I've said no one side is to blame here. Both sides are to blame. My view at the moment is that public opinion is turning swiftly against the union. I warned the union of that. I said to them that we've all moved on from what happened in May. The delay was disappointing. It was frustrating for me, but we're back to where we started from. Even Alex conceded that yesterday to me, but I also have to say that the bogey in the room at the moment is the fact that the union keeps wanting to change the goalposts as well.

The Hon. DANIEL MOOKHEY: But, Minister, just to be clear here, do you trust Minister Kean and Minister Tudehope when it comes to this dispute?

Mr DAVID ELLIOTT: I'm comfortable that the engagement under the tutelage of the Premier between all my parliamentary colleagues is transparent and—

The Hon. DANIEL MOOKHEY: Transparent is not what I asked you.

The Hon. SCOTT FARLOW: Comfortable with Alex Claassens' actions?

The Hon. DANIEL MOOKHEY: Transparent wasn't what I asked you. Transparency seems to be an improvement from where we were in May. It's good that you are at least transparent with each other about your respective conduct, but the specific question I asked you is, do you trust Matt Kean and Damien Tudehope in their conduct of this State?

Mr DAVID ELLIOTT: Yes.

The Hon. DANIEL MOOKHEY: Fair enough. When you said, "I think I still have some trust with the union, but unfortunately the government doesn't," what did you mean by that?

Mr DAVID ELLIOTT: Well, that's from the very constructive engagement I've had with the unions about their opinions about the way this has gone, and I'm not going to argue with them about who they do and do not like. They've made decisions based on their engagement. I'm trying to get to a conclusion.

The Hon. DANIEL MOOKHEY: Minister, as I acknowledged at the outset, I pay tribute to the constructive role you've tried to play throughout this entire thing, but it's clear that people in your party are not so generous towards you. Here's what one of your colleagues said anonymously:

"David Elliott's idea of a negotiation is just to give everything away to the unions in order to make himself look a hero", a Liberal source said.

Are you giving everything away to the unions in order to make yourself look like a hero?

Mr DAVID ELLIOTT: If I'd given everything away to the unions, we would have industrial harmony today and, let me tell you, if you look at the correspondence that I get, I'm certainly not considered a hero at the moment. But I'm not going to be responding to anonymous, ill-informed comments that the media may or may not want to publish.

The Hon. DANIEL MOOKHEY: I want to give you the opportunity to respond to anonymous and ill-informed comments right here, Minister.

Mr DAVID ELLIOTT: Okay. Well, I'm not going to.

The Hon. DANIEL MOOKHEY: Because you've been slandered.

Mr DAVID ELLIOTT: Conjecture.

The Hon. DANIEL MOOKHEY: You have been slandered. You've been accused of—

Mr DAVID ELLIOTT: Yeah, well, it wouldn't be the first time, mate.

The Hon. DANIEL MOOKHEY: I know. To be fair, it's not the first time I've slandered you either, but the shoe is on the other foot, Minister.

Mr DAVID ELLIOTT: This is all very different from the last estimates hearing, but thank you for defending my honour, Daniel. Can I ask, though, which goes to your intent: How many times have you met with the RTBU?

The Hon. DANIEL MOOKHEY: I've never met with the RTBU.

Mr DAVID ELLIOTT: You've never met with the RTBU?

The Hon. DANIEL MOOKHEY: No. Minister, just to be clear here. In a year's time, when I'm sitting on that side of the table, you should feel free to get Mr Farlow to ask that question. Whilst we are in our current arrangements—

Mr DAVID ELLIOTT: In the last 12 months, you've never met with the RTBU?

The Hon. DANIEL MOOKHEY: Minister Elliott, we will—

Mr DAVID ELLIOTT: I just want that on the record. In the last 12 months, you have never met with the RTBU.

The Hon. DANIEL MOOKHEY: Look, I always engage with people. To be fair, you do, too.

Mr DAVID ELLIOTT: No, it's a yes-or-no answer. In the last 12 months—

The Hon. DANIEL MOOKHEY: Minister, let's just go back—

Mr DAVID ELLIOTT: No, no, it goes to your intent of the question.

The Hon. JOHN GRAHAM: Minister, you can't ask these questions without resigning your commission.

The Hon. SCOTT FARLOW: He's not up for pre-selection this time.

The Hon. DANIEL MOOKHEY: Minister—

Mr DAVID ELLIOTT: We've first of all got, "I haven't met with the RTBU", and now you're saying you haven't—

The Hon. DANIEL MOOKHEY: Minister, when you run for the upper House—

Mr DAVID ELLIOTT: So you haven't sat—

The Hon. DANIEL MOOKHEY: Minister, when you run for the upper House—

Mr DAVID ELLIOTT: —down with the RTBU and discussed tactics with them?

The Hon. DANIEL MOOKHEY: Definitely not. I can assure you that's not true.

Mr DAVID ELLIOTT: Like in March this year? Did you discuss tactics in March this year with the RTBU?

The Hon. DANIEL MOOKHEY: Tactics for what, Minister?

Mr DAVID ELLIOTT: Tactics about how the strike would go and—

The Hon. DANIEL MOOKHEY: No.

Mr DAVID ELLIOTT: You didn't meet with them in March to discuss tactics with the RTBU?

The CHAIR: Order!

The Hon. DANIEL MOOKHEY: I did not meet with anyone to discuss tactics.

The Hon. JOHN GRAHAM: I will take a point of order.

The CHAIR: Order!

The Hon. JOHN GRAHAM: I am taking a point of order at this point.

Mr DAVID ELLIOTT: I'm going to put to you that you've lied, Daniel.

The CHAIR: Order! Minister.

Mr DAVID ELLIOTT: I'm going to put to you that you actually have met—

The Hon. JOHN GRAHAM: Point of order—

The Hon. DANIEL MOOKHEY: Here we are, not slandering each other.

The CHAIR: Minister.

The Hon. JOHN GRAHAM: Point of order—

The CHAIR: All right. When I say, "Order!", we all quieten down and I listen to the point of order. Go ahead, Mr Graham.

The Hon. JOHN GRAHAM: The usual routine is question and answer and normally the questions come from over here.

Mr DAVID ELLIOTT: No, I'm following the usual routine.

The Hon. JOHN GRAHAM: I would ask the Minister to stick with the usual routine.

The CHAIR: I was expecting that to be the point of order. I remind the Minister that he is here to answer the questions, not to ask the questions.

Mr DAVID ELLIOTT: To the point of order: Madam Chair, I think every member of the community has the right to ask—

The CHAIR: No, you don't get to say, "To the point of order". That's not how it works.

The Hon. DANIEL MOOKHEY: Minister, when you join the upper House, we look forward to your contribution. But until then, we can slander each other later in the hearing. Apart from being defamed by your colleagues anonymously in the newspaper, apparently you have been chastised by the Premier, too because you've gone to war with your own Government.

Mr DAVID ELLIOTT: Which time?

The Hon. DANIEL MOOKHEY: Indeed, and you have been trashed by it.

Mr DAVID ELLIOTT: Which Premier and which time?

The Hon. DANIEL MOOKHEY: Do you want to take us through every incidence that you've been chastised by the Premier in the last six weeks?

Mr DAVID ELLIOTT: In the last six weeks?

The Hon. DANIEL MOOKHEY: Yeah. Let's go.

Mr DAVID ELLIOTT: That will take another year.

The Hon. DANIEL MOOKHEY: Were you particularly chastised about your conduct in these negotiations by the Premier?

Mr DAVID ELLIOTT: What about?

The Hon. DANIEL MOOKHEY: In the conduct of these negotiations, has he chastised you about the attempt you've made to try to resolve this dispute?

Mr DAVID ELLIOTT: Between the union and me?

The Hon. DANIEL MOOKHEY: It's a straightforward question, Minister. Has Premier Perrottet chastised you about your conduct in the negotiations?

Mr DAVID ELLIOTT: Yes. That's on the public record.

The Hon. DANIEL MOOKHEY: What did he chastise you for?

Mr DAVID ELLIOTT: Well, you know what he chastised me for.

The Hon. DANIEL MOOKHEY: I don't, actually. That's why I am asking.

Mr DAVID ELLIOTT: He didn't particularly like my comments about the Treasurer and the Treasurer's role. Listen, mate, I'll wear that, like you should be wearing the fact that you've met with the RTBU to discuss tactics.

The Hon. DANIEL MOOKHEY: What comments particularly that you made about the Treasurer caused you to be chastised?

Mr DAVID ELLIOTT: I'm not going to repeat private conversations with my Cabinet colleagues.

The Hon. DANIEL MOOKHEY: You made your comments publicly with the Treasurer. It's hard to keep up, to be fair to us.

Mr DAVID ELLIOTT: Well, that was public.

The Hon. DANIEL MOOKHEY: I want to be specific about which of the comments you've made about the Treasurer caused you to be chastised by the Premier?

Mr DAVID ELLIOTT: I'm not going to go into any further detail about private conversations with the Premier. The Premier and I have private conversations nearly every day.

The Hon. DANIEL MOOKHEY: Well, one of the other—I am sure you look forward to it every day as well, Minister—

Mr DAVID ELLIOTT: Most of them are pretty constructive.

The Hon. DANIEL MOOKHEY: One of the issues that I do have that emerged in recent times in respect to this particular dispute, was that last time you and I had the opportunity to talk here about this dispute you promised that your government would not seek to terminate the EBA. You were unambiguous about it.

Mr DAVID ELLIOTT: We haven't yet.

The Hon. DANIEL MOOKHEY: I know you haven't yet. But, again Minister, I want to praise you for that constructive comment you made at the last estimates hearing because there is no doubt that has certainly helped keep the dispute within reasonable bounds, would be the way I'd put it. But I would say, your colleague Mr Tudehope said, as recently as two days ago, that he has raised termination as an option to Cabinet's Expenditure Review Committee. This is another incidence in which you seem to be having the rug pulled out from under you because you've made an unambiguous statement on this matter, yet your colleague is rushing to government to present such an option. Did Mr Tudehope inform you that he was intending to bring that option?

Mr DAVID ELLIOTT: When did he say that?

The Hon. DANIEL MOOKHEY: He said this on 25 August.

Mr DAVID ELLIOTT: So, two days—no. I've been in hospital up until yesterday, so I haven't had a discussion with him.

The Hon. DANIEL MOOKHEY: Equally, he has said that, he has not only indicated that this is an option, he's described exactly what the Government's strategy around termination would be: to simply enter into some form of arrangement in which they would preserve some of the conditions in the existing EBA but then seek to terminate everything else. These are the actions of an extreme employer. To be very clear, in the spectrum of industrial relations behaviour, termination is not something that sits with you lightly?

Mr DAVID ELLIOTT: Maybe for a union official, mate, but it's not in my world.

The Hon. DANIEL MOOKHEY: But, Minister, regardless of whether you agree with my characterisation or not, there is no doubt, again you are saying one thing and your colleagues are acting completely the other, which raises the question—

Mr DAVID ELLIOTT: I'm not aware of the circumstances, so I will have to take that on notice.

The Hon. DANIEL MOOKHEY: We are happy to provide you, to table the particular article.

Mr DAVID ELLIOTT: I will take it on notice.

The Hon. DANIEL MOOKHEY: But, Minister, it's a really straightforward question here: Do you stand by your commitment not to seek the termination?

Mr DAVID ELLIOTT: I committed to the union from day one that if they continue to act in good faith with me, I will continue to act in good faith with them, and that includes honouring the enterprise agreement. But when we move away from acting in good faith, and unfortunately I think the communities at the moment see the union as not acting in good faith, well then—

The Hon. SCOTT FARLOW: No barbecue.

Mr DAVID ELLIOTT: They'll barbecue us, yes.

The Hon. DANIEL MOOKHEY: Just to be clear, you are now shifting from your position?

Mr DAVID ELLIOTT: No, I'm not. I've said to them, "Let's continue to act in good faith so we can get"—I wouldn't be planning a full day's meeting with them on Wednesday if I thought I was going to be shredding the—

The Hon. JOHN GRAHAM: It is not a trick question. Last time you were really clear, you promised that termination was not an option.

Mr DAVID ELLIOTT: I'm clear. I haven't changed my position. I have not changed my position.

The Hon. JOHN GRAHAM: You are recommitting today that termination is not an option?

Mr DAVID ELLIOTT: With the condition, as I said at the time, that we act in good faith.

The Hon. DANIEL MOOKHEY: Has your department suggested to you that you change your position and that you instead do embrace a pathway towards termination?

Mr DAVID ELLIOTT: No.

The Hon. DANIEL MOOKHEY: Is this just a frolic of Minister Tudehope's own making here?

Mr DAVID ELLIOTT: Listen, termination is always an option; it's just not one that I'm actively going to pursue while we are acting in good faith.

The Hon. DANIEL MOOKHEY: That's not the question. The question was: Has your department been suggesting to you this is an option you should take?

Mr DAVID ELLIOTT: And I've received—I'm not aware of receiving any advice that that's—

The Hon. DANIEL MOOKHEY: Has your department been doing any contingency planning whatsoever for the event of termination?

Mr DAVID ELLIOTT: I will have to take that on notice. Because, as you well know—

The Hon. DANIEL MOOKHEY: Well, the secretary's here.

Mr DAVID ELLIOTT: No, we'll take it on notice. Because, as you well know, Daniel, from your time working as a staffer—

The Hon. DANIEL MOOKHEY: I've never worked as a staffer.

Mr DAVID ELLIOTT: Well, your time working with a union, is that governments always look at all contingencies. And let me tell you, I've got some radical ideas in my mind if this thing goes to pastry over the course of the next couple of weeks and it doesn't include shredding the enterprise agreement. It's going to be a lot more radical than that.

The Hon. DANIEL MOOKHEY: What's that?

The Hon. JOHN GRAHAM: What sort of radical ideas?

Mr DAVID ELLIOTT: Well, let's just—

The Hon. DANIEL MOOKHEY: Don't leave me hanging.

Mr DAVID ELLIOTT: Wait until I can put them on paper, then I can publish them.

The Hon. DANIEL MOOKHEY: Don't leave us hanging here. What radical options are you—

Mr DAVID ELLIOTT: There are lots of radical options available. I have been saying that for quite some time and that's why I want this thing bedded down.

The Hon. DANIEL MOOKHEY: Like what?

The Hon. JOHN GRAHAM: With the help of Hansard we can get them on paper right now. Why don't you tell us what radical options you—

Mr DAVID ELLIOTT: I'm sure you'll look forward to the long-awaited Elliot diaries over this matter.

The Hon. DANIEL MOOKHEY: When are you publishing?

The Hon. SCOTT FARLOW: Put Mark Latham to shame.

The Hon. DANIEL MOOKHEY: Just to be clear here, termination would see rail workers suffer a 40 per cent cut in pay. Can you at least rule out taking any action that will unilaterally result in every rail worker having to default back to the award and suffering a 40 per cent pay cut?

Mr DAVID ELLIOTT: I refer you to the last answer.

The Hon. JOHN GRAHAM: Minister, I don't think you can threaten radical options and then not spell them out in public.

Mr DAVID ELLIOTT: Well, there are lots of radical options available.

The Hon. JOHN GRAHAM: Yes, but what are we talking about here? What is possible?

Mr DAVID ELLIOTT: Well, let's just wait and see.

The Hon. JOHN GRAHAM: Well, that sort of generalised threat—

The Hon. DANIEL MOOKHEY: Are you going to—

Mr DAVID ELLIOTT: I can't breach Cabinet confidentiality.

The Hon. DANIEL MOOKHEY: Can you rule out an indefinite lockout?

Mr DAVID ELLIOTT: What if, I might have had—

The Hon. DANIEL MOOKHEY: Are you planning to lock out your workers?

Mr DAVID ELLIOTT: I beg your pardon?

The Hon. DANIEL MOOKHEY: One of the radical options often available to you under the Fair Work Act is to lock out your workers. Are you planning to lock out your workers?

Mr DAVID ELLIOTT: As a man who is dedicated to getting the trains running, no, that doesn't really sit with my plans.

The Hon. DANIEL MOOKHEY: Which other radical option is on the table?

Mr DAVID ELLIOTT: Anyway, Daniel, you and I—you need to go and have a look at your diary to tell me what date in March you met with the RTBU to discuss tactics because I think some of your questions are a bit old.

The Hon. DANIEL MOOKHEY: I missed you too, Minister. It's good to see you again.

The CHAIR: Before I start on my questions, I want to clarify a point with you, Minister, in relation to the appearance of Mr Simon Draper. As you know, we requested Simon Draper attend. We were then told that it was not appropriate, according to you and your office, for him to attend. We then insisted. We got told after that, that he would be attending, but then yesterday we got told actually he can't because he is currently on leave.

Mr DAVID ELLIOTT: Yes.

The CHAIR: That is not something, despite the email that I am looking at here from Patricia Wild, that the Committee was aware of previously or had been communicated to the Committee secretariat.

Mr DAVID ELLIOTT: I am advised that he is on leave.

The CHAIR: When was he on leave?

Mr DAVID ELLIOTT: I'll take that on notice.

The CHAIR: If you could let me know exactly when he went on leave and when it was known that he would not be available today.

Mr DAVID ELLIOTT: My office was only advised yesterday that he was on leave.

The CHAIR: If you could look into that and come back to me that would be useful, and if we could have an assurance that when he does appear at the Infrastructure hearing we will be able to ask him questions within your portfolio, Minister?

Mr DAVID ELLIOTT: Yes, sure.

The CHAIR: Can I ask you about TAHE, which I understand moved out of your portfolio responsibilities on 14 April and into Minister Stokes' responsibilities.

Mr DAVID ELLIOTT: Correct.

The CHAIR: Why was that?

Mr DAVID ELLIOTT: It was because TAHE is responsible for the statewide assets owned by Transport and I am only responsible really for the metropolitan assets. It crossed both Minister Farrow and my portfolios.

The CHAIR: There are plenty of other pieces of legislation where you share responsibility with other Ministers.

Mr DAVID ELLIOTT: That was the advice that I was given.

The CHAIR: Did you ask any questions when that happened?

Mr DAVID ELLIOTT: No.

The CHAIR: Whose decision was it?

Mr DAVID ELLIOTT: I would have to take that on notice. I'm assuming it's the Premier, but I will take that on notice. I don't ask for more work, believe it or not Abigail, I'm quite happy to off-load it.

The CHAIR: The trains that are currently at the heart of the dispute, are they owned by TAHE?

Mr DAVID ELLIOTT: Yes.

The CHAIR: They are. Has TAHE been involved at all in the question of cost for the upgrade?

Mr DAVID ELLIOTT: I will hand that over.

ROB SHARP: I am happy to answer that. Yes, they're a financier and asset holder. We pay a fee to TAHE for the trains. Given this is a new project and it was on foot when TAHE was set up, there are costs that TAHE picked up as part of their stand-up in 21.

The CHAIR: If it's agreed then that we upgrade the safety of these trains for another, which I understand to be a few hundred thousand dollars, is that cost to be borne by TAHE?

ROB SHARP: The internal process is that we, being Transport, would present to Cabinet through the Expenditure Review Committee any overruns on that project and the nature of them. Some of those would be operational in nature and those would clearly sit with us. If there were capital-related costs, Treasury would take a view in terms of the nature of the funding. It could well be, for example, a grant for it or it could be funded through TAHE. There are different funding opportunities. Cabinet would make a decision when a paper is tabled.

The CHAIR: Presumably this is a capital expenditure, if it's for the trains themselves?

ROB SHARP: Correct.

The CHAIR: So in the ordinary course TAHE is propped up with grants from the NSW Treasury. That's how it's designed to work.

ROB SHARP: There's an equity investment that the Government has in TAHE. TAHE does have funds in its own right, and then there are examples as well where if the funds aren't sufficient, Treasury would either put equity in or a grant. So there are options for the Government in terms of how they may fund projects.

The CHAIR: The bottom line then is that this would impact on TAHE's balance sheet if there was an increase in the maintenance—

ROB SHARP: If they funded that additional cost, yes, they would use their cash to buy that asset, and there would be an agreement with us to pay an access fee—a usage fee, if you like—and they would make a return on that.

The CHAIR: And that wouldn't upset the accounting treatment of TAHE in any way?

ROB SHARP: You'd have to ask TAHE, but at the end of the day their role is to invest in assets and get returns. So it would be consistent with that.

The CHAIR: To what extent have TAHE then been involved in these discussions in relation to the train upgrades?

ROB SHARP: As an asset holder, we keep them informed as to the progress and status of the project. Through to not that long ago, the project was actually on budget, so the recent delays are driving the contractual costs. At the last supplementary budget estimates, I spoke in some detail to the nature of the potential costs that are accruing whilst this industrial action is deferring the trains coming into service.

The CHAIR: If Minister Stokes is now responsible for TAHE, why has Minister Stokes not been involved—or has he—in the negotiations with the unions on this point, Minister?

Mr DAVID ELLIOTT: Sorry?

The CHAIR: Minister Stokes is responsible for TAHE. TAHE is the owner of these train assets.

Mr DAVID ELLIOTT: Yes.

The CHAIR: Why has Minister Stokes not been involved in the negotiations?

Mr DAVID ELLIOTT: Because I'm responsible for the people, the services and getting commuters around the city, and that's what the union does—they are the labour provider. He is the asset owner.

The CHAIR: Yes. But we've had the Treasurer, we've had—

Mr DAVID ELLIOTT: I'll supplement that answer by saying don't assume that Rob isn't involved in these conversations. I speak to him about them regularly.

The CHAIR: Okay. That's the question. Is he a decision-maker in these discussions?

Mr DAVID ELLIOTT: I think the Premier is the ultimate decision-maker in these discussions. Most of these discussions will end up before ERC. Sorry, most of the conclusions of these discussions will go to ERC, hopefully soon.

The CHAIR: Secretary, I understand that the accounting treatment in relation to the two train entities has not been confirmed yet by the Accounting Standards Board, as recommended by the Auditor-General. Why has there been a delay in that process? I understand that TAHE's accounting treatment—that part of it, in terms of its treatment—has been approved. In terms of the other piece of that puzzle—

ROB SHARP: I'd have to take that on notice. I'm not aware of the status of that. I'll ask the financial controller to provide that information and I'll bring it back to the Committee today.

The CHAIR: Thank you. Does Mr Longland know?

MATT LONGLAND: Thanks for the question. I would need to check that on notice as well.

The CHAIR: If that accounting treatment comes back and actually says no, this treatment is not correct, that will blow up the whole accounting treatment for TAHE, won't it?

ROB SHARP: I'm not an accountant to be able to comment on that. That's a matter for Treasury in terms of the nature of the entities and their accounting. As far as we're aware, we're following accounting treatments correctly. We've had an audit that has been signed off by the accounts last year. I'll have to revert specifically on the status of the question that you've raised. I'm not across the detail.

The CHAIR: Those accounts were signed off, though, on the basis of—pretty much given a leave pass, right? We had qualified accounts. Then we had, "Fine, we can approve this this time, but we recommend that you go and get this treatment sorted. You need to speak to the Accounting Standards Board. They will come back." There were two questions that were to be asked. One was in relation to the nature of the entity that is TAHE and the other was the nature of these entities, in terms of the two train entities. Are you worried about that accounting treatment?

ROB SHARP: As I said, I'll take on notice what the current status of it is. In terms of being worried, I follow the advice that comes through in regards to accounting. There are audits; there are professional accountants that are referred to it. The audits are by professional accounting firms. So I do rely as the secretary on those experts. In regards to your specific question, I can't answer it because I don't know. I'll revert back from my financial controller during this session.

The CHAIR: Because I can tell you that this is one of the things that disturbs me when I wake up at 3.00 a.m. I'm not the transport secretary. How does that not keep you up at night if the impact would be that the whole of the accounting treatment of TAHE is not what you have been claiming?

Mr DAVID ELLIOTT: He's already awake because of the unions.

The Hon. SCOTT FARLOW: Some of them.

ROB SHARP: The accounting treatment of TAHE is a matter for Treasury and TAHE. There's an independent board and a chair of TAHE. So in respect of TAHE, you would refer to Treasury. In respect to your question on the rail entities, I've taken that on notice. I don't know the answer to it and I'll revert.

The CHAIR: Thank you. In relation to the safety regulator—and there has been much made of the safety regulator having assessed these trains as being sufficient et cetera—do you think that the safety regulator is doing its job, Minister?

Mr DAVID ELLIOTT: Do you think that she's not? If you've got any evidence that suggests that the safety regulator is not doing her job, please give it to me and on behalf of the union I will take it up with her. But I've met with her, and all the indications that I have are that she's a highly qualified, very experienced, articulate and dedicated public servant. And I think that she should be given the right to provide her job. If you want to slander her, that's fine, but provide us with some evidence that she's not doing her job.

The CHAIR: I will clarify. I'm talking about the office of the transport safety inspector, not any individuals. It is very hard to do your job when you're not sufficiently resourced. I understand that the funding for that office increased from \$3 million to \$5 million, but the Victorian safety regulator has a budget of \$40 million. Why are we underfunding and only providing an eighth?

Mr DAVID ELLIOTT: We rely on the national safety regulator. So she's a national safety regulator. I'm not aware of the Victorian model, but she's a national safety regulator. I think all the States pay into a fund and she runs the operations out of South Australia—Adelaide.

The CHAIR: We'll come back to you on that one.

Mr DAVID ELLIOTT: Please do.

The Hon. MARK BANASIAK: Minister, I want to briefly talk about taxis. Obviously you've been a big supporter of them—the only transport Minister in three years that has. So I thank you for that. Are you aware of two independent reports by the industry that show that the capital loss to that industry because of, I guess, the ill-informed implementation of Uber is \$1.6 billion? Are you aware of those two reports?

Mr DAVID ELLIOTT: I've got no reason to doubt the figure you've just given, but I don't know what reports you're referring to. Which are the two—

The Hon. MARK BANASIAK: Are you aware that that figure was presented to the Premier and Treasurer in a meeting with the industry over nine weeks ago?

Mr DAVID ELLIOTT: I believe that to be the case, yes.

The Hon. MARK BANASIAK: Are you aware that the Treasurer agreed to appoint a senior Treasury official to work with the industry to come back—

Mr DAVID ELLIOTT: I wasn't at the meeting, Mark, so I can only just assume—

The Hon. MARK BANASIAK: Neither was I. I'm just trying to get a baseline for what we both know.

Mr DAVID ELLIOTT: I'll take it all on face value.

The Hon. MARK BANASIAK: Despite that, in nine weeks and 11 attempts of the industry to actually get feedback from that senior Treasury official, there has been no response. Is that how you would conduct a negotiation? Is that how you've conducted negotiations with the rail unions?

Mr DAVID ELLIOTT: I'm very sorry to hear that. I have spoken to the Taxi Council as recently as probably last week. I haven't this week because I've obviously been off. But I'm meeting very soon with the Treasurer and Premier to thrash out some final details.

The Hon. MARK BANASIAK: To your knowledge, there has been no package developed yet? Or are you aware of a package?

Mr DAVID ELLIOTT: As you are aware from the last estimates Committee, there is an options paper there. I'm comfortable with it. The Taxi Council is comfortable with it. Obviously we have to make sure Treasury is comfortable with it. There have subsequently been some further options put to us, which is why I will be meeting with the Treasurer and the Premier on Monday, but that's really all I can say because of the sensitive and commercial nature of these decisions. I don't want people running around buying cheap licences tomorrow, thinking they're going to get some money out of it or selling cheap licences tomorrow because they think they're going to get nothing out of it.

I share the taxi industry's pain, I do. I've said it publicly and I'll continue to advocate for them. I think that they deserve fair treatment and fair compensation. I've accepted the criticism that other industries that have changed and evolved because of changes to the information superhighway haven't been compensated but those industries—not one of them that has been put to me has had highly regulated and expensive licences and registration plates sent to them and their families every year. I think we do need to show a bit of compassion. I still don't understand—and I'm on the public record as saying this. I still don't believe that any commuter or Uber user begrudges spending an extra dollar to put into a compensation pack. I haven't met that person yet.

The Hon. MARK BANASIAK: Can I just go to Uber? Thank you for your positive comments there. Are you aware of the whole Uber leaks scandal in Europe and America?

Mr DAVID ELLIOTT: No.

The Hon. MARK BANASIAK: No? I'm not an avid reader of *The Guardian* either but it did pique my interest.

Mr DAVID ELLIOTT: That's why I like you, Mark.

The Hon. MARK BANASIAK: It shows that Uber has engaged in some serious unscrupulous behaviour around the world, particularly secretly lobbying governments and secretly lobbying government bureaucrats to infiltrate countries with the industry. Obviously you're not aware of it, but has there been any investigation by your department as to whether that has occurred in New South Wales?

Mr DAVID ELLIOTT: They haven't lobbied me.

The Hon. MARK BANASIAK: You weren't the Minister at the time when this all went down. I'm not too sure whether you were actually the Point to Point Transport Commissioner, Mr Wing, when all this—

ANTHONY WING: No. Those reports appear to relate to allegations about business practices that occurred by executives probably a decade ago who have since left Uber. I don't have any particular knowledge of any lobbying that might have been done at the time.

The Hon. MARK BANASIAK: Thank you. I might change tack, Minister. The Recreational Vessels Advisory Group, which has been established since 2019 or before that—it's gone to a new model, I believe, where it's not having regular meetings. It's just inviting individual groups of the department's choosing. There are concerns that that action group or advisory group is now being disbanded. Particularly there's a concern about the Recreational Fishing Alliance—they're a key stakeholder there—essentially being isolated because of their outspoken views on certain things.

Mr DAVID ELLIOTT: I might invite Mr Collins—

The Hon. MARK BANASIAK: Can you give me a status update on what is happening with that action group?

HOWARD COLLINS: Thank you for the question. As you know, Mr Banasiak, there is regular engagement with many, many groups across Maritime locally and regionally. We've seen some engagement and some improvement in the investment of those facilities for boaters, fishers and many people who use the waterways. I'm not sure about this particular group. As you mentioned, there may have been some issues regarding their behaviour, so I'll check and take that on notice. But I think we are always open to engaging any user groups who use our waterways. Certainly we've made an extra effort this year, particularly post-COVID, to ensure that the 40 per cent uplift in boaters who are out there get the opportunity to engage with the industry and the community. I'm happy to take that on notice.

The Hon. MARK BANASIAK: Yes, can you take it on notice as to why there have been no minutes of that group since 2020, as well? There seem to be no public minutes since 2020.

HOWARD COLLINS: Thank you. I will do that.

The Hon. MARK BANASIAK: Minister, just quickly, I might go to the La Perouse to Kurnell ferry. It has now been approved. I have some questions around the approval date, to start off with. When did you first become aware that the project had actually been approved?

Mr DAVID ELLIOTT: Is that the—

The Hon. MARK BANASIAK: The Kamay ferry.

Mr DAVID ELLIOTT: Kamay, yes. It was committed in this last budget, and I think I was probably advised about the approval of it slightly before the budget.

The Hon. MARK BANASIAK: Okay. On the Planning website it was recorded that the project was at the assessment stage on 2 August, then moved to determination, and then approved on the third. But the approval documents say it was signed off on 21 July. Does that sit with your recollection?

Mr DAVID ELLIOTT: Well, I won't use my memory here, but the advice that I've received is that on 29 July Transport awarded the construction contract to McConnell Dowell following a competitive tender process, with the wharves scheduled to commence during the first half of next calendar year—two years.

The Hon. MARK BANASIAK: Is it correct in saying that the current estimated cost of this project is \$49.3 million? That's what the Treasury papers state.

Mr DAVID ELLIOTT: I've got no reason to doubt the Treasury papers.

The Hon. MARK BANASIAK: No. Is there any explanation as to why that has doubled—

Mr DAVID ELLIOTT: Sorry, did you say 49.3?

The Hon. MARK BANASIAK: Yes, 49.3.

Mr DAVID ELLIOTT: Over three years. Correct.

The Hon. MARK BANASIAK: The original cost was 24.3. Can you offer an explanation as to why that cost has essentially doubled?

Mr DAVID ELLIOTT: I'll take that on—one minute. Sorry, I've just been told that there's a wiser man at the table than me. Howard, would you like to answer that?

HOWARD COLLINS: I'm waiting for him to turn up. My favourite subject: Kamay. Thank you very much for the question. Explaining, as you asked the Minister, why the costs have increased—as you know, there were some delays to the program. As you confirmed, Minister Roberts, I believe, signed off the approval in July of this year and we got, with Government support, to renegotiate and engage with the contractor. As everyone knows—and I don't want to labour it too much—additional requirements were made for planning, which is good news because it's protecting the environment; for engagement with our Aboriginal colleagues in terms of design; and, finally, for construction costs. There is a lot of steel in this. It's good Australian steel and it's expensive, but we believe we're now on a course within the next two years to set up the wharves. Whatever we can do to work with the local Aboriginal Land Council regarding ferries and opportunities there for employment will continue, as we have done in the past.

The Hon. JOHN GRAHAM: Minister, I might return briefly to the rail dispute. I firstly want to agree with my colleague's description of your behaviour in this dispute, just to put that on the record, and I want to recognise there's quite a lot of uncertainty here given where this has got to. But can I just ask you the question that every commuter is asking, which is: When do you hope to solve this dispute? When will I be able to get the train home on time?

Mr DAVID ELLIOTT: It would be a very brave person to predict that. I hear Alex is saying, "Imminent." I hear him then saying, "It's going to take three months for the EA to be agreed to." One of the few conditions that I have put on this matter is that the EA and the deed are a job lot. I'm not going to expose the taxpayers of this State to \$1.1 billion—or \$264 million, depending on how you account for the cost—and then expose commuters to uncertainty of services with further industrial action because we can't bed down the agreement. I don't think that's unreasonable. I haven't heard anybody from your side of politics saying that that's unreasonable. I've heard Chris Minns say some very positive things about the way I'm dealing with it, and I very much appreciate that support. I think it's wise for him to provide that support. The earliest time could be next week. If we bed down the deed this weekend and we bed down the EA next week, then I've just got to wait for the union to go to its members and say, "Let's go, boys."

The Hon. JOHN GRAHAM: So if this goes well—if you persuade your colleagues, if you persuade the union—as a commuter I might be able to get the train home on time next week?

Mr DAVID ELLIOTT: That's the best-case scenario. The worst-case scenario, in my mind, could be up to six months.

The Hon. DANIEL MOOKHEY: Minister, I want to talk to you also about taxis as well. Again, I acknowledge that this could be categorised as one of the problems that you have inherited as well. But your Government has failed to deliver hundreds of millions of dollars in compensation that was promised to 5,000 licence plate owners. It has been seven years. Why has it taken so long?

Mr DAVID ELLIOTT: Good question. I think at the moment the—

The Hon. DANIEL MOOKHEY: Minister, if you need to, we can swear your witness in if she's—

Mr DAVID ELLIOTT: No, I just wanted to clarify something. I didn't want to misinform you.

The Hon. DANIEL MOOKHEY: I appreciate that.

Mr DAVID ELLIOTT: That figure can be disbursed, but it requires other actions as well. My view is, again, let's not do this piecemeal. The Taxi Council and, indeed, the plate owners have come to us with what they

believe is fair compensation. I've accepted their claims in the sense that I am prepared to take it to ERC, prepared to take it to the Premier and to the Treasurer. Of course, there is no cost to the taxpayer under that scheme.

The Hon. DANIEL MOOKHEY: But, Minister, we have literally right now, on my count, more than \$150 million sitting in a bank account that's unspent.

Mr DAVID ELLIOTT: Correct.

The Hon. DANIEL MOOKHEY: We are continuing to collect \$1 a day per trip in every taxi and every Uber.

Mr DAVID ELLIOTT: Correct.

The Hon. DANIEL MOOKHEY: We were building up an additional \$80-ish million—

Mr DAVID ELLIOTT: But remember, Daniel, if I piecemeal this—

The Hon. DANIEL MOOKHEY: I'm not suggesting you're wrong, Minister. I'm just saying, it's been seven years.

Mr DAVID ELLIOTT: Yes.

The Hon. DANIEL MOOKHEY: We have been sitting on this money for a long time.

Mr DAVID ELLIOTT: It's a disgrace.

The Hon. DANIEL MOOKHEY: You agree it's a disgrace?

Mr DAVID ELLIOTT: It's an absolute disgrace. Small businesses across New South Wales deserve to be treated better. I have got myself into a lot of trouble by advocating on behalf of them and I will continue to advocate on behalf of them. But I'm not going to advocate half a job.

The Hon. DANIEL MOOKHEY: Yes, good.

Mr DAVID ELLIOTT: I'm not going to introduce a system which sees them taxed for this compensation, because if we do this piecemeal they will potentially be taxed for it.

The Hon. DANIEL MOOKHEY: Minister, again, I appreciate that. And just to be clear, we've done an inquiry specifically looking into this matter. But you said that you have taken it to ERC and you've put those options. Do you recall precisely when in time you did that?

Mr DAVID ELLIOTT: No, I haven't taken this specifically to ERC yet. When I take it to ERC, it will be what I am comfortable with.

The Hon. DANIEL MOOKHEY: You said that you've taken options to the Premier and to the Treasurer.

Mr DAVID ELLIOTT: Yes.

The Hon. DANIEL MOOKHEY: When did you do that?

Mr DAVID ELLIOTT: Well, I've done it over the last couple of months, but I'll be doing it again next week and hopefully we will be able to land it.

The Hon. DANIEL MOOKHEY: So you're saying that you're taking a package to them or to ERC?

Mr DAVID ELLIOTT: No, I'll be having the discussions with the Premier on Monday, but beyond that I can't discuss it because, of course, it will be Cabinet-in-confidence.

The Hon. DANIEL MOOKHEY: Minister, again, you seem to be obeying the Cabinet conventions but your Treasurer is not.

Mr DAVID ELLIOTT: Surprise me.

The Hon. DANIEL MOOKHEY: Your Treasurer has said, in fact, quite the opposite to what you've told us this morning. He said that there was a discussion in ERC in that—

Mr DAVID ELLIOTT: I wasn't there.

The Hon. DANIEL MOOKHEY: Why weren't you there?

Mr DAVID ELLIOTT: I wasn't there.

The Hon. DANIEL MOOKHEY: Why not?

Mr DAVID ELLIOTT: I wasn't there.

The Hon. DANIEL MOOKHEY: Yes, but you're the Minister. How can you not be there? How can there be a discussion about this without you? It is a mystery.

Mr DAVID ELLIOTT: Thank you, Daniel.

The Hon. DANIEL MOOKHEY: So you're telling me that your Government—

Mr DAVID ELLIOTT: You're probably my last friend in this place.

The Hon. DANIEL MOOKHEY: Let's not stretch the friendship too much.

The Hon. SCOTT FARLOW: You've ditched him already!

Mr DAVID ELLIOTT: Pretty sad.

The Hon. DANIEL MOOKHEY: Just to be clear here, you're telling me that the Government had a discussion about this and you weren't involved?

Mr DAVID ELLIOTT: Mate, I can't discuss ERC and Cabinet deliberations, but I can tell you—

The Hon. JOHN GRAHAM: Because you weren't there.

Mr DAVID ELLIOTT: I wasn't there.

The Hon. DANIEL MOOKHEY: But to be clear, Minister Kean has discussed it on Sydney radio.

Mr DAVID ELLIOTT: Sorry?

The Hon. DANIEL MOOKHEY: He has discussed this on Sydney radio. He says that an option was brought forward, it was rejected and—perhaps I'm paraphrasing—effectively you got sent to redo your homework. That was the thrust of it. He basically said, "The Government had this discussion, they didn't necessarily like the options that you presented, you got sent back to present more."

Mr DAVID ELLIOTT: All I can say, Daniel—

The Hon. SCOTT FARLOW: Why didn't you ask the Treasurer this on Monday?

The Hon. DANIEL MOOKHEY: I did.

Mr DAVID ELLIOTT: —is that I wasn't at the meeting and I'm going back.

The Hon. DANIEL MOOKHEY: I asked the Treasurer this on Monday and he said that I should come and ask you, so here I am—another favour from your friend. Can I just say—let's establish this. Apparently the Government rejected the position without your knowledge or attendance. The Treasurer gets on radio and blames you; he tells you that you have to go and send it back. Meanwhile we have 5,000 licence owners who are desperately waiting for compensation.

Mr DAVID ELLIOTT: The last part of your comment is what's at front of mind for me at the moment. I can assure you that I'm not going to stop fighting for them.

The Hon. JOHN GRAHAM: Minister, I accept that you weren't at the ERC. That's appreciated. Was it your proposal that was rejected, though?

Mr DAVID ELLIOTT: I couldn't discuss that because it's a matter of Cabinet-in-confidence.

The Hon. DANIEL MOOKHEY: But the Treasurer has discussed it.

Mr DAVID ELLIOTT: Well, he has breached Cabinet confidentiality if he has.

The Hon. JOHN GRAHAM: This has been a matter of discussion on morning radio with Ben Fordham.

Mr DAVID ELLIOTT: Listen, I can't discuss matters that go before ERC or Cabinet even if I am or am not there.

The Hon. JOHN GRAHAM: I am inviting you to respond, though, to something that has been common discussion on morning radio.

Mr DAVID ELLIOTT: I'm not going to because that may put me in breach of Cabinet protocols, which I'm not prepared to do.

The Hon. DANIEL MOOKHEY: We certainly don't want to put you in such a position, Minister.

Mr DAVID ELLIOTT: No.

The Hon. DANIEL MOOKHEY: But how many times have you met with the Treasurer directly to talk about this?

Mr DAVID ELLIOTT: I told you, I'm meeting him again on Monday.

The Hon. DANIEL MOOKHEY: How many times have you met with him?

Mr DAVID ELLIOTT: Previously? I would have to take that on notice.

The Hon. DANIEL MOOKHEY: But you can't do it without him because he has to literally sign off on the paperwork to allow the money to move. Correct?

Mr DAVID ELLIOTT: Well, he's the Treasurer, of course. Well, ERC has to, yes.

The Hon. DANIEL MOOKHEY: How many times have you met with the Premier about this?

Mr DAVID ELLIOTT: Mate, as I said, I speak to the Premier sometimes twice a day and I can assure you we have had long discussions about this.

The Hon. DANIEL MOOKHEY: Minister, no doubt you are seemingly encountering the same obstacles inside the Government as perhaps you encounter elsewhere in your portfolio. But, to be clear, I don't think any of the 5,000 licence owners particularly care. What they do care about is when are they going to be getting the compensation.

Mr DAVID ELLIOTT: Correct, which is why I haven't given up on them, Daniel.

The Hon. DANIEL MOOKHEY: Look, again—

Mr DAVID ELLIOTT: The easiest thing for me to do right now was to accept the previous decision that said, "Sorry, boys, we got what we could," but that's not the way I'm going to do my job.

The Hon. DANIEL MOOKHEY: Minister, I just want to acknowledge that. But despite your best efforts, when can these 5,000 licence owners expect to get the money that has been promised to them for seven years?

Mr DAVID ELLIOTT: I think the fact that the Premier and I and the Treasurer are going to be meeting early next week is a positive sign.

The Hon. JOHN GRAHAM: Can I ask you the thing I don't understand about this? In Matt Kean's budget, he promised \$42 billion of new expenditure. Everyone got a dollar except for these hardworking taxi plate owners. How is that possible?

Mr DAVID ELLIOTT: I can't answer for the Treasurer in relation to that, but just remember that this is money that is not coming from taxpayers.

The Hon. JOHN GRAHAM: It should have been even easier. How is it possible that everyone gets a dollar except for these hardworking citizens?

Mr DAVID ELLIOTT: Can you come to ERC with me next week, John?

The Hon. JOHN GRAHAM: I will have to check my diary, but I'm open to offers.

The Hon. SCOTT FARLOW: How about you come up with Labor's policy on this first?

Mr DAVID ELLIOTT: But it's an important point. This is the reason why I have not—

The Hon. JOHN GRAHAM: It actually is a serious question, though—

Mr DAVID ELLIOTT: It is a very serious question, John.

The Hon. JOHN GRAHAM: —because the money has sprayed across New South Wales and these people who deserve it haven't got it.

Mr DAVID ELLIOTT: You've actually answered it for me. This is not Government money. Nobody that I know who uses Uber has objected to paying an extra dollar.

The Hon. JOHN GRAHAM: That should make it easier.

Mr DAVID ELLIOTT: These are thousands and thousands of New South Wales business men and women who, for generations sometimes, have put their life into a small business, enjoyed it and now deserve the dignity to walk away, given the economy has changed, particularly—

The Hon. JOHN GRAHAM: Serious question, though—

Mr DAVID ELLIOTT: And as I said—I'm going to predict the next tweet.

The Hon. JOHN GRAHAM: —everyone else got a dollar. This isn't costing the Treasurer anything. Why is the Treasurer blocking this?

Mr DAVID ELLIOTT: John, we're in heated agreement. Take yes for an answer.

The Hon. DANIEL MOOKHEY: But, Minister—

Mr DAVID ELLIOTT: I will predict the next tweet. They're going to say, "But, David, Blockbuster didn't get paid out when Netflix came along." But we weren't charging Blockbuster thousands and thousands of dollars every year in licensing, registration and plate costs. We weren't heavily regulating them and forcing them to pay money to the taxpayer to keep their businesses going. That's why I have a passion for making sure the taxi drivers get fair equity for their asset. We are in heated agreement. I don't know why the Treasurer didn't put it into the budget. Maybe that was my fault. Maybe I didn't bash him up enough last year—I think I did.

The Hon. JOHN GRAHAM: Well, have another go.

Mr DAVID ELLIOTT: But I can assure you that it isn't off the agenda. We are certainly going to be advocating further. I will be meeting again next week. I share the frustrations of the taxi industry and, as I said, I want somebody to come to me and say, "There's a commuter who's using Uber who feels that that dollar is unfair." Nobody has come to me; not even Uber has come to me.

The CHAIR: What is happening to that money then?

The Hon. DANIEL MOOKHEY: We will come back to that. Minister, are you feeling personally fulfilled as transport Minister of New South Wales?

Mr DAVID ELLIOTT: Thank you for caring for my welfare.

The Hon. SCOTT FARLOW: This is a lovely estimates today—care about his welfare.

The Hon. DANIEL MOOKHEY: Is the job to your liking?

Mr DAVID ELLIOTT: Yes, it is. I have very much fallen in love with the organisation.

The Hon. DANIEL MOOKHEY: Have you been looking for alternative work in the last year?

Mr DAVID ELLIOTT: Not in the last year, no.

The Hon. DANIEL MOOKHEY: Have you been offered alternative work in the last year?

Mr DAVID ELLIOTT: No, not that I'm aware of. It's a breach of the Ministerial Code of Conduct for me to look for work, as you well know.

The Hon. DANIEL MOOKHEY: Yes, it is. Again, Minister, I respect your scrupulous attention to Cabinet convention and the Ministerial Code of Conduct. It augers well, really. But is it the case that—

Mr DAVID ELLIOTT: Ask the question. Come on. Quick.

The Hon. DANIEL MOOKHEY: I will.

Mr DAVID ELLIOTT: I know where it's going.

The Hon. DANIEL MOOKHEY: It's not hard to see where this one is going, Minister. You don't get any extra credit for foresight here.

The Hon. SCOTT FARLOW: He considered running for Parramatta once.

Mr DAVID ELLIOTT: Yes, that's correct.

The Hon. DANIEL MOOKHEY: But did you by any chance happen to have a conversation with the Premier earlier this year about some future career options of yours?

Mr DAVID ELLIOTT: Not really, no—other than the fact that I might have been asked to run for the Federal seat of Parramatta.

The Hon. DANIEL MOOKHEY: Indeed. But what the do you mean by "not really, no"?

Mr DAVID ELLIOTT: Other than the fact that I had spoken to the Premier briefly about the approach I had about the Federal seat of Parramatta.

The Hon. DANIEL MOOKHEY: When did you speak to him about the intention to potentially put your hand up for Parramatta?

Mr DAVID ELLIOTT: That would have been—nominations were opening around early March, mid-March.

The Hon. DANIEL MOOKHEY: At that time you flagged with the Premier that you were potentially considering a run?

Mr DAVID ELLIOTT: No, I said that I had been asked to consider it. We had a quick chat about it and then a higher authority told me that—

The Hon. DANIEL MOOKHEY: I want to know who was trying to take you away from being the transport Minister. Who had asked you to consider that?

Mr DAVID ELLIOTT: Well, the Federal Coalition said to me.

The Hon. DANIEL MOOKHEY: Fair enough. Then you raised it with the Premier that you were being headhunted.

Mr DAVID ELLIOTT: No, no. It was hardly a headhunt to run for a Labor seat in an election that we knew we were going to lose. That's called hanging, not headhunting.

The Hon. DANIEL MOOKHEY: It's not for me to necessarily decide what worth you might have brought to that campaign, Minister. Nevertheless, you had that conversation with the Premier.

Mr DAVID ELLIOTT: Briefly. That's a matter of public record.

The Hon. DANIEL MOOKHEY: It is.

The Hon. JOHN GRAHAM: He placed it on the record.

The Hon. DANIEL MOOKHEY: After you decided not to, did you have any further conversations with the Premier about some potential career options of yours?

Mr DAVID ELLIOTT: Only if I was going to stay in Cabinet.

The Hon. DANIEL MOOKHEY: What was discussed?

Mr DAVID ELLIOTT: If I was going to stay in Cabinet.

The Hon. DANIEL MOOKHEY: Did he suggest to you that perhaps you are or not?

Mr DAVID ELLIOTT: He said that there were options that may or may not have continued in Cabinet. I said to him that the role of a Cabinet Minister is his pure gift, so I would accept whatever role he determined was in the best interests of the Government.

The Hon. DANIEL MOOKHEY: Did he raise with you the prospect of perhaps fulfilling a role outside of Cabinet?

Mr DAVID ELLIOTT: The Parliamentary Secretary role was briefly mentioned but he didn't offer it to me.

The Hon. DANIEL MOOKHEY: This was the Parliamentary Secretary for what, precisely.

Mr DAVID ELLIOTT: Well, as you may recall, we used to have a Parliamentary Secretary for trade and that position was considered as—we had a brief discussion about that. But there was no offer made; it was just whether or not—and, of course, at the time there was discussion about who was going into the trade commission jobs, which I had absolutely no understanding of. So I didn't really know what role I would have been entitled.

The Hon. DANIEL MOOKHEY: So he discussed with you who was going into the trade commissioner jobs?

Mr DAVID ELLIOTT: No.

The Hon. SCOTT FARLOW: Point of order, Madam Chair—

Mr DAVID ELLIOTT: I'm happy to answer it. The answer is no.

The CHAIR: Order! I will hear the point of order.

The Hon. SCOTT FARLOW: Madam Chair, this is a consistent point of order. I raised it yesterday when we had a witness and we were going through their CV and work history. This is budget estimates with respect to Transport, Veterans and Western Sydney, not about Minister Elliott's understanding of trade positions or anything else.

The Hon. DANIEL MOOKHEY: It's about his tenure as transport Minister.

The CHAIR: I will rule on the point of order. There is no point of order. The Minister is more than capable of responding.

The Hon. DANIEL MOOKHEY: To be fair, Minister, I didn't raise the trade commissioners; you did. So, what, it was a fleeting mention of—

Mr DAVID ELLIOTT: There was no trade commissioner role discussed.

The Hon. DANIEL MOOKHEY: But you mentioned that there was some reference to trade commissioners in the discussion with the Premier.

Mr DAVID ELLIOTT: No, I said Parliamentary Secretary for trade.

The Hon. DANIEL MOOKHEY: For trade.

Mr DAVID ELLIOTT: Yes. We used to have one, as you're probably well aware.

The Hon. DANIEL MOOKHEY: I do recall. They made a big impact.

The Hon. SCOTT FARLOW: Jonathan O'Dea at one point.

Mr DAVID ELLIOTT: Paul Toole.

The Hon. DANIEL MOOKHEY: Was that the only role that the Premier had canvassed with you?

Mr DAVID ELLIOTT: Correct.

The Hon. DANIEL MOOKHEY: No other role?

Mr DAVID ELLIOTT: No.

The Hon. DANIEL MOOKHEY: Did you raise any role with him?

Mr DAVID ELLIOTT: No.

The Hon. DANIEL MOOKHEY: Did you tell him that you would like to be the Governor of New South Wales?

Mr DAVID ELLIOTT: We all know that I would be a brilliant Governor.

The Hon. JOHN GRAHAM: Was it discussed, though?

The CHAIR: I don't think we all know, Minister.

Mr DAVID ELLIOTT: I'm sorry, we need to have this point on the record: We know that I would be a brilliant Governor, but suburban dads—

The Hon. DANIEL MOOKHEY: Minister, I might give you a reference, depending on how you're going.

Mr DAVID ELLIOTT: But I'm also an ardent constitutional monarchist and I know full well that it's like getting engaged: You don't offer yourself up; you wait to be asked.

The Hon. DANIEL MOOKHEY: Indeed. Were you waiting for him to ask you to move into Government House?

Mr DAVID ELLIOTT: Sorry?

The Hon. DANIEL MOOKHEY: Look, again, your colleagues are the ones who have anonymously said that you raised it.

Mr DAVID ELLIOTT: Who said that?

The Hon. DANIEL MOOKHEY: Anonymously. I'm trying to get to the bottom of it. Again, you have been slandered once more. It's terrible.

Mr DAVID ELLIOTT: Anonymous people say things about you as well, but I'm not going to embarrass you in a public forum by asking.

The Hon. DANIEL MOOKHEY: To be fair, Minister, most of your colleagues in budget estimates tell me precisely what they think of me directly, on the record for all time.

Mr DAVID ELLIOTT: I think you've done all right.

The Hon. DANIEL MOOKHEY: Just to be clear here, did the Premier actually talk to you about becoming the agent general in London?

Mr DAVID ELLIOTT: Certainly not. This has been in the public domain, and I know your party hasn't necessarily promoted it, but I'm comfortable in Kellyville. I spent six months peacekeeping in a third-world shithole. Have you been to a third-world shithole?

The Hon. DANIEL MOOKHEY: What do you describe as a "third-world shithole", please?

Mr DAVID ELLIOTT: Bougainville. The army only sends you to one place, and I can tell you that there is no way in the world that my wife and I are leaving Kellyville. As much as I love travel, we are comfortable where we are.

The Hon. DANIEL MOOKHEY: Maybe we could abstain from referring to certain places that have challenges as shitholes. We might want to do that.

Mr DAVID ELLIOTT: Well, go there.

The Hon. DANIEL MOOKHEY: Did he describe in that conversation or any conversation with you that Stephen Cartwright was a problem?

Mr DAVID ELLIOTT: No—sorry, what did you say? What was the question?

The Hon. DANIEL MOOKHEY: Did the Premier describe in any conversation he had with you that Stephen Cartwright was a problem?

Mr DAVID ELLIOTT: In a conversation with me? Well, I'm not going to discuss private conversations that I have had with the Premier, but I can give this Committee an ironclad guarantee I had absolutely no interest in any overseas post. No overseas post was offered to me. No role was suggested to me. I was never asked to apply for a role overseas. I have done overseas trade missions before. I have led industry delegations overseas before.

The Hon. DANIEL MOOKHEY: That's not my question, Minister.

Mr DAVID ELLIOTT: If I wanted to do that, I will go back to do it in the private sector.

The Hon. DANIEL MOOKHEY: Minister, my interest is much more now about whether or not—and the question I actually did put to you was: Has the Premier described Stephen Cartwright as a problem to you?

Mr DAVID ELLIOTT: I'm not going to discuss private conversations, not because I don't want to answer the question; I just know that if I start a precedence in that, then I get myself into a lot of trouble—again.

The Hon. DANIEL MOOKHEY: Well, Minister, you do seem to have a high threshold for trouble. There's no need to be coy now because it's a serious matter. Stephen Cartwright and the Government's view of his performance is certainly attracting some element of public interest, and you have been reported as being party to a conversation with the Premier in which he describes Mr Cartwright as a problem. That, to be clear, has apparently come up in the context of a discussion of putting you on a pathway in which you could fulfil that role.

Mr DAVID ELLIOTT: No.

The Hon. DANIEL MOOKHEY: Just to be clear here, just for the third time—

Mr DAVID ELLIOTT: I wouldn't have taken it, Daniel, even if he offered it to me. Although, for \$850,000, I could have commuted.

The Hon. DANIEL MOOKHEY: Well, I can say the package is quite generous. But to be clear here, the Premier hasn't described Stephen Cartwright to you as a problem or he has?

The Hon. SCOTT FARLOW: Point of order, Madam Chair—

Mr DAVID ELLIOTT: I have answered the question. As I said—

The CHAIR: I will hear the point of order.

The Hon. SCOTT FARLOW: The Minister has answered the question. Look, I can understand your ruling previously with respect to the Minister's position and the questions being relevant to that. But discussions about the agent general do not fall within the parameters of the Transport, Veterans and Western Sydney portfolios.

The Hon. DANIEL MOOKHEY: Yes, it does because it's about—

The CHAIR: Thank you. Some of this conversation has been a little bit off-topic.

The Hon. DANIEL MOOKHEY: I will get back to topic.

The CHAIR: I trust that you will be getting back to topic.

The Hon. DANIEL MOOKHEY: Apparently Stuart Ayres was also party to an effort to get you out of the transport job, which is really disappointing.

Mr DAVID ELLIOTT: Sorry?

The Hon. DANIEL MOOKHEY: Stuart Ayres is reported to have been party to an effort to encourage you to leave your responsibilities as transport Minister. It has been reported that Stuart Ayres went to your office to discuss whether you intended to stay in Parliament and also spoke of the agent general. Do you recall a discussion in which Stuart Ayres was talking to you about ceasing your service as our transport Minister and instead embarking upon a pathway that would see you become the agent general?

Mr DAVID ELLIOTT: Again, Daniel—I'm just going to conclude—you and I have had private conversations.

The Hon. DANIEL MOOKHEY: I don't think we have, actually.

Mr DAVID ELLIOTT: Hey?

The Hon. DANIEL MOOKHEY: I don't think we've had one in our life.

Mr DAVID ELLIOTT: Yes, we have.

The Hon. DANIEL MOOKHEY: Feel free to disclose all the contents of our private conversation, Minister Elliott.

Mr DAVID ELLIOTT: I don't want to embarrass you. But I can assure you there has been no offer to me for anything outside of Parliament.

The Hon. DANIEL MOOKHEY: Did Stuart Ayres come and talk to you about becoming the agent general in London?

Mr DAVID ELLIOTT: I just answered the question. There has been no offer to me to get a job over—

The Hon. DANIEL MOOKHEY: Did Stuart Ayres come and talk to you about it?

Mr DAVID ELLIOTT: I don't think—how can I be any clearer?

The Hon. DANIEL MOOKHEY: Did he come to you and talk to you?

Mr DAVID ELLIOTT: Nobody has come to me and made me an offer to go overseas—

The Hon. DANIEL MOOKHEY: Did he come and discuss you leaving Parliament?

Mr DAVID ELLIOTT: —because they probably all know I would not take it.

The Hon. DANIEL MOOKHEY: Did he talk to you about leaving Parliament?

Mr DAVID ELLIOTT: Well, we talk about our futures all the time. I'm quite close to Stuart. Certainly, I speak about my future to all my parliamentary colleagues.

The Hon. DANIEL MOOKHEY: So did he come and talk to you, then, about potentially you leaving Parliament and also spoke about the agent general?

Mr DAVID ELLIOTT: I refer you to the last question—answer, sorry.

The CHAIR: When we were talking before, Minister, I was a little confounded by your response in relation to the Office of Transport Safety Investigations. Are you aware of the Office of Transport Safety Investigations, the New South Wales independent—

Mr DAVID ELLIOTT: I thought you were referring to the regulator.

The CHAIR: All right. We were talking at cross-purposes.

Mr DAVID ELLIOTT: The regulator is the one who makes the decision whether or not the NIF is safe.

The CHAIR: Understood. We were talking at cross-purposes, then.

Mr DAVID ELLIOTT: Okay. In relation to the Office of Transport and Safety Investigations, we have a total of \$5 million for funding for that office. In Victoria, it is \$40 million. I guess my question to you is this: Do you think that is sufficient to ensure the safety of our rail, buses and ferries?

Mr DAVID ELLIOTT: I will defer that to the secretary, Abigail.

ROB SHARP: Thank you for the question. When I spoke to OTSI a year or so ago, it was quite clear that there were added benefits that could be brought to the safety arena by investing more. There was quite a detailed review done by Dr Pelham. I am pleased to advise that there has been a 58 per cent increase this year in the budget for OTSI. There was quite a defined area of focus. This enables a broadening of OTSI's focus here in New South Wales.

The CHAIR: How many inspectors does OTSI have?

ROB SHARP: You would have to refer that to OTSI. There is certainly a management structure that I'm aware of but I'm not privy to all the layers in the organisation. You would have to refer to them.

The CHAIR: When the funding decisions were made, that was made on the basis of not knowing how many inspectors they could afford?

ROB SHARP: No. There was a paper put together. I just don't have that information off the top of my head.

The CHAIR: Are you able to take it on notice?

ROB SHARP: Yes.

The CHAIR: How many incidents have there been in relation to steering issues of ferries in the last two years?

ROB SHARP: I will refer to Mr Collins in regards to ferry steering issues.

HOWARD COLLINS: There is an annual report which OTSI produce, which is available publicly. You can probably look at some of the detail in there in terms of numbers of employment and what great work that Dr Natalie Pelham does, who I work with very closely. In terms of the number of incidents regarding steering issues, I believe there have been investigations. I will certainly come back to you with the actual number. But, as far as I'm concerned, OTSI's requirement is to investigate any near misses or incidents regarding transport vehicles or vessels and they carry that out to a thorough level.

The CHAIR: I understand that there have been at least 40 steering issues with the Emerald class ferries. Is that your understanding also?

HOWARD COLLINS: I think in the early days of the commissioning of the Emerald class—and this is quite a different vessel from the Freshwater class—there were some defects or minor issues and there were some issues regarding the steering and power control systems of the ferry. As of today, those issues—which are either dealt with by warranty or have been rectified. As of today, those vessels are in service and OTSI are very comfortable with the work and recommendations completed. Those vessels are used every day, both Emerald class, which is the first class, and then the second class of ferry.

The CHAIR: What was the date of the last steering issue reported on the Emerald class ferries?

HOWARD COLLINS: Reporting steering issues can be done by the master at any time. It's a bit like many other vessels. Occasionally, there may be an issue with either propulsion or steering equipment and that gets reported. I can't give you the actual last date but I can assure you that all those items are either dealt with under maintenance or investigation.

The CHAIR: Can you provide that information?

HOWARD COLLINS: As far as I'm concerned, the ferries now work very reliably. It's great to see. Actually, in the month of July and August, the performance of the ferries was over 99 per cent. The good people of Manly and, certainly, from Circular Quay are getting the benefit of the Emerald 2 class. Of course, the Minister has announced the seven-day service for anyone who wants to take a beautiful, historic slow ride on the Freshwater class as well. But I think, just to give you an indication, that like any vessels—and if you go back to 1982, we had steering issues with the Freshwater class. It's like many things; they need to be bedded in. It isn't a major issue.

We have worked with OTSI on understanding what those problems are with the operator, Transdev, and the Australian manufacturer, Birdon.

The CHAIR: How many of those ferries have deviated from their intended course?

HOWARD COLLINS: Being a little bit of a boatie myself, they do a fantastic job. It is 22 knots across between Manly and—I have even had a fantastic trip with the master. They do an amazing job. Quite often they have to deviate slightly because there are other vessels which they have to navigate but, as far as I'm concerned, to answer your question directly—

The CHAIR: Just to be clear, I'm talking about deviated without intention.

HOWARD COLLINS: Well, faults occasionally occur and they are rectified. But every day many, many trips are taken with Emerald class ferries across to Manly and back. In fact, my colleague on my right often contacts me and says he is having a great trip on one himself from Manly. They work well and certainly are producing a much more environmentally friendly, low reduction in diesel consumption and certainly are doing a great job for us.

The CHAIR: I understand that the *May Gibbs* had a serious deviation from course just in July, between Port Denison and Bradley's Head, because of steering issues. Are you aware of that?

HOWARD COLLINS: I will check the details of the *May Gibbs*, which I think is not an Emerald 2 ferry. But I will check the details.

The CHAIR: No, it's the initial Emerald class.

HOWARD COLLINS: The initial Emerald class ferry. Occasionally, First Fleets and other vessels have a similar issue, which gets reported as a defect. Often they are electronic control systems. The masters and all the ferry team do a great job. If they have defects, they get reported, taken out of service, analysed and made sure that they work again.

The CHAIR: When you look at the last few months of information on the status of the ferries, it does appear that they are breaking down every other day. Do you have data on how many incidents we have had with the Emerald class ferries?

HOWARD COLLINS: Just to give you a bit of a hands-on approach—and I'm sure people are aware that earlier in the year we were very disappointed with the performance of the ferry operator. I asked my team to carry out a review. That review is also including the good news that Transdev have employed a new team in the ferry team, retaining some of the good, knowledgeable people also, and the performance has dramatically improved. As I said, instead of ferries being cancelled on a regular basis, we have seen now very rarely do we get cancelled.

I have visited their control room and I have been through their action plan to improve performance. For the month of July and, certainly, this August so far, I'm hoping that customers have seen an excellent improvement in the ferry service, and long it may continue. One of the things we are benefiting from is having 10 new River class ferries out there. Some of the ferries they are replacing were, sort of, 1980s clunkers. They need to go. Certainly, the great thing about the experience for Manly services now is that fast commuters, like Mr Longland, get a fast service across in 20 minutes, with the opportunity of two choices of ferries. Or you can now take a slow but beautiful, historic ride on a Freshwater class.

The CHAIR: I thank you for your comprehensive answers.

HOWARD COLLINS: As always.

The CHAIR: Presumably, the Sydney Ferries Info Twitter account is an official account.

HOWARD COLLINS: You never know, do you, with Twitter?

The CHAIR: Well, it's got the blue tick. I am going to assume it's official. Even if you just look through there, two days ago it says vessel breakdown cancellation, three days ago there was another vessel breakdown cancellation and four days ago—

HOWARD COLLINS: I can tell you I get, not tweeted, but through the official channel every single ferry breakdown. Out of the hundreds of services, occasionally things break down.

The CHAIR: More than occasionally.

HOWARD COLLINS: Rather than selecting one little tweet, if you look at the data on a daily, weekly or monthly basis, it is much improved. Long it may continue. I, along with my colleagues in Transport, will hold

the operator to account and make sure that we get improved performance and that rare events occur of things breaking down or being cancelled. I think, maybe, one of those ferries may have been cancelled due to staff shortages. As you know, COVID is still amongst us.

The CHAIR: That's not what they are saying; they are saying it's due to mechanical failures.

HOWARD COLLINS: That may well have occurred. If I look quickly enough, I can tell you that I have that on my official account from the Transport Management Centre.

The CHAIR: Minister, I know that you've only come into this portfolio this year, but your Government has a long history of purchasing vehicles within various different transport modes that have turned out to be lemons. We have talked about this at great length in this portfolio Committee.

The Hon. SHAYNE MALLARD: Do you know what a lemon is?

The CHAIR: I do know what a lemon is, thank you. If we could cease the interjections, Mr Mallard? Whether it was the ferries that were too tall and were going to decapitate people, the leaks in the Lane Cove Tunnel, the trams that had the cracks or ferries unable to handle swells, there has been a long, long list of problems with various vehicles that your Government has purchased. Given the continual stream of lemons and the fact that our safety regulator is funded to one-eighth of Victoria's, are you concerned that we are close to a disaster happening?

Mr DAVID ELLIOTT: No. I will address the first part of your question in relation to the disasters and whether vehicles are fit for purpose. Some of those examples you have just used were actually proven to be incorrect. They were fit for purpose; it was just that the unions had decided that had they weren't fit for purpose, but obviously after the going-over of some wonderful engineers, we found that to be incorrect. But you're right: Am I concerned about foreign-built heavy machinery, heavy rail? I am. That is why I have insisted that there is a guaranteed local component for the Parramatta Light Rail Stage 2. That, in my mind, confirmed my initial comments when I was made Minister that we've really got to get back to local manufacturing and promoting local manufacturing.

I think the community had been misled with suggestions that we couldn't manufacture locally. The Victorian Government does. In fact, a number of large manufacturing firms—Varley in the Hunter Valley, for example, and companies on the South Coast and Victoria—have all come to me and said, "If you're prepared to provide us with the certainty of demand, we're prepared to invest to ensure the product is available." I'm very comfortable that whenever—I should probably touch wood, but the mere fact that we have been reasonably free of any injury when we have addressed these safety issues, because we have identified them quickly and dealt with them efficiently, I think says that we have got the formula right. But I hear what the community is saying. I hear what the union is saying. I hear what the Opposition is saying. I hear what my parliamentary colleagues are saying. They are saying, "We really want to guarantee certainty when it comes to product."

Australians are prepared to pay for good product. We are. Very rarely now do we forfeit an Australian product to go and buy something cheap that's made overseas and is indeed unreliable. That doesn't happen any more. Remember the days where we all went and bought a certain car that was made in East Asia knowing that it was a lemon but was cheaper than a locally manufactured car? That doesn't happen any more. I accept the fact that the taxpayers of New South Wales are prepared to pay for quality. I think if we promote policies that offer certainty and guarantee quality, we can avoid some of the problems of the past.

The CHAIR: Are you aware that in its annual report from last year OTSI reported a 20 per cent increase in reports of safety issues?

Mr DAVID ELLIOTT: I would have to take that on notice. I will take it as—

The CHAIR: In the context of everything that we have just discussed, it's no surprise, is it, that the public is not particularly trusting of your Government when it comes to the safety of transport vehicles in our State?

Mr DAVID ELLIOTT: I reject that premise. I don't have people stopping me in the street saying, "David, this bus is unsafe." Unfortunately, it became a bit of a tagline and a bit of a punchline when we did have the issues relating to the light rail and the ferries, and I think we've—

The CHAIR: And the trains

Mr DAVID ELLIOTT: And the trains. We have addressed all of those. I think that has dissipated. If you want to know what the public thinks at the moment, the public just wants an orderly, cost-effective service. That's what they want. What I worry about at the moment, on behalf of the frontline workers in Transport for NSW, is that the public are going to turn on them because I don't think that the public believes that this NIF is

unsafe. I think the public believes that this NIF is safe. The metro that services my electorate has been driverless. Australians are great travellers. I think enough Australians have been to Singapore and Japan and western Europe to know full well that this technology is perfectly safe. If my dear friend Alex Claassens' only excuse for not having driverless trains here is that it might work overseas but it won't work in New South Wales, I say: Why?

The CHAIR: We had an entire hearing into this. It is very clear—

Mr DAVID ELLIOTT: That's like saying—

The CHAIR: —that those trains are not as safe as they could be.

Mr DAVID ELLIOTT: —that chardonnay might work overseas but it doesn't work in New South Wales. Well, it does in my house.

The CHAIR: Do you regret not involving—

Mr DAVID ELLIOTT: I've got lots of regrets, Abigail.

The CHAIR: —the unions and workers who are actually specialists in these vehicles—

Mr DAVID ELLIOTT: Sorry?

The CHAIR: Do you regret not involving them from the beginning in the procurement decision?

Mr DAVID ELLIOTT: That wasn't my decision.

The CHAIR: I know. Do you regret, on behalf of your Government—

Mr DAVID ELLIOTT: Have I apologised to them? Yes, I have.

The CHAIR: Will you commit to involving the unions and rail workers—

Mr DAVID ELLIOTT: That's all part of a current—

The CHAIR: —in the future in procurement decisions?

Mr DAVID ELLIOTT: That's all part of a—I'll tell you why. I came from the military. If we said to soldiers, "You're getting new boots", and nobody said to the soldiers, "Would you like that trial them out before we go and buy 10,000 pairs of them?", the soldiers would throw the boots back. I used to work in the hotel industry. If you went to the hotel chain and said, "We're redesigning the kitchen. Chef, we'll tell you what it looks like when it's finished", the chef would slap you in the face. I've always been an advocate—and when I was emergency services Minister, whenever I handed over a truck, the first thing I would say to the emergency services volunteer, police officer, police rescue or firefighter was, "Were you involved in the design of this?" They would say, "Yes." I would say, "Good", because that minimises the complaints, or it certainly mitigates the risk of to the Government.

The CHAIR: That's good.

Mr DAVID ELLIOTT: Do I believe that the frontline worker—the end user—needs to be engaged? Absolutely.

The CHAIR: You would agree, then, that a lot of this current dispute could have been avoided had we involved the workers from the beginning and given them the respect they deserve?

Mr DAVID ELLIOTT: I've already told the union that I—again, when you purchase my long-awaited memoirs, you will see that there will be a whole chapter on how I think we could have avoided it. But hindsight is a great thing.

The CHAIR: Given that you're appreciating that in hindsight, isn't it really the responsibility of your Government for the current disruption to the network?

Mr DAVID ELLIOTT: I think there was a point where that might have been an argued case, but not now. No. As I said, I think that the union has pushed the envelope on some of these claims to the point where I'm not even going to accept half the blame anymore.

The CHAIR: Do you think it was ethical to include the safety issues in one discussion with terms and conditions for pay? Was that a sensible thing to have done?

Mr DAVID ELLIOTT: That was their decision, if I remember correctly. That was what they brought up. I wasn't aware of it. As you know, I met with them before I was even sworn in. That was an issue that they brought up with me that I wanted rectified pretty quickly. But I'm not going to change—they had a veto clause, which you may be aware of, which essentially is another reason why we're in the position that we had. That was

the most ridiculous power I have ever seen a union be able to acquire. I'm not going back to the time where they have a veto clause, but I'm certainly going to go to a time—or I want to see a situation—where they indeed get consultation rights.

The CHAIR: Thank you. It is now 11 o'clock so we will take a morning tea break. We will be back at 11.15 a.m.

(Short adjournment)

The CHAIR: I will commence again with questions from the Opposition.

Mr DAVID ELLIOTT: Sorry, I'll just highlight the secretary has some answers to some questions from the previous quarter.

ROB SHARP: Chair, you were asking about the definition and determination of the Sydney Trains and NSW Trains position. On 23 August—two days ago—we received confirmation that they confirm both organisations—Sydney Trains and NSW Trains—will continue to be classified as public non-financial corporations.

The CHAIR: Thank you. That's very useful.

ROB SHARP: And you mentioned an increase in reporting incidents through OTSI. Prima facie, you would say that's a safety issue but actually what it reflects is an improved reporting culture. We've actually been working assiduously with new structures internally and really promoting safety. Off the back of that, you see an increase in reporting. It doesn't reflect an unsafe or a deterioration in safety. It's actually part of the safety culture. All of those do get pursued but OTSI is also confirmed that it doesn't actually reflect an unsafe environment.

The CHAIR: So, in terms of that 20 per cent increase then, given that we didn't know before necessarily how many safety issues there were because it was saying that they weren't reporting, we don't really know whether or not there has been an increase.

ROB SHARP: The safety management system—part of the concept—is to make staff feel very comfortable to report any incidents. That's your best way of actually knowing what the risks are and being able to address them. So, we've been actually promoting staff to raise things. My personal view is that this is part of this outcome and it just reflects that improvement that we've been pursuing for the last 12 months.

The CHAIR: And I respect your opinion on that but we can't know for sure.

HOWARD COLLINS: Just for the record, RVGA—Mr Banasiak raised with us last time. Thursday, 28 July 2022 was the last time we met.

The CHAIR: Thank you. Mr Graham?

The Hon. JOHN GRAHAM: Minister, I might just turn now to some of the issues with the metro projects, in particular, the costings related to those. New South Wales Government documents refer to three metro lines where project budgets ranged from \$13 billion for one of them at the low end up to \$26 billion. That \$13 billion project has been reported as the Western Sydney Airport metro. That's correct, isn't it? That's the line that this document is referring to.

Mr DAVID ELLIOTT: I want to make just an overarching comment on the cost blowout of the metro before I invite Peter to make a few remarks. Yes, there has been an increase in costs for the metro, but I will highlight the fact that—and I've said this before—not since the construction of the great pyramids has there been a contract without a variation. As that the former CEO of the Civil Contractors Federation, I can tell you I will be buying a lottery ticket the day that I find a job that doesn't have a variation. What has made life even more difficult for us here in New South Wales and around the world has been the inability to get labour, the cost of acquiring, obviously, construction material. Indeed, COVID has seen the shutdown of construction sites, even worse so in the south-west, of course, because that was the most emphatically affected area when it came to—

The Hon. JOHN GRAHAM: Minister, I welcome that context but you—

Mr DAVID ELLIOTT: No, I'm going to give you an answer.

The Hon. JOHN GRAHAM: Yes, but you'd be unsurprised that we're asking about the size of those projects.

Mr DAVID ELLIOTT: Of course, you're asking about this, but I also will highlight to you, Graham—

The Hon. JOHN GRAHAM: Either Mr Graham or John. I answer either to Mr Graham or John.

Mr DAVID ELLIOTT: Sorry, John.

The Hon. JOHN GRAHAM: I answer to both.

Mr DAVID ELLIOTT: I forget my own name sometimes. My answer is that you have industrial action, which has had a multiplier effect on construction right across this city. No worse affectivity has been the metro job. This is one of the reasons why I am so frustrated because everybody seems to think that the burden on the current industrial action is on the commuter, and that is so right. But the biggest burden is going to be the tail that the taxpayer is provided with because of the delays of construction.

The Hon. JOHN GRAHAM: Minister, that's plenty of context. Let me ask you: How much does the Western Sydney Airport metro cost?

Mr DAVID ELLIOTT: I will now invite Peter to go through the finer detail.

PETER REGAN: Thank you. The Western Sydney Airport metro line has been publicly reported to have a budget of around \$11 billion.

The Hon. JOHN GRAHAM: Correct.

PETER REGAN: I am pleased to confirm it is still within that budget.

The Hon. JOHN GRAHAM: Within the \$11 billion budget. So, Minister, my question to you is: Why does this document from your agency talk about the project budget for this line as \$13 billion, not \$11 billion?

PETER REGAN: I would be happy to answer that. I believe the document you're referring to is one that was reported on in the media. It doesn't refer specifically to the Western Sydney Airport metro as having a budget of \$13 billion. As I said, it doesn't have a budget of \$13 billion. It's within the budget that is publicly available.

The Hon. JOHN GRAHAM: Mr Regan, I'll quote you from this document. It's OFFICIAL: Sensitive - NSW Government", as you know, from April this year. "Sydney Metro is delivering three metro lines where project budgets now range from \$13 billion to \$26 billion." If the \$13 billion figure doesn't refer to this metro line, which metro line does it refer to?

PETER REGAN: I am aware of the document. The \$13 billion referenced in the narrative—I think it is on page 8 or 9 of the particular document—

The Hon. JOHN GRAHAM: Yes, page 9.

PETER REGAN: It's an error.

The Hon. JOHN GRAHAM: It's an error?

PETER REGAN: Yes, it's an error. The budget is, as I referred to. We report monthly to Government on the budget and we're up against the budget elsewhere in that document and elsewhere in other documents. That narrative is just not right.

The Hon. JOHN GRAHAM: So, this is a \$2 billion error in this document.

PETER REGAN: No, it isn't. No, not at all. It is, as I said, narrative in a footnote in the document referring to budget. It doesn't allocate to projects. The budget for the project hasn't changed and we remain in budget. The reference to the 13 that you are seeming to relate to the Western Sydney Airport metro project is not correct.

The Hon. JOHN GRAHAM: Right. So it's \$2 billion off what the correct figure is. Is that what it is?

PETER REGAN: No. It's just the wrong number. It's the wrong number.

The Hon. JOHN GRAHAM: Well, how many other wrong numbers are in this document, Mr Regan?

PETER REGAN: To be very clear, we report at length. We report on the budget numbers. That is a piece of narrative that has been picked up, included, run in the media. We have been very clear: That is not the budget of the project. The budget of the project is as it was and we do not have a project with that \$13 billion. That number produced in document is an error.

The Hon. JOHN GRAHAM: Minister, are you happy with that answer from your official that there is a \$2 billion error in the briefings from the department about this project?

Mr DAVID ELLIOTT: Am I happy there's a typo?

The Hon. JOHN GRAHAM: Well, Mr Regan hasn't characterised it as a typo. But, I mean, you're happy to do so. I'm not putting that characterisation.

Mr DAVID ELLIOTT: I'll take it on notice.

PETER REGAN: I think, to be really clear, the document you're referring to is part of regular risk reporting to the Sydney Metro board. We report regularly to the board, including budget updates, and those numbers are reported each month. They are in tables. They are referenced. That is a piece of narrative that has been written, which actually does not refer to the correct number for the project budget that is in reference. It is not—

The Hon. JOHN GRAHAM: One of the risks here in this document, that you might get the numbers wrong by \$2 billion, is that one of the risks you are concerned about, Minister?

PETER REGAN: I am of course concerned that all documents are prepared accurately. Elsewhere in the very same document, it does refer to the correct number. That is not the budget of the project. It is referenced in a footnote. We have been very up-front about that and we are tracking within the budget that we have been allocated, and that document is a detailed document produced to the board that includes an error.

The Hon. JOHN GRAHAM: Minister, I am going to come back to you on that question. Are you satisfied with that answer, this \$2 billion error put in front of the board of the Sydney Metro?

Mr DAVID ELLIOTT: Yes, I'm satisfied because the advice I have just received is that it was a footnote. It was misrepresented because they were highlighting the fact that this could be the worst-case scenario, if I've been advised correctly.

The Hon. JOHN GRAHAM: Is that the case, Mr Regan? Is this not an error; is this the worst-case scenario?

PETER REGAN: No. The report that is referenced is a risk report, which does look at all sorts of risks that could eventuate, but that doesn't mean they will eventuate. The particular reference does not say that the Western Sydney Airport metro has a budget of \$13 million. It refers in general narrative to three budgets that metro has, and the \$13 billion is not correct.

The Hon. JOHN GRAHAM: Let me put to you the Minister's view. He's been advised—

Mr DAVID ELLIOTT: I'm comfortable with Peter's answer.

The Hon. JOHN GRAHAM: —this could be the worst-case scenario. Is \$13 billion the worst-case scenario, Mr Regan?

PETER REGAN: The budget for the Western Sydney Airport metro is around \$11 billion and we remain within that budget.

The Hon. JOHN GRAHAM: When you say it is around \$11 billion, how much over \$11 billion is it?

PETER REGAN: It's slightly under.

The Hon. JOHN GRAHAM: Minister, are you satisfied with that answer, that in documents to the board there's a \$2 billion error here in the cost of this project?

Mr DAVID ELLIOTT: I'm satisfied with Peter's answer, yes.

The Hon. JOHN GRAHAM: No concerns about these errors being made and presented to the board and presented—

Mr DAVID ELLIOTT: No. I'm satisfied with Peter's answer and I'm satisfied with his explanation.

The Hon. JOHN GRAHAM: —to the Parliament?

Mr DAVID ELLIOTT: And I'm more than satisfied—

The Hon. JOHN GRAHAM: Is that really good enough, Minister?

Mr DAVID ELLIOTT: Can I finish?

The Hon. JOHN GRAHAM: These are important projects.

Mr DAVID ELLIOTT: Can I finish?

The Hon. JOHN GRAHAM: These are the biggest projects you are building.

Mr DAVID ELLIOTT: I'm satisfied with Peter's answer. I'm satisfied that the advice that has been given to the board is correct. I am more than satisfied the fact that he has just told us that it could be under \$11 billion.

The Hon. JOHN GRAHAM: But this \$2 billion error—

Mr DAVID ELLIOTT: It's the nicest variation that I have ever seen.

The Hon. JOHN GRAHAM: The \$2 billion error, that's really of no concern to you?

Mr DAVID ELLIOTT: Peter's just told you it's not an—Peter's just told you it's the—

The Hon. JOHN GRAHAM: It seems very large, Minister, that you wouldn't be concerned about that.

Mr DAVID ELLIOTT: Oh, mate. Have you seen the blowouts that construction costs have had around the world at the moment? Actually, even if that was correct, it's doing pretty well. But I'm satisfied with the answer that Peter's just given. I am more than satisfied that the job looks like it could be under budget.

The Hon. JOHN GRAHAM: Minister, can you confirm that the Government is considering opening the CBD and Southwest metro line in two stages?

Mr DAVID ELLIOTT: Yes. That can be done, and I think we discussed that in the last estimates committee. It can be done. My view is, very strong view is—and this might be because I am being a parochial local member whose constituents will get the benefit of the opening of the Chatswood to Sydenham at the earliest opportunity—but my view is we don't hold back for political reasons or PR reasons the running of any infrastructure if its ready just because another piece isn't.

The Hon. JOHN GRAHAM: Yes, and you have put that case previously before publicly.

Mr DAVID ELLIOTT: Yes.

The Hon. JOHN GRAHAM: Let me ask you on the details. As of today, when does the Government expect to open the first stage?

Mr DAVID ELLIOTT: I will invite Peter to answer.

PETER REGAN: We are working to open that first stage to commence services in 2024, which is consistent with the previous announcements.

The Hon. JOHN GRAHAM: When you say in 2024, is that by the end of 2024 or the start of 2024?

PETER REGAN: By the end, but within, yes.

The Hon. JOHN GRAHAM: Through you, Minister, although perhaps to Mr Regan, when does the Government expect to open the second stage?

PETER REGAN: We are working to open that as soon as possible after the first stage, but we certainly are, as the Minister has indicated, proceeding on opening in two stages.

Mr DAVID ELLIOTT: At no cost.

HOWARD COLLINS: At no additional cost, and it certainly was designed to be operated that way. At this point I can't give an accurate forecast of when some of those works on the Southwest section will be completed. It is being impacted, as you aware, by the industrial action that was referred to in length earlier. That is disrupting the works on that section and we are at the moment working through as to when we will be able to redress the disruptions we have had there and to be able to complete those works to target then a revised opening date. But it unfortunately has been quite heavily disrupted.

The Hon. JOHN GRAHAM: Mr Regan, that's a very vague answer. I will repeat the question. When should the Government expect to open the second stage?

PETER REGAN: I actually will repeat the answer: As soon as we can after the first stage, but we do need resolution of our ability to access the infrastructure to complete the works and the testing—

The Hon. JOHN GRAHAM: Is that the advice that you have given to the Minister?

PETER REGAN: Absolutely.

Mr DAVID ELLIOTT: And I have interrogated that advice, John, and the sooner you get your friends at the RTBU to sign this EA and deed, the quicker we can disperse with the delays on the Sydenham to Bankstown line.

The Hon. JOHN GRAHAM: I encourage you to sort out the Treasurer, Minister. But I'll just go back to Mr Regan.

The Hon. SCOTT FARLOW: You can take a break and call Alex.

The Hon. JOHN GRAHAM: Can you narrow it down somewhat? How many years after the first stage will the second stage open?

Mr DAVID ELLIOTT: Well, he can't answer that, John, because—

The Hon. JOHN GRAHAM: Are we talking two billion years or are we talking something less?

Mr DAVID ELLIOTT: You can't answer that because we don't know how long this industrial action is going to occur.

The Hon. JOHN GRAHAM: Minister, don't we know now that the second stage will be at least 12 months late?

Mr DAVID ELLIOTT: It will be after the opening of the first stage, yes. But that really depends on how long—I'm not going to—

The Hon. JOHN GRAHAM: At least 12 months after the opening of the—

Mr DAVID ELLIOTT: —sit here and be politically—

The Hon. JOHN GRAHAM: Excepting that, can we at least agree—

Mr DAVID ELLIOTT: Can I finish? Just let me finish. The easiest thing for me is to sit here eight months before an election and make promises that I know that can't be kept. I'm not going to do that. I'm going say to you that thanks to—one of the sidebars to the current farce that is known as the RTBU has been the delays in construction.

The Hon. JOHN GRAHAM: Minister, I will give you one more—I'm moving on to—

Mr DAVID ELLIOTT: No, no, no, I'm going to finish, I've really got to finish this bit because—

The Hon. JOHN GRAHAM: Minister, can we agree it is at least 12 months after the first stage?

Mr DAVID ELLIOTT: Well, hopefully it won't be. We are hoping it's going to be before then.

The Hon. JOHN GRAHAM: I want to ask you a question then in relation to your western—

Mr DAVID ELLIOTT: You haven't let me finish the last one.

The Hon. JOHN GRAHAM: Correct. I want to ask you a question in relation to—

Mr DAVID ELLIOTT: At least you conceded that.

The Hon. JOHN GRAHAM: —your Western Sydney portfolio and that is simply this: Do you support Stuart Ayres plan to raise the Warragamba Dam wall?

Mr DAVID ELLIOTT: Yes. Stuart and I are on a unity ticket in that regard. I'm on the public record as saying that before I was even in Cabinet. My electorate is in the periphery of that area. I disputed members of my own Government—

The Hon. JOHN GRAHAM: Minister, you have answered that question.

Mr DAVID ELLIOTT: —who said it's not a mitigation wall, it's a storage wall.

The Hon. SCOTT FARLOW: Do you support it?

Mr DAVID ELLIOTT: And my view is there's no reason why it can't be both.

The Hon. JOHN GRAHAM: Minister—

The Hon. SCOTT FARLOW: What's Labor's policy?

The Hon. JOHN GRAHAM: Do you have concerns about the significant development your Government has allowed on the flood plain, as the Minister for Western Sydney?

Mr DAVID ELLIOTT: If you go back to 1802, then potentially the best Governor that the State has ever had, Lachlan Macquarie—

The Hon. JOHN GRAHAM: I'm asking now—

The Hon. SCOTT FARLOW: This might be better.

Mr DAVID ELLIOTT: —warned the people of north-western Sydney not to build in certain areas around the Hawkesbury-Nepean. We have been ignoring that; consecutive governments have been ignoring that

for 200 years. Do I get upset when I see people flooded? Yes, I do. As emergency services Minister I have been out there with the Premier delivering food packages to stranded communities. It is frustrating, it is heartbreaking. That is why I believe that we should not be turning our back on any potential mitigation. That's why I am in favour of increasing the dam wall.

The Hon. JOHN GRAHAM: Minister, I'm going to wind you forward from Lachlan Macquarie to a couple of years into the future. Will you guarantee that the Western Sydney Airport metro will be open on the day that the airport opens?

Mr DAVID ELLIOTT: What's that got to do with the dam wall? Sorry?

The Hon. JOHN GRAHAM: It's a separate issue, Minister.

Mr DAVID ELLIOTT: Sorry. Ask the question again, John.

The Hon. JOHN GRAHAM: I want to know when the airport opens, where will we be up to with the Western Sydney Airport metro?

Mr DAVID ELLIOTT: I'd invite Peter to answer that.

PETER REGAN: Thank you, Minister. We have been working to complete the works on the Sydney Metro-Western Sydney Airport line so that services can commence in line with the services at the airport itself. That has always been the target that the State and the Federal Government have set for us. We are continuing to work towards that.

The Hon. JOHN GRAHAM: Minister, I am going to move to the Zero Emission Buses program. The budget papers show that \$90 million has been spent on this program to June this year and there is \$114 million allocated for this next financial year.

Mr DAVID ELLIOTT: Are you talking about the emissions-free buses?

The Hon. JOHN GRAHAM: Correct, yes. There is \$90 million spent and \$114 million allocated for this financial year. You would agree with those observations? They are figures straight from the budget.

Mr DAVID ELLIOTT: Yes. What's the question?

The Hon. JOHN GRAHAM: The budget then talks about funding over seven years for transitioning to a low-emission bus fleet. This funding over seven years is on the development of a final business case for tranche one and early works on depots owned by Transport for NSW in Greater Sydney. Minister Constance promised that all these buses would be electric by 2030. That's not what the budget's now saying.

Mr DAVID ELLIOTT: When did he say that?

The Hon. JOHN GRAHAM: He was very public about it. He said it here, apart from other places.

Mr DAVID ELLIOTT: If I started answering for former Ministers, we would need another couple of sessions. But I'll invite the secretary—

The Hon. JOHN GRAHAM: That's correct, isn't it, Mr Sharp?

ROB SHARP: Mr Graham, he made it a challenge to Transport to target 2030, so he was challenging us to pull forward the plans. We have actually consulted with industry—

The Hon. JOHN GRAHAM: I'll stop you there and I'll say, Minister, he didn't just make a challenge; he made a song and dance. He made a solemn promise, he made a big fuss, and he made a hero of himself, and the budget is doing something totally different. What happened to this promise from Andrew Constance to electrify the entire bus fleet by 2030?

Mr DAVID ELLIOTT: Are you daring me to criticise Andrew Constance? Is that what you're doing?

The Hon. JOHN GRAHAM: You can respond any way you want.

Mr DAVID ELLIOTT: I made promises to the Premier.

The Hon. SCOTT FARLOW: He's doing the Tour de France.

Mr DAVID ELLIOTT: I'm not going to answer for Andrew. I don't know what he said; I don't know when he said it. I'm only going to commit to what I've said.

The Hon. JOHN GRAHAM: So that promise, that Government promise that Minister Constance made here and publicly—electric buses by 2030—that's gone? That's scrapped—that promise?

Mr DAVID ELLIOTT: There's no way in the world we're going to meet that timetable, so I don't know why he said it.

The Hon. JOHN GRAHAM: I agree with that observation.

Mr DAVID ELLIOTT: And remember, since then, we have gone through a pandemic, which has delayed a significant amount of supply opportunities and obligations that we have. I will use this as an opportunity as Minister for Western Sydney to boast that we do have manufacturing of electric buses in western Sydney.

The Hon. JOHN GRAHAM: Yes, and acknowledging that, I'm going to draw you back to this, though, because it's worse than the pandemic. This is seven years of spending and we're still talking about early works and the final business case—not even completion here, after this promise, this song and dance by Andrew Constance. So not only has it been scrapped, but it won't be delivered in the next seven years, will it, Minister?

Mr DAVID ELLIOTT: We'll roll them out. But are you talking about whether we'll be replacing the whole 8,000—

The Hon. JOHN GRAHAM: Andrew Constance was promising to electrify the entire bus fleet in Greater Sydney by 2030.

Mr DAVID ELLIOTT: All 8,000?

The Hon. JOHN GRAHAM: That's not going to happen in the next seven years.

Mr DAVID ELLIOTT: It was a song and dance. My answer is in your question.

The Hon. JOHN GRAHAM: I agree with you. This was a song and dance, wasn't it, Minister?

Mr DAVID ELLIOTT: I'm committed to it. I think they're very popular. I'm not committed to the time frame that my predecessor offered up, because from where I stand right now that might be unrealistic. But I am encouraging local manufacturing. I think Sydney is keen to see electric buses. I've ridden on them. My constituents like them. I know that I get feedback from other members of Parliament that they're welcomed. Particularly as Sydney finally embraces things like alfresco dining and the like, they'd prefer to have electric buses going down the street than they would diesel buses going down the street interrupting their lattes. I must say that the noise emitted from the electric buses is welcome, particularly to families that live near the transitways. Am I committed to making sure that we get as many electric buses on the road as possible? Yes. Am I going to defend a song and dance, as you say? Well, maybe not. Hold it. I've just been given some very important information. There are 100 at the moment; there are another 200 next year.

The Hon. JOHN GRAHAM: But when are we going to get to the 8,000?

ROB SHARP: Through the Minister, when we were here in the last budget estimates, we indicated that in the back end of this year we would have the business case finalised for investment decision, and we're on track for November to present that to ERC.

The Hon. JOHN GRAHAM: Mr Sharp, I'm not asking about the business case. I'm not asking about early works. I'm asking when will the 8,000 buses that Andrew Constance promised by 2030 be complete? Can you answer that question?

Mr DAVID ELLIOTT: That's dependent on the business case.

ROB SHARP: ERC would need to make a decision on that. I can't pre-empt the policy decision.

The Hon. JOHN GRAHAM: It's not in the next seven years, you'd agree with that, though, Minister or Mr Sharp, based on the budget.

Mr DAVID ELLIOTT: Correct. That would be very difficult.

The Hon. JOHN GRAHAM: Minister, have you had concerns raised with you about the model that's being used here, where we're doing these early works to upgrade the depots, and about what it might mean for the size of the depots or the cost of upgrading those depots?

Mr DAVID ELLIOTT: Have I had anybody raise with me the size? No, I haven't, not that I'm aware of. I'll take it on notice. I've visited a few of the depots. I've just been told Mr Collins might have an answer to that.

HOWARD COLLINS: I'll try and be brief, Mr Graham, to ensure that I give you plenty of time. The size of the depots and the planning between Ms Drover and ourselves—we are working on the first 11 locations. Another 100 vehicles will be arriving this year from Custom Denning. Australian built, local western Sydney—

The Hon. JOHN GRAHAM: I'm asking about the depots, not the vehicles, Mr Collins.

HOWARD COLLINS: The depot design—this technology's moving very fast. We have in my team some really good specialists who are working out the planning of how vehicles are charged. Just to remind people, the traditional method, even with EV buses, is you plug it in like you do your car. But we're moving fast in terms of technology. This might be overhead charging, like they use in Wellington in New South Wales, which allows you to operate with the same—

The Hon. JOHN GRAHAM: Mr Collins, I'm going to stop you there because it's not overhead charging in the budget. It's converting 11 depots to allow for electric buses and construction of one new depot.

HOWARD COLLINS: Absolutely.

The Hon. JOHN GRAHAM: How much will converting each of those 11 depots cost?

HOWARD COLLINS: I can't tell you that in detail because obviously those contracts are commercial-in-confidence.

The Hon. JOHN GRAHAM: What are then budgeted for?

HOWARD COLLINS: We will get that figure. I may have it available to you. We are spending appropriate money and this conversion at these locations covers some of the depot. Our work is already complete or continuing on three of them. It covers some of the depot at Leichhardt and a number of others.

The Hon. JOHN GRAHAM: Mr Collins, if you don't have that detail now, we might return to that in the officials session.

HOWARD COLLINS: What is important to make sure you—

The Hon. JOHN GRAHAM: No, Mr Collins, I'm not open to what is important. We'll return to that in the officials session.

HOWARD COLLINS: I think I was answering your question, if I may do that, and I will be quiet after that.

The Hon. JOHN GRAHAM: Certainly.

Mr DAVID ELLIOTT: Camilla may be able to answer some of those questions.

The Hon. JOHN GRAHAM: I'm just interested specifically in the cost.

Mr DAVID ELLIOTT: Are you suggesting that we shouldn't be converting them to electric?

The Hon. JOHN GRAHAM: No. This is a valuable program that Andrew Constance made wild promises about that he could never deliver. That's what I'm suggesting.

Mr DAVID ELLIOTT: Okay. Camilla, do you want to provide any further—

CAMILLA DROVER: We do have a budget of circa \$30 million to upgrade the first 11 bus depots across Greater Sydney. They're the 11 bus depots that are in the control of Transport for NSW or that we have long-term access to. Of course, before we roll out any more zero-emission buses, we need to upgrade the electrical services and supply, as Mr Collins has said. So that's our first target activity to upgrade those electrical supplies.

The Hon. JOHN GRAHAM: Do you have the cost, Ms Drover?

CAMILLA DROVER: Yes. The budget is circa \$30 million.

The Hon. JOHN GRAHAM: For those 11 upgrades. And how much is the cost of building one extra?

CAMILLA DROVER: Building an additional bus depot?

The Hon. JOHN GRAHAM: Yes.

CAMILLA DROVER: I don't have the costs of the additional bus depot.

The Hon. JOHN GRAHAM: Could we return to that in the officials session?

CAMILLA DROVER: As I said, we're still finalising the final business case, and that business case will firm up those costs.

The Hon. JOHN GRAHAM: Thank you. Minister, I might turn to another issue we were asking the Treasury officials and Minister Ward about, and that's the item in the budget papers from Treasury putting an asterisk on the budget saying \$8 billion of the Government's \$30 billion of infrastructure promises will not happen

this year. That's the footnote Treasury have put to the budget. Treasury officials say that's mainly in the transport space. Do you have concerns, given Treasury is saying your agency will be the key agency that will fail to deliver \$8 billion of the promises Treasurer Kean has made?

Mr DAVID ELLIOTT: Transport is responsible for resources and assets from Tweed Heads to Broken Hill, so they're not all in my portfolio.

The Hon. JOHN GRAHAM: I agree with that, Minister.

Mr DAVID ELLIOTT: Some of them might be in Rob's and some of them might be in Sam's. Are you referring to anything specific? But I can say, before I invite the secretary to answer that, as you well know, just because you want a job done at the moment and you've got the money doesn't mean it's going to happen.

The Hon. JOHN GRAHAM: Why did Treasurer Kean make these promises? Treasury told us on budget day, in the budget, that more than a quarter of the promises Matt Kean made won't happen this year. Treasury knew that. The Treasurer knew that. Why did he make those promises?

Mr DAVID ELLIOTT: You have to ask that to the Treasurer.

The Hon. JOHN GRAHAM: Have you asked the Treasurer?

Mr DAVID ELLIOTT: No, I haven't had that discussion with him.

The Hon. JOHN GRAHAM: Will you ask the Treasurer?

Mr DAVID ELLIOTT: Sure.

The Hon. JOHN GRAHAM: Thank you for that commitment. I will just ask you again, though, Minister. Treasury officials said—I understand this isn't—

Mr DAVID ELLIOTT: Sorry, hold that question. I'm going to uncharacteristically defend Matt at the moment. As I mentioned before, anybody who is in construction at the moment is feeling the heat and it ain't because of the lack of money, believe it or not. It's because of the lack of supply chain from China particularly. Also, the labour market is just so hot at the moment. We've got the lowest unemployment—

The Hon. JOHN GRAHAM: Minister, I agree with all of that—

Mr DAVID ELLIOTT: You and I could go out and say, "I want to build—

The Hon. JOHN GRAHAM: Minister, you're putting the commonsense view that other infrastructure Ministers have put before. Slippages happen over the year.

Mr DAVID ELLIOTT: Yes.

The Hon. JOHN GRAHAM: We've been on the record saying, "Look, that happens some of the time." It happens, sometimes, to the tune of billions of dollars. This isn't slippage over the year. On day one, on budget day, Treasury said 26 per cent of Matt Kean's promises would not be delivered this year. This isn't slippage over the year. This is Matt Kean exaggerating his promises.

Mr DAVID ELLIOTT: Well, I'm sorry to hear that somebody's exaggerated anything. Camilla, you can make a few remarks about the rail delays.

The Hon. JOHN GRAHAM: We've talked to the officials at length, so we don't really need to do that. I'll come back in the officials' session to one particular project that we'd like to ask about in terms of delays. But really, Minister, I'd encourage you to look at this issue given Treasury officials have pointed to your agencies in particular.

Mr DAVID ELLIOTT: Sure.

The Hon. JOHN GRAHAM: I want to turn back to the Sydney Metro blowouts issue. One of the documents presented to the upper House—documents that are now public and that look at the risks and some of the reasons why these Metro blowouts have occurred—highlights this: an inability to maintain effective working relationships with government stakeholders. That's one of the key risks identified by documents produced by your agency that is producing these billions of dollars of Metro blowouts. Is that of concern to you?

Mr DAVID ELLIOTT: It's not just the Government producing these blowouts. It's the union movement. I invite Peter to answer that question and then I might reserve my right to wrap it up.

PETER REGAN: Thank you, Minister. Clearly the delivery of the Metro projects and scale of those Metro projects are very complicated, and there are—

The Hon. JOHN GRAHAM: Mr Regan, I'm inviting you to address this specific question. If you want to do that—

PETER REGAN: Mr Graham, I'm very happy to. Because of the complexity, we do, of course, look at all of the risks that could create a problem in delivering the project on time and on budget. We do that with a great deal of robustness and thoroughness and identify all of the risks that might exist, and then we look at what level of impact they would have if they did eventuate. I think the context of looking at information in a risk report is quite important because what we are identifying is a whole bunch of things that might happen but might not.

The Hon. JOHN GRAHAM: Thank you, Mr Regan. Thank you for that context. Yes, I agree with that; these things might happen. Minister, when Transport assessed this risk of not being able to get along with government stakeholders—and I'll go into some of the detail—they said this risk was high. They assessed it. It might exist. It did exist and it was high. Are you concerned that one of the reasons causing these blowouts is actually the inability, between the agency and the Government and other agencies, to maintain an effective working relationship?

Mr DAVID ELLIOTT: Because the union will not allow the—

The Hon. JOHN GRAHAM: There might be other reasons. Your agency says—

Mr DAVID ELLIOTT: No, no, John. I'm sorry, mate—

The Hon. JOHN GRAHAM: Let me put this to you—

Mr DAVID ELLIOTT: Don't try to divert attention from the fact the union has delayed construction on the Southwest Metro.

The Hon. JOHN GRAHAM: Minister, you put that view this morning.

Mr DAVID ELLIOTT: We are losing millions of dollars.

The Hon. JOHN GRAHAM: I'm putting to you the view that—

Mr DAVID ELLIOTT: I know you want to deflect—

The Hon. JOHN GRAHAM: Minister, I'm going to stop you there.

Mr DAVID ELLIOTT: Can I finish? I know you want to deflect that—

The Hon. JOHN GRAHAM: Minister, I want to put these specifics to you.

Mr DAVID ELLIOTT: —and I know that's probably because the RTBU gave the Labor Party \$800,000 last year in affiliation fees—

The Hon. JOHN GRAHAM: Minister, you put this view—

Mr DAVID ELLIOTT: It is wrong of you to speak to either Peter or me—

The Hon. JOHN GRAHAM: Minister, I want to put a question to you.

Mr DAVID ELLIOTT: —by suggesting that the beginning and the end of this problem doesn't stop with the industrial disputes—

The Hon. JOHN GRAHAM: Minister—

Mr DAVID ELLIOTT: —and the inability for the Metro to get access to the heavy line—

The Hon. JOHN GRAHAM: Let me put the question to you.

Mr DAVID ELLIOTT: —and finish the job.

The CHAIR: Order! It is very, very difficult for Hansard to record things properly. The Opposition's time has expired; I will come back to you. Can I ask you, Minister, about the Cammeray Golf Club? What has Transport for NSW promised to the Cammeray Golf Club?

Mr DAVID ELLIOTT: I hope it's free membership for the Minister, as far as I'm concerned. In what regard?

The CHAIR: My understanding is Transport for NSW has entered into some sort of arrangement with Cammeray Golf Club in relation to paying to upgrade and reconfigure the golf course.

Mr DAVID ELLIOTT: I've just been advised that sits with Minister Ward.

The CHAIR: It sits with Minister Ward in Metropolitan Roads? Okay, interesting.

Mr DAVID ELLIOTT: Sorry to disappoint you, Abby.

The CHAIR: Presumably that's because of the construction that's occurring nearby? So you're saying that it all sits within Minister Ward?

Mr DAVID ELLIOTT: As far as I'm aware—and it stands to reason, because there's no train in Cammeray, is there? Is there a train at Cammeray? No.

The CHAIR: So any agreement between Transport for NSW and Cammeray Golf Club would have been done under Minister Ward's direction?

Mr DAVID ELLIOTT: I would have thought so, yes. Correct.

CAMILLA DROVER: I can clarify. We are proposing and we are using the Cammeray Golf Club site as a construction site for the Warringah Freeway upgrade and the Western Harbour Tunnel, so it does sit in Minister Ward's portfolio.

The CHAIR: Yes, and I understand that. I'm more concerned about what the Government's long-term plans are for that site given that the council was trying to take it back into public ownership.

Mr DAVID ELLIOTT: I'll get you to ask that question to Minister Ward. It's not fair on Camilla to have to answer that during my estimates.

The CHAIR: I might come back to that in the afternoon. Can I ask you about the Great Western Highway upgrade, or is that not you either?

Mr DAVID ELLIOTT: No, you can't. I'm happy to talk about Memorial Avenue in the beautiful electorate of Baulkham Hills.

The CHAIR: Have I mentioned to you how much I hate that there are now four Ministers involved in the Transport portfolio?

Mr DAVID ELLIOTT: That's because you're a wise lady.

The Hon. SHAYNE MALLARD: He deals with public transport.

The CHAIR: I'm sure Sam Faraway will do the Blue Mountains questions. It's extraordinary. It's more reason to bring Minister Ward back for a supplementary. I'll pass to Ms Sharpe.

The Hon. PENNY SHARPE: Thank you, Minister. I only have a couple of questions. My understanding was that there was an agreement for workers in your portfolio to—you were working towards providing 20 days' worth of domestic violence leave as part of the ongoing negotiations. What's the current status of that?

Mr DAVID ELLIOTT: It's part of the EA negotiations that are going on at the moment.

The Hon. PENNY SHARPE: Is it in or is it out?

Mr DAVID ELLIOTT: I'm not going to pre-empt those negotiations.

The Hon. PENNY SHARPE: The reason why I'm asking this is that last year I asked the women's Minister about this. It actually features as a commitment within the NSW Women's Strategy. Are you telling me that it's not a guaranteed commitment?

Mr DAVID ELLIOTT: Well, I'm already on the record with the union movement saying that I'm backing them in 100 per cent, which is probably the reason it won't occur. But I think that—

The Hon. PENNY SHARPE: Minister, don't you think it's a problem that one part of the Government commits to something and then it's subject to toing and froing across three or four Ministers?

Mr DAVID ELLIOTT: Can I answer the question? I just want to finish.

The Hon. PENNY SHARPE: Yes.

Mr DAVID ELLIOTT: My commitment to it predates my parliamentary service. It predates my role as a Minister. I have always been committed to increasing domestic violence—you mentioned it for women. I don't think we should be restricting it to women. I think it should be to men and women.

The Hon. PENNY SHARPE: Yes, I agree with that.

Mr DAVID ELLIOTT: I've had too many cases of men being victims of domestic violence as well. I think that it's a humane offering that employers can give. Some employers already give it.

The Hon. PENNY SHARPE: Sure. Is the Government going to deliver it?

Mr DAVID ELLIOTT: Well, I'm advocating for it. I'm on the record as advocating for it. I've spoken about it as an industry association CEO. I've spoken about it as a backbencher. I'm not going to walk away—

The Hon. PENNY SHARPE: Minister, I welcome your commitment and the fact you're speaking out on it. It is very welcome, but—

Mr DAVID ELLIOTT: Can I finish, Penny? I think the answer to your question is this: I'm not walking away from my traditional and historic support for increasing domestic violence leave.

The Hon. PENNY SHARPE: To clarify, though, whether it is actually delivered or not is not going to be in your hands. Is that what you're saying?

Mr DAVID ELLIOTT: I can't answer anything about the enterprise agreement at the moment because it's in negotiations.

The Hon. PENNY SHARPE: If this wasn't a guarantee, then maybe it shouldn't be in the NSW Women's Strategy—do you think?

Mr DAVID ELLIOTT: I didn't write the Women's Strategy for obvious reasons.

The Hon. JOHN GRAHAM: Minister, to conclude those questions on the metro blowouts, can you confirm the forecast final cost for each of the metro lines? Perhaps starting with the line we were talking about, the Western Sydney Airport metro.

Mr DAVID ELLIOTT: I'll defer to the CEO for that.

PETER REGAN: Thank you, Mr Graham. Overall, Sydney Metro is delivering a program of works across Sydney of around \$60 billion. That includes the north-west metro, which you're aware has already been delivered and opened. Of the three remaining metros, the Sydney Metro City & Southwest project—the Government announced in the budget a couple of months ago a further \$2 billion investment to take the net budget for that project to \$18.5 billion. I referred earlier to the Western Sydney Airport metro, which is in the public domain at around \$11 billion. And Metro West—we have not announced publicly the budget for Metro West given where we are in the procurement cycle on Metro West, but I can confirm we are operating within the budget envelopes we have been given and we will be able to make more announcements about the Western Sydney Airport metro when we are further through the procurement process.

The Hon. JOHN GRAHAM: Mr Regan, you're representing each of the figures you've given me as the forecast final cost?

PETER REGAN: What I have described there are the budget figures.

The Hon. JOHN GRAHAM: Yes, that's why I'm asking that question.

PETER REGAN: I'm happy to answer that. Certainly, as I said before on the Western Sydney Airport, we're tracking within the forecast final cost being within the budget. The City & Southwest project remains that way with the exception of costs related to industrial relations impacts, which we are continuing to assess because we have not been able to finalise the scale of that impact because that impact on the construction is ongoing. I'm pleased to say that, yes, the forecast final cost for Metro West is also within budget.

The Hon. JOHN GRAHAM: Any costs that you're yet to assess in relation to the City & Southwest will be on top of that \$18.5 billion figure?

PETER REGAN: The \$18.5 billion includes allowances for risks and contingencies that we were able to price and that we're aware of, and it included the very initial impact of industrial relations earlier this year, but it does not include anything beyond that. To answer that question, clearly we don't know the extent of the impact of the industrial relations. We will, of course, look to absorb that within contingencies within the budget but, at this point, we're unable to be clear as to whether we will have sufficient contingency to do that because we don't know the scale of the impact.

The Hon. JOHN GRAHAM: What is the contingency for that project?

PETER REGAN: There are contingencies throughout the budget in different forms. We haven't disclosed the breakdown of the contingency. Clearly we've still got a couple of contracts there that we're procuring as well. But I can confirm, as I said, the recent announcement, and we remain within that, with the exception that we have not yet fully been able to price the impact of the industrial relations impact.

The Hon. JOHN GRAHAM: The City & Southwest Metro project has been reported as a \$6 billion blowout. How do you reconcile that with the figures you've given?

PETER REGAN: I'm aware that that's how it was reported. I think, to be very clear, the changes that were announced recently in the budget reflect the cost impacts and the challenges that we've been facing over the past two to three years—COVID impacts, the supply chain impacts, the resource constraints and the overall level of escalation, as the Minister referred to. There's been a lot of discussion, including in this Committee—and it has been pretty well ventilated—that the budget for that project was actually was re-baselined in 2019. There were numbers in the public domain at the time around \$16.8 billion, I believe, from memory. So the reporting of the increase—the recent further investment from the Government around \$6 billion—actually was referring to increases in budget that happened in that previous baselining and were not additional.

The Hon. JOHN GRAHAM: So your evidence is that this \$6 billion blowout has happened in a couple of stages?

PETER REGAN: That's correct. The adjustment that was made in the recent budget was then on top of the re-baselining that took place in 2019, which took account of a number of different issues prior to that.

The Hon. JOHN GRAHAM: I want to ask finally about the Metro West. This line has been publicly reported as \$26.6 billion—\$3 billion more than the official estimates. What do you want to say to that?

PETER REGAN: Certainly the forecast final cost and the budget is actually below that amount. But we haven't, as I said, announced the actual precise budget, but it is inside that amount.

The Hon. JOHN GRAHAM: Minister, I'm happy for you to refer this to your officials, but I do want to put it to you. One of the budget line items is in relation to the western Sydney long-term strategic transport corridor preservation. It's one of the budget line items that I understand is within your portfolio, and it's one of the budget line items that's \$90 million underspent in the last 12 months. That may have come to the attention of Treasury, so I just want to confirm that figure and I want to understand why that has occurred.

Mr DAVID ELLIOTT: I might ask Joost to answer that.

JOOST DE KOCK: Thank you so much. This figure you're referring to is for the corridor—

The Hon. JOHN GRAHAM: For the last 12 months. In the last 12 months, compared to the last budget forecast, \$90 million less has been spent on this program.

JOOST DE KOCK: Yes, these funds that you refer to are for corridor protection, not for projects. The actual expenditure is driven by affected owners who make a hardship claim. In the 2021-22 year we were allocated \$64.4 million, of which we spent \$9.7 million, which was slightly less than we expected. But as was mentioned before, this was driven by impacted property owners asking for hardship funding.

The Hon. JOHN GRAHAM: You spent how much less?

JOOST DE KOCK: We had an allocation in the year 2021-22 of \$54.4 million and we spent \$97.7 million on several property acquisitions.

The Hon. JOHN GRAHAM: I won't take up the Minister's time, but that is not what the budget shows. We might return to that in the officials' session.

JOOST DE KOCK: Happy to give you details, yes.

The Hon. JOHN GRAHAM: Minister, I might turn to issues with the ferries at this point. When is the decision on the fast ferry contract for the Manly service due to be made?

HOWARD COLLINS: Thanks very much for the question. At the moment we are reviewing the options of the future for the Manly F1 service, whether that's with existing contracts or looking at other options. Once we have a proposal we then will be going to the Minister and discussing those items, but at the moment we are maintaining the status quo. But it is important to note now, with a fast Emerald-class ferry and a fast Manly service, that we want to make sure we get the best for our customers. Also, we've already announced that up until 2025-26 we will maintain a seven-day service using the Freshwater class.

The Hon. JOHN GRAHAM: Minister, having heard those options, do you have a view at the moment about whether you intend to remove Transdev Sydney Ferries from this route or to continue to operate the route with two operators?

Mr DAVID ELLIOTT: At the moment I've got no view.

The Hon. JOHN GRAHAM: You'll wait for that advice from your agency?

Mr DAVID ELLIOTT: Yes.

The Hon. JOHN GRAHAM: Minister, has the cause of the recent sewage overflow on the Emerald-class generation 2 ferry Balmoral on or about 13 August 2022 been rectified?

Mr DAVID ELLIOTT: The sewage overflow?

The Hon. JOHN GRAHAM: Yes.

Mr DAVID ELLIOTT: What, the toilets in the cabin?

The Hon. JOHN GRAHAM: Yes.

Mr DAVID ELLIOTT: I'll leave those matters to Howard.

HOWARD COLLINS: Thank you very much for the question. I'm not aware of sewage. We did have a fuel contamination issue and a fuel tank issue.

The Hon. JOHN GRAHAM: You're referring to the oil leaks in the engine rooms or separately?

HOWARD COLLINS: Yes. All those have been rectified. I will again, maybe this afternoon, Mr Graham, provide—if I have any—further information. What date was that? August?

The Hon. JOHN GRAHAM: That was 13 August 2022.

HOWARD COLLINS: So a couple of weeks ago. But I understand that obviously those ferries are in service and any defects, as I said before, were dealt with.

The Hon. JOHN GRAHAM: So we have dealt with the sewage overflow, the oil leaks. What about the water leaks in the engine rooms of Emerald-class generation 2 ferries Balmoral and Fairlight?

HOWARD COLLINS: All operating standards—obviously these are Australian-designed ferries. We get water leaks in Freshwaters; we get water leaks in a number of vessels. I'm not aware of any specific, ongoing, long-term issues. That's obviously something that we will deal with. Certainly, as far as I'm concerned, the performance of these new ferries has been up to standard.

The Hon. JOHN GRAHAM: How many days have these three ferries—that's Balmoral, Fairlight and Clontarf—been taken out of passenger service this year, both scheduled and unscheduled?

HOWARD COLLINS: I won't be able to give you that on notice, but I would say that performance has greatly improved, and I think if you look back even in history with the first operation of the Freshwaters, they had several months out of service due to some steering issues and other areas. But I'm good to report—as I said before, I think the customer experience is probably the one we should look at—we have achieved over 99 per cent of our operating service in the months of July and August, and those ferries, along with the others, are settling down into regular reliable performance.

The Hon. JOHN GRAHAM: Minister, given the answers that Mr Collins is giving about the sewage issues, the oil leaks, the fuel issues, the water leaks, these steering issues, are you comfortable that the public should think this is all on track at the moment?

Mr DAVID ELLIOTT: Yes, I'm comfortable that the safety issues are addressed timely. I'm comfortable that the policies and the standard operating procedures that we have to pick up and address these problems are dealt with. I don't think there's any evidence that commuters and passengers are at risk.

The Hon. JOHN GRAHAM: Is it correct that the *May Gibbs* recently had what was described as a catastrophic total steering failure while on the Manly run?

Mr DAVID ELLIOTT: When was that?

The CHAIR: July.

HOWARD COLLINS: Just to explain on the steering, the propulsion of steering, these are pieces of equipment that are globally procured. Some of that equipment, the propulsion systems, are actually an American-built system by Twin Disc. They reviewed the faults on that and rectified the faults. There have been reviews regarding those losses of steerage. As I discovered when I was on board one of these ferries, there is a secondary back-up manual system. It's not as if you would lose complete control, but the ferry has to be—

The Hon. JOHN GRAHAM: I'm relieved to hear that, Mr Collins. Minister, were you aware of what was described as a catastrophic total steering failure—

Mr DAVID ELLIOTT: When was it?

The Hon. JOHN GRAHAM: —on the *May Gibbs* in July?

Mr DAVID ELLIOTT: What date?

The Hon. JOHN GRAHAM: I don't have the date here.

Mr DAVID ELLIOTT: I was on leave in July, so it probably would have gone to the acting Minister.

The Hon. JOHN GRAHAM: You're not aware of it but there is a reason why you may not have been aware of it?

Mr DAVID ELLIOTT: Correct. I normally get various advice when these things are occurring.

HOWARD COLLINS: All items of that nature get reported not only to OTSI but AMSA. These ferries are heavily regulated. Investigations take place; reports are recommended. Any findings of a serious nature would be forwarded to the Minister or to the secretary. This service is—

The Hon. JOHN GRAHAM: You agree this is of a serious nature?

HOWARD COLLINS: Obviously any defect of that nature is serious. I think the important thing is to understand the facts of what actually happened, what was rectified and how it gets sorted.

The Hon. JOHN GRAHAM: I'm not an engineer, Mr Collins, but a "catastrophic total steering failure" doesn't sound very good.

HOWARD COLLINS: Well, obviously you're furnished with the details.

The Hon. JOHN GRAHAM: Minister, having heard now about this incident on the *May Gibbs*, are you comfortable to repeat your assurance that passengers should have no safety concerns?

Mr DAVID ELLIOTT: As I said, I'm comfortable that the standard operating procedures that we use when these matters are raised or occur minimises and mitigates the risk to the commuter.

The Hon. JOHN GRAHAM: What does that mean?

Mr DAVID ELLIOTT: I don't know if I can make it any clearer. We have SOPs, and so far in the nine months I've been the Minister, every time that we've had this sort of deficiency identified we've responded accordingly. We've advised the appropriate safety regulators, we've taken the stock out of service, and no commuters have been at risk as far as I'm aware.

The Hon. JOHN GRAHAM: Yes. Mr Collins, is it true that the recently updated data recording system failed during the duration of this incident? Is that also true?

HOWARD COLLINS: I will obviously have to take that on notice. I haven't examined the detailed report. You may obviously have been supplied a copy. But I will take that on notice and, certainly, information regarding the incident we will share with you perhaps this afternoon if we have further information.

The Hon. JOHN GRAHAM: Thank you. You have previously committed to launching an internal review into issues with the Emerald class. How is that progressing, Mr Collins?

HOWARD COLLINS: I actually did say that we were carrying out an internal review of Sydney Ferries, which I mentioned earlier, along with my boss, being the deputy secretary. We carried out a series of actions, including a series of meetings with the management team. As I said earlier, it is pleasing to see that we have seen some changes in that management team and a marked improvement; also, the performance of the new ferries—all 10 River class ferries are now in service. The performance has improved.

The Hon. JOHN GRAHAM: Mr Collins, I think I heard you clearly, but let me ask you to be specific. Who is conducting that review? Who conducted that review?

HOWARD COLLINS: We are, as—

The Hon. JOHN GRAHAM: Who is "we"?

HOWARD COLLINS: As the chief operations officer responsible for the contracts under the ferry contracts, I have, and my colleagues within my contracts team, have carried out a review of their performance. We have carried out a series of meetings, examined the overall asset performance, the performance of crewing, and we are continuing to review that as we speak.

The Hon. JOHN GRAHAM: Thank you. You have answered my question. Minister, why isn't this review—given its importance and given some of the issues—being conducted by someone independent of the agency?

Mr DAVID ELLIOTT: Why isn't it?

The Hon. JOHN GRAHAM: Why is it not being conducted by someone independent?

Mr DAVID ELLIOTT: I'll take that on notice. I will also highlight the fact that, depending on its urgency and the situation, I don't see why the department wouldn't, in the first instance, provide a preliminary review and, in the second instance, send it external. But I'll take it on notice.

The Hon. JOHN GRAHAM: So you're open to—

Mr DAVID ELLIOTT: Of course I am. We've got safety regulators.

The Hon. JOHN GRAHAM: Have you seen this review?

Mr DAVID ELLIOTT: John, we've got safety regulators. We've got a mandatory reporting obligation. It's, really, what I think is immaterial because if a situation has occurred where we have to self-report to a regulator, then we self-report.

The Hon. JOHN GRAHAM: Minister, this isn't self-reporting—

Mr DAVID ELLIOTT: If we don't self-report to a regulator, that's when I will provide an opinion.

The Hon. JOHN GRAHAM: I was happy with your first answer, so I might just ask you to clarify it. This isn't self-reporting; this is an internal review conducted by your agency.

Mr DAVID ELLIOTT: Yes.

The Hon. JOHN GRAHAM: What I think you're saying is you are open, when you see that report—

Mr DAVID ELLIOTT: Let's see what the internal review is.

The Hon. JOHN GRAHAM: Yes.

Mr DAVID ELLIOTT: If the internal review meets the threshold that the regulator has to be involved, well, then the regulator is involved.

The Hon. JOHN GRAHAM: I accept that answer.

HOWARD COLLINS: Just to add, Mr Graham, we can call upon independent audits, which may be a step that we consider in the future. Within my contracts team, I have very experienced maritime personnel, who I feel are best in the industry, and there will be no hesitation if we felt that we hadn't seen a turnaround in performance and we hadn't seen reliability that the escalation of that to the Minister to ask for an independent review would be appropriate.

Mr DAVID ELLIOTT: Let me tell you, John, if that does hasn't happen, the union will make sure I know about it.

The Hon. JOHN GRAHAM: Your answers previously were the reason for my asking. I take it you haven't seen this review yet.

Mr DAVID ELLIOTT: No.

The Hon. JOHN GRAHAM: You haven't seen the results yet?

Mr DAVID ELLIOTT: No, I'm not aware of it.

HOWARD COLLINS: It's an ongoing process. Obviously, once we get three to six months of data to understand how things are performing, once we've done that, we will—as we do on a regular basis—share the performance of all our contracts with the Minister and the Minister's office to ensure that people understand—

The Hon. JOHN GRAHAM: When will the Minister see this review, given you're now describing it as ongoing?

HOWARD COLLINS: I would say once we have the data available to us over the last three to six months, we will be sharing our progress but, pleasingly to note—

The Hon. JOHN GRAHAM: Mr Collins, when will that occur?

HOWARD COLLINS: I would say I can't give you a date because I want to make sure we have enough time to ensure that we understand the data and also that we will review with the Minister the information. But I'd imagine that it will be within the next three to six months.

The Hon. JOHN GRAHAM: The next three to six months, before this is reported to the Minister. Minister, you're then saying if it needs an independent to look at this, then you're open to that?

Mr DAVID ELLIOTT: Absolutely.

The Hon. JOHN GRAHAM: I think that's the appropriate answer.

Mr DAVID ELLIOTT: But obviously the default is always going to be the safety regulator.

The Hon. JOHN GRAHAM: Yes, understood.

Mr DAVID ELLIOTT: I mean, it's no use paying for somebody independently to do it if we've already got a prepaid independent safety regulator to investigate it.

The Hon. JOHN GRAHAM: Minister, you're ahead at the moment. I would stop right there.

Mr DAVID ELLIOTT: You mean you don't like my answer.

The Hon. JOHN GRAHAM: No, I do like your answer. I would just stop right there before you get yourself into trouble.

Mr DAVID ELLIOTT: It's too late.

The Hon. JOHN GRAHAM: Minister, do you intend on returning three or four Freshwater class ferries back into passenger service?

Mr DAVID ELLIOTT: I will let Howard answer that on the details and the logistics and the reality of life. But, mate, I'm an old Tory. I love the Freshwater ferries. I think I kissed my first girlfriend on the Freshwater ferry going to Manly on a date on a Saturday night.

The Hon. SCOTT FARLOW: We don't want to go through all this. Don't tell us everything else that happened.

Mr DAVID ELLIOTT: I get the fact that they are a massive tourism offering and I get the fact that the people of the northern beaches like them, but they're also extremely expensive, they're also very pollutive and they're also being superseded by next generation. It would be like you coming to me and saying, "Minister, do you want to keep the red rattlers running?" Yes, I do. I would love to get the red rattler one more time from Bankstown to my school. That would be wonderful. I would relive some childhood memories.

The Hon. JOHN GRAHAM: Let's not share those.

Mr DAVID ELLIOTT: But we've got to face reality. If we didn't think about the evolution of transport, we would all be flying around in Sopwith Pups. I will invite Howard to clean up that answer.

HOWARD COLLINS: Very briefly—

The Hon. JOHN GRAHAM: Very briefly, Mr Collins.

HOWARD COLLINS: We are retaining two vessels: the Freshwater itself, which is the first vessel to ever be manufactured and hit the water, and we are now bringing back the Queenscliff. I was on the ferry when we were saying goodbye to it with the captain. What we have discovered is that one of the other ferries which we were rebuilding, the engine was in extremely poor condition. For the best value for money, we will be returning and retaining, in the long term, the Freshwater and the Queenscliff. We have three out there at the moment to retain and operate the services we do—the seven-day service from 3 September. But the plan up until 2026 is that we will be retaining the Freshwater and the Queenscliff.

The Hon. PENNY SHARPE: Minister, I want to ask you some questions about bus safety, particularly about fires on buses. I am not quite sure who these need to go to. We have seen I wouldn't say an increase but an ongoing issue with fire suppression in buses. Is someone able to tell me how many buses have caught fire so far this year?

Mr DAVID ELLIOTT: I may be able to do exactly that, Penny. In 2021 we saw a decrease in fatalities and injuries from crashes involving buses by 44 per cent.

The Hon. PENNY SHARPE: No, that's not what I'm asking about. I'm asking about fires. Basically, OTSI gave a report—the Office of Transport Safety Investigations. It has been an ongoing issue.

Mr DAVID ELLIOTT: I'm going to have to ask Howard.

HOWARD COLLINS: Yes, I have this report. There were 106 incidents reported, nine of which were bus fires.

The Hon. PENNY SHARPE: That's 2021. That's right. Up from 2020. I would like to know if you can tell me how many there have been so far this year for 2022.

HOWARD COLLINS: Gosh, I can remember one at Liverpool fairly recently. I'm not sure whether it was this financial year.

The Hon. PENNY SHARPE: I'm not aware of that one. I am aware of one in Lane Cove and one in Camperdown.

HOWARD COLLINS: We might have that. I don't know whether the Minister has it. But I could say, generally, that the good news is that all our buses, unlike many other States, have full fire suppression in the engine compartment. Most of the fires of the nine last year were actually connected with electrical or wiring or air conditioning faults, as opposed to those which, in the past—do you remember the spectacular fire on the Harbour Bridge, Ms Sharpe, which was an engine issue? The fire suppressant systems have worked very well and, as Ms Fontana knows, we installed that on all vehicles in New South Wales metropolitan area.

Mr DAVID ELLIOTT: I've got some additional information. On 29 April we saw the ninth annual report on bus and coach fires. It refers to bus fires. The contents of the report relate to any thermal incident. The incidents include recent incidences of smoke alarms being activated where it doesn't include fire, which is logical. Of the 106 incidents reported, nine were bus fires and 97 were thermal incidents. No injuries resulted from these incidents.

The Hon. PENNY SHARPE: Thank you, Minister. I am aware of the 2021 report from OTSI. I am asking for this year.

HOWARD COLLINS: From 1 July. If we can provide that, Ms Sharpe, we will.

The Hon. PENNY SHARPE: No, from 1 January, I think.

Mr DAVID ELLIOTT: We will take it on notice.

The Hon. PENNY SHARPE: The OTSI report last year indicated that of the double-decker buses, 72 of the 88 have been installed with enhanced water mist systems.

Mr DAVID ELLIOTT: Correct.

The Hon. PENNY SHARPE: What's happening with the others?

Mr DAVID ELLIOTT: The remaining double-decker buses were purchased with this system already installed, meaning now all double-decker buses in Greater Sydney have an enhanced fire suppression system. That is what we call a happy ending.

The Hon. PENNY SHARPE: On this issue, yes, Minister. But you will get back to me about how many bus fires there have been this year?

HOWARD COLLINS: Yes. This calendar year, you are saying.

The Hon. PENNY SHARPE: Yes.

HOWARD COLLINS: We normally report on financial year, but we'll see if we can provide that information for you.

The Hon. PENNY SHARPE: Thank you. I would appreciate that. I want to ask about security incidents on trains, in particular.

Mr DAVID ELLIOTT: Yes. Start with me.

The Hon. PENNY SHARPE: I just want to understand how they are tracked. Obviously, there are transport officers.

Mr DAVID ELLIOTT: I will invite Matt to answer that question.

MATT LONGLAND: I am happy to respond to that. We've got more than 10,000 CCTV cameras across the rail network. They are live monitored at our rail operations centre, so 24/7 we've got a security desk. We also have access to any of the passenger duress alarms that we have across the network, if there are any incidents that need to be tracked. We work closely with New South Wales police to intercept incidents as they occur. If an incident has occurred, we work with the authorities to ensure we can bring those responsible to justice. Whether that's offences at stations and things like graffiti or vandalism or anything that occurs across the network.

The Hon. PENNY SHARPE: I appreciate that. I'm interested particularly, though, in instances of harassment or violence on trains. Are they tracked? Can you give me information on how many of these incidences occurred on the trains in the last 12 months, whether it's calendar year or financial year?

MATT LONGLAND: Certainly, where an incident is logged or recorded or if there's an issue that's raised with Sydney Trains, we do track that in our system. I could provide data as to how many incidents of that nature have been recorded maybe over the past financial year.

The Hon. PENNY SHARPE: Whichever way you collect it. I'm not asking you to collect differently.

MATT LONGLAND: That's specifically just around passenger-initiated violence or harassment?

The Hon. PENNY SHARPE: Yes. I probably should give you some context. The reason why I'm asking this is that there's an ongoing issue, particularly for women and young people, travelling on trains at night. I'm trying to understand how we're tracking in relation to the number of incidents that are there. There's obviously a different question, which I don't think we can answer, which is: What is the perception of safety on the train network? But I am very interested in, for example, the details on the number of times the duress alarm is set off. I suspect that might be hard because I suspect that people press that alarm for a whole range of reasons. I do accept that. I'm just trying to get a bit of a picture of where we're at because, for example, in the past, the Police Transport Command used to report whether they were at full strength or not. They don't provide that information publicly anymore. I am just trying to get a bit of a handle on what's going on on the trains.

MATT LONGLAND: Thank you for that context. Just to be absolutely clear, we're all focused, both across the law enforcement authorities and my people, on ensuring that customers are safe when they travel, particularly in the evening. We have a number of services that have security on the service and we have security at stations as well to ensure that customers can feel safe, as well as having live monitoring through the camera network. I'll endeavour to get any data on incidents that have been raised to Sydney Trains for the past financial year.

The Hon. PENNY SHARPE: I would appreciate that. Thank you very much.

The CHAIR: I just wanted to know how much you are spending on developing the Transport for NSW Centre of Quantum Technology.

ROB SHARP: That is an exciting development because it does actually fit in with the efficiencies of the future operation of the rail system. The actual costs at the moment are twofold. One is that there are two individuals that are experts in this space that are working in the centre. We've gone out for tender through expressions of interest to partner with some people in this space. I'll pass to Mr De Kock on the actual dollar amount that we are budgeting.

JOOST DE KOCK: As the secretary says, this is a very exciting area and will offer a huge amount of computing power in the future. We, as the secretary said, have employed two experts to help us on that journey. We have put out to the market a request for tender. We are just in the final stages of evaluating that to finalise the cost of the program for the next two years.

The CHAIR: What's the general salary level expected for those experts? Or is it on a consulting basis?

JOOST DE KOCK: They're on the director level. I have to take on notice what the typical salary level for that level is.

The CHAIR: When we say the "Centre of Quantum Technology", it's nothing more than a group of people?

JOOST DE KOCK: No, the centre is part of our vision for the future. What we're trying to achieve there is to really learn about this technology and, in the next two years, put a number of use cases together to test this technology to set this up for the future. As part of the tender work that we put out, we've invited both local as well as global organisations to bid for that work. As I mentioned before, we're just in the final stages of selecting and appointing those partners for us to actually develop some real use cases in the transport space in the next few years.

The CHAIR: We're sort of at that scoping stage?

JOOST DE KOCK: At the moment we're in the procurement stage, but over the next two years, together with our partners, we will develop real transport use cases. In addition to that, as I mentioned, we've recruited two directors to help oversee that program and also to build our internal expertise. Throughout this work we really expect to be able to contribute to the local ecosystem about quantum technology here in New South Wales. We are very lucky, in a way, because there is a huge amount of expertise in that space. Maybe just one other point I was going to make is that we've got also an expert advisory group that the secretary chairs to help guide us on that journey. It's an exciting area. As I mentioned, we should be able to announce our partners through the competitive selection process in the coming months.

The CHAIR: What is the intention, then? Is the intention to use that data to improve efficiencies across the network or is it to take that data and be able to make it into something marketable that you can sell? What's the vibe?

JOOST DE KOCK: Thanks for that question. Quantum technology offers a potential of very much faster computations. Some of our modelling already takes multiple hours to complete on our existing infrastructure. But as part of the tender that we put out and the RFT that we put out, we asked for a number of use cases. Those use cases could be congestion management, scheduling, predictive asset maintenance—there's a number of use cases where this technology would be useful, where high-speed parallel processing can give us more real-time answers to help manage congestion, optimise the network, do predictive maintenance and so forth. Part of the work over the next couple of years is to learn what is possible in this space.

The CHAIR: It's about efficiency and optimisation of the current network rather than using the data collected from people's everyday activities and using that elsewhere, or selling that off?

JOOST DE KOCK: It's a technology that allows faster, more parallel processing of the data so we can compute things in real time that perhaps could take hours now. That allows us to make faster optimisations of the networks. It also allows us to identify, maybe, opportunities where we can predict maintenance, where we can do it quicker and so forth. But it doesn't give you more data. It's more about how the data is being processed.

The CHAIR: It's not just trains, buses and ferries but roads as well?

JOOST DE KOCK: I think we're still in the early stages of the work and we're exploring a wide range of use cases. Throughout the RFT process, people have proposed a number of use cases in our space.

The CHAIR: Thank you. Back to you, Mr Graham.

The Hon. JOHN GRAHAM: Minister, I might turn to some of the light rail issues now, if that's acceptable? On 11 July this year *The Sydney Morning Herald* reported that CAF had said it would be "a couple of months maximum" before the Inner West Light Rail trains returned to service. It's been almost two months since then. What is going on?

Mr DAVID ELLIOTT: Have you got a time, Howard?

HOWARD COLLINS: Thank you very much for the light rail question. I can tell you that today, Friday, we're rolling out the tenth repaired tram. The CAF Urbos 3 tram has the full repairs to what's called the C module and the R module. We have two repaired trams running in service at the moment plus those Citadis vehicles. Our intention is that in October we need to do the changeover. Mr Graham, just to explain, we can run both types of trams up to Lilyfield, but from Lilyfield to Dulwich Hill we can either operate one or the other. This is due to the different wheel profile: one has rail, one has tram.

The Hon. JOHN GRAHAM: Understood.

HOWARD COLLINS: But in October we believe we will have sufficient vehicles. In fact, we'll have the whole fleet available back to us of CAF and we will make the changeover. We'll return the full service. We've already enhanced the service starting in August with the two additional trams between Lilyfield and Central. Then we have also agreed to endeavour on an interoperability conversion so that, in the future, as this area is very popular and growing very fast, we can operate either vehicle.

The Hon. JOHN GRAHAM: Mr Collins, I think you're saying that we will return to full service in October this year?

HOWARD COLLINS: Yes, which is just on the year anniversary, if not under a year—I think it was the end of October that we withdrew the CAF light rail fleet.

The Hon. JOHN GRAHAM: It was October last year.

HOWARD COLLINS: Yes. So just under a year.

The Hon. JOHN GRAHAM: We will beat that anniversary, will we? Is that your confident prediction?

HOWARD COLLINS: I think so. We did say even last November that this was an unknown issue. But I would say—and I thank Mr Longland for his expert engineering support.

The Hon. JOHN GRAHAM: I also want to thank Mr Longland, but I'm going to stop you there. Minister, former transport Minister Rob Stokes told the Parliament last November that he expected taxpayers would not pay one cent towards the cost of rectification. Is that still the case?

Mr DAVID ELLIOTT: Yes.

HOWARD COLLINS: Yes, is the answer. Obviously, to expedite the work and to make sure that we do it quickly.

The Hon. JOHN GRAHAM: Thank you, Mr Collins.

HOWARD COLLINS: But the answer is that it is my intention to ensure that Minister Stokes's view is upheld. We are going through a legal process, but I have a view—and it is certainly the view supporting Mr Stokes—that we should not pay a cent for this defect.

Mr DAVID ELLIOTT: And I share that view.

The Hon. JOHN GRAHAM: Thank you, Minister. Does it concern you that one of the things that CAF stated on the public record is this:

It was a statement based on nothing—no facts, no events, no knowing exactly what was happening.

Is that of concern?

Mr DAVID ELLIOTT: Sorry?

The Hon. JOHN GRAHAM: CAF made this statement in response to Minister Stokes's view. I quote:

It was a statement based on nothing—no facts, no events, no knowing exactly what was happening.

Mr DAVID ELLIOTT: I'm not going to speculate on commentary.

HOWARD COLLINS: This is still under independent investigation. Once that investigation has concluded we will understand who is responsible out of all of those parties involved and who will pick up the bill, Mr Graham. At the moment it is wrong of me to say who is responsible. What we are saying is we do not believe it's the Government who is responsible for this defect.

The Hon. JOHN GRAHAM: What you're saying, as of today, it is the case that not one cent has been paid towards the cost of rectification but depending on that investigation it may be the case?

HOWARD COLLINS: For accuracy of records, obviously, to ensure we expedite the work, what we are saying is that at the end result of this we believe that public money shouldn't be spent on rectifying defects. Whether they're CAF's fault or someone else's fault, we will not comment on that until the investigation has been concluded. But we are clear about this—

The Hon. JOHN GRAHAM: I welcome that statement of belief. That statement of belief is shared by the Minister and the Opposition.

Mr DAVID ELLIOTT: I was just going to say, what organisation wouldn't take that approach?

The Hon. JOHN GRAHAM: I'm asking about the facts here. Is it the fact that depending on that investigation, a possible consequence is that taxpayers could pay money?

Mr DAVID ELLIOTT: I can't see why.

HOWARD COLLINS: Yes, absolutely. I agree, I can't see why. I do believe that some things that are a certainty in life are, I think, tax and death? I don't know. But I certainly believe that we have a very clear case, as Transport and informing the Minister at the time, that we believe this shouldn't be funded by the taxpayer.

The Hon. JOHN GRAHAM: Minister, you've previously committed to amending the business case for the Parramatta Light Rail Stage 2—

Mr DAVID ELLIOTT: Correct.

The Hon. JOHN GRAHAM: —in order to make sure there are domestic manufacturing options for rolling stock. How is that progressing?

Mr DAVID ELLIOTT: Well, it's progressing. It's a commitment from the Government.

The Hon. JOHN GRAHAM: What has actually happened? We've already talked about the previous Minister's commitments. I want to know that you've done something.

Mr DAVID ELLIOTT: Okay. As you're probably well aware, on 25 March I made an announcement that local content would be an absolute requirement for Parramatta Light Rail stage two and we took that into consideration with our submission to the ERC. The progression on Parramatta Light Rail two is now subject to what the ERC approve for me.

The Hon. JOHN GRAHAM: Does that approval include domestic manufacturing for the rolling stock?

Mr DAVID ELLIOTT: I invite Trudi Mares—do you want to—

TRUDI MARES: Ms Drover.

CAMILLA DROVER: Thank you for the question. Yes, the final business case for Parramatta Light Rail stage two includes the requirement for local manufacture. Ahead of the budget announcement we also did some detailed engagement with the industry. So we had some consultation with industry partners who may be the potential manufacturers of the future light rail vehicles.

The Hon. JOHN GRAHAM: And what is that requirement?

CAMILLA DROVER: That there is a local—

The Hon. JOHN GRAHAM: What is the nature of that requirement?

CAMILLA DROVER: That there is a local manufacture requirement within the—

The Hon. JOHN GRAHAM: I am asking what that requirement is, Ms Drover.

CAMILLA DROVER: The exact details of that will be informed by that feedback from industry and it will be finalised in the final business case. There are obviously many options.

The Hon. JOHN GRAHAM: Alright. Minister, when I hear that, I hear a vague commitment to domestic manufacturing. Am I wrong in hearing that? Am I hearing that incorrectly?

Mr DAVID ELLIOTT: Have you ever been involved in manufacturing before?

CAMILLA DROVER: So there is a commitment to local manufacturing. It's nature—

The Hon. JOHN GRAHAM: Are you asking the questions again?

Mr DAVID ELLIOTT: No, no, no. I'm just asking because this could be a half-an-hour response or a five-minute response. Have you been involved in manufacturing before?

The Hon. JOHN GRAHAM: I've taken a strong interest in it.

Mr DAVID ELLIOTT: Okay. Have you been involved in manufacturing before? What have you made, John?

The Hon. JOHN GRAHAM: You're taking me back to woodwork here.

Mr DAVID ELLIOTT: Okay. So you haven't been involved in manufacturing.

The Hon. JOHN GRAHAM: That's a vague—

Mr DAVID ELLIOTT: From somebody who has come from industry associations, I'll give you a quick rundown of what happens. We will take out—we will send out expression of interest tenders. We will sound out the market and they will say to us what they're prepared to do here and what they're going to need to do overseas. If they say to us—if they give us a level or a certainty of local manufacturing that is suitable to us, that's what we go ahead with. Hopefully, they'll come back—

The Hon. JOHN GRAHAM: Stop there. What is suitable to the Government? You haven't specified anything yet, but you might specify something down the track. Is that your evidence?

Mr DAVID ELLIOTT: No. There will be a threshold of what is expected from industry.

The Hon. JOHN GRAHAM: But there's not yet, as of today.

Mr DAVID ELLIOTT: I'm not going to pre-empt. I'm not going to go to the market and say to them, "Listen, you know, you're going to be able to get away with just providing"—you know.

The Hon. JOHN GRAHAM: So talk now, threshold later. But as of today, there's no threshold.

Mr DAVID ELLIOTT: Well, not that we are going to disclose.

The Hon. JOHN GRAHAM: There are talks. That's good.

Mr DAVID ELLIOTT: But I have an expectation—there will be an expectation.

The Hon. JOHN GRAHAM: Minister, as of today, is there a threshold?

Mr DAVID ELLIOTT: Okay. I'm—

The Hon. JOHN GRAHAM: You've said there's not, which is fine.

Mr DAVID ELLIOTT: No, no, no. I'm just saying to you that what happens when you go to market is you don't play all your cards. That's what you guys do. When you go, you play all your cards.

The Hon. JOHN GRAHAM: I'm not sure what happens when you go to market. I'm asking you, as of today, is there a threshold in place?

Mr DAVID ELLIOTT: I will take that on notice but I can give you an ironclad guarantee that there will be a local component, which is why Chris Minns copied my policy.

CAMILLA DROVER: One of the reasons we did the industry engagement was to understand what industry felt they could provide in terms of a high degree of local content. Obviously, it is a function, somewhat, of time. Obviously, the longer lead time we give them, the better able they are to mobilise to do that local content.

The Hon. DANIEL MOOKHEY: Thank you, Ms Drover. Minister, again, I missed you.

Mr DAVID ELLIOTT: Sorry. I missed you too. Where have you been?

The Hon. DANIEL MOOKHEY: Getting my character analysed in the other room.

Mr DAVID ELLIOTT: Oh. You won't cop that here, mate.

The Hon. DANIEL MOOKHEY: I know. I'm thrilled to be back. When is the Parramatta Light Rail stage two going to open?

Mr DAVID ELLIOTT: Do we have a concluding time for that yet?

CAMILLA DROVER: Yes. In line with the State Infrastructure Strategy, we're staging major infrastructure projects. The first stage of PLR2 is the provision of the Wentworth bridge and approaches.

The Hon. DANIEL MOOKHEY: When is that happening?

CAMILLA DROVER: We haven't started the procurement of that.

The Hon. DANIEL MOOKHEY: So you don't know?

CAMILLA DROVER: We do have a time frame. I will just confirm that.

The Hon. DANIEL MOOKHEY: Do you know, Minister?

Mr DAVID ELLIOTT: Sorry, for what?

The Hon. DANIEL MOOKHEY: We are now up to the first stage of the second stage of the Parramatta Light Rail, which is the bridge. When will the bridge open? What's the target date?

Mr DAVID ELLIOTT: I'll take that on notice. I don't think I've got it in my notes.

CAMILLA DROVER: We are aiming to start bridge construction in 2024. That's obviously after the planning approval.

The Hon. DANIEL MOOKHEY: So construction will start in 2024.

Mr DAVID ELLIOTT: Sorry, you're right. Sorry, Camilla.

The Hon. DANIEL MOOKHEY: Thanks, Ms Drover.

Mr DAVID ELLIOTT: Construction of the project will begin the bridge connection across the river between Wentworth Point and Melrose Park, which you are aware. We expect to commence in 2024 and, of course, the corridor reservation planning with the Premier's Memorandum for procurement and large projects, which recommend staging and packaging as well as de-risking projects through early works.

The Hon. DANIEL MOOKHEY: So we're doing corridor preservation for the second stage of the Parramatta Light Rail.

Mr DAVID ELLIOTT: Say again?

The Hon. DANIEL MOOKHEY: We're doing corridor preservation for the second stage of the Parramatta Light Rail.

The Hon. JOHN GRAHAM: Slowly.

CAMILLA DROVER: We are also doing the full EIS for the whole project.

The Hon. DANIEL MOOKHEY: Again, when is that the Parramatta Light Rail stage two going to open?

Mr DAVID ELLIOTT: Well, we haven't finished the business plan yet.

The Hon. DANIEL MOOKHEY: You don't know.

Mr DAVID ELLIOTT: We're certainly—we're commencing.

The Hon. DANIEL MOOKHEY: Okay.

Mr DAVID ELLIOTT: We're commencing with the bridge, which, if you live at Wentworth Point, is a major part of it.

The Hon. DANIEL MOOKHEY: No doubt. The member for Parramatta has made multiple complaints about the availability of Federal funding for this project.

Mr DAVID ELLIOTT: Yes.

The Hon. DANIEL MOOKHEY: Have we requested Federal funding for this project at this point in time?

Mr DAVID ELLIOTT: Not yet—well, not formally.

The Hon. DANIEL MOOKHEY: Not formally?

Mr DAVID ELLIOTT: Not formally, but I have had a very, very high-level conversation with the current Government when they were in opposition about if they had any leftover money, where would I be sending it, and I said to them, "Parramatta Light Rail".

The Hon. DANIEL MOOKHEY: Glad that they could help.

Mr DAVID ELLIOTT: Hopefully, they will. Let's hold them to that.

The Hon. DANIEL MOOKHEY: So let me just be clear: When do you formally expect to be requesting Federal funding?

Mr DAVID ELLIOTT: Listen, I'll take that on notice. That has not occurred yet; but, again, I haven't met—

The Hon. DANIEL MOOKHEY: Is the project conditional on Federal funding?

Mr DAVID ELLIOTT: I haven't met with the new Minister yet and that is certainly—

The Hon. DANIEL MOOKHEY: Well, is the project conditional on Federal funding?

Mr DAVID ELLIOTT: No. Never was, and I think you'll find in the public record, even though I had an uncharacteristic dispute with one of my parliamentary colleagues about whether it would be—

The Hon. DANIEL MOOKHEY: You? No, you never have disputes with your colleagues!

Mr DAVID ELLIOTT: —I said it wasn't ever conditional, which is why I thought we needed to have the money for the bridge in this budget.

The Hon. DANIEL MOOKHEY: You were right to deny any disagreement with colleagues. It's unheard of, I'm sure.

Mr DAVID ELLIOTT: Never happens.

The Hon. DANIEL MOOKHEY: When the member for Parramatta said it is conditional on Federal funding, he was wrong?

Mr DAVID ELLIOTT: Well, he was acting as the member for Parramatta.

The Hon. DANIEL MOOKHEY: But he was wrong.

Mr DAVID ELLIOTT: I jump up and down and say—

The Hon. DANIEL MOOKHEY: He was the incorrect member for Parramatta when he was making that point.

Mr DAVID ELLIOTT: Well, I don't know the circumstances but, Daniel, all lower House members jump up and down about their electorates. We all jump up and down and fight with whoever to defend funding that we believe is entitled to go into our electorates, so I'm not going to begrudge the member for Parramatta if he said, or what he said, about Federal funding. I'm just saying to you there was never an obligation or a predetermination of this project going ahead on Federal funding.

The Hon. DANIEL MOOKHEY: I don't have too many more questions on this matter, but I do have one more. Previously, one of your predecessors that I had the opportunity to question about this made extensive reference to the use of value capture to pay for the Parramatta Light Rail stage two. Is the Government's policy still to apply value capture in order to raise the funds?

Mr DAVID ELLIOTT: Who was it, and how did they define "value capture"? They're talking about—

The Hon. DANIEL MOOKHEY: It was Andrew Constance.

Mr DAVID ELLIOTT: Thank you. What did he say?

The Hon. DANIEL MOOKHEY: He made the point that value capture would have to apply. He attacked me for even raising the question.

Mr DAVID ELLIOTT: The concept being that you weren't going to get your funding unless we could recoup it based on XYZ.

The Hon. DANIEL MOOKHEY: No, it wasn't XYZ. It was specifically on Parramatta. At that point he included residents.

Mr DAVID ELLIOTT: I am certainly not going to be promoting Parramatta Light Rail two based on value capture because my view, as it has been throughout western Sydney—and it certainly was when they built the metro in Norwest—is that the infrastructure's got to be there because we've already put the people there. If you look at where Parramatta Light Rail two is servicing, that Wentworth Point area—so Geoff was quite right—those people moved in there with the understanding that that railway was going through. We can't value capture a suburb that's already been built, not unless we want to put in that every second house has to have poker machines and we start taking revenues from that.

The Hon. DANIEL MOOKHEY: Is that your policy, Minister?

The Hon. JOHN GRAHAM: I might just ask about another electorate, the electorate of Dubbo. Are you aware of the grant that John Barilaro gave—\$950,000 out of the Regional Investment Attraction Fund—for an electric flying car in Narromine?

Mr DAVID ELLIOTT: If that's our concluding question, that's done me.

The Hon. JOHN GRAHAM: It's not the concluding question.

Mr DAVID ELLIOTT: Okay. Well, mate, no.

The Hon. JOHN GRAHAM: Why does your draft future transport strategy promise the citizens of New South Wales flying cars by 2061?

Mr DAVID ELLIOTT: I mean, I read an article yesterday, I think, where the Government is starting to regulate or to draft the regulations for flying cars.

The Hon. DANIEL MOOKHEY: You are.

Mr DAVID ELLIOTT: Yes.

The Hon. JOHN GRAHAM: Up by 2026.

ROB SHARP: We spoke at length on this topic.

The Hon. JOHN GRAHAM: We did, Mr Sharp, and I know your view. I might ask the Minister, though, given the problems that the Government is having with the trains, with the trams, with the ferries and given the tolls on the roads, why is your government's future transport strategy promising flying cars in the next term of Parliament?

Mr DAVID ELLIOTT: Well, John, we can chew gum and walk at the same time. Just because we have got challenges today, doesn't mean we shouldn't be looking at the opportunities of tomorrow.

The Hon. JOHN GRAHAM: You are backing this in?

The CHAIR: Apparently you can't walk or chew gum.

The Hon. JOHN GRAHAM: Flying cars in the next term of Parliament as your draft future transport, you're backing this in, flying cars in the next term of Parliament?

Mr DAVID ELLIOTT: No, I'm just saying to you, of course we've got to be futuristic. We wouldn't have electric ferries if we didn't think about being futuristic—

The Hon. JOHN GRAHAM: Despite the fact that CASA won't regulate this until years afterwards, you are promising in your future transport strategy—

Mr DAVID ELLIOTT: Maybe if, John, this matter is brought forward, then CASA might review it earlier. But, I'll have to put any questions about flying cars on notice.

The Hon. JOHN GRAHAM: Not your department?

The Hon. DANIEL MOOKHEY: Will they fly from Parramatta to Wentworth Point? Are we looking at that as an option?

Mr DAVID ELLIOTT: Now you're being silly, Daniel.

The Hon. SCOTT FARLOW: Will they fly you to your meetings with Alex Claassens? Did it happen in March? Maybe you could be like the DeLorean and go back in time.

The Hon. DANIEL MOOKHEY: Scott, you are happy to—

Mr DAVID ELLIOTT: How much was the amount of money, John?

The CHAIR: Big part of metropolitan roads.

The Hon. JOHN GRAHAM: \$950,000.

Mr DAVID ELLIOTT: That's nearly as much money as what the RTBU gave the Labor Party last year.

The Hon. SCOTT FARLOW: Oh, that's a good way to end.

The Hon. SHAYNE MALLARD: There's a flying car.

The CHAIR: Thank you, Minister, for your attendance today. We will be back at 2.00 p.m. with the Transport officials.

(The Minister withdrew.)

(Luncheon adjournment)

The Hon. SCOTT FARLOW: It being 2.00 p.m., we will resume the estimates hearing this afternoon with the government witnesses.

The Hon. MICK VEITCH: If I can I will probably for the first 20 minutes work my way through veterans affairs. That way we get that body of questioning out of the road and you may be able to go. We will see how we go. Is that all right?

CAROLINE MACKANESS: Perfect. Thank you.

The Hon. MICK VEITCH: A few things to sort out to get my head around where things are at with the Office for Veterans Affairs. How many full-time equivalent staff do you currently have in that office?

CAROLINE MACKANESS: We have a couple of positions that have been vacant but the employment number is 14. We have one additional senior policy officer in our office above our 13 usual count due to the royal commission. She is specifically supporting the whole-of-government work to support that inquiry.

The Hon. MICK VEITCH: You said two vacancies at the moment?

CAROLINE MACKANESS: Just staff leaving and replacing, but they are coming on board.

The Hon. MICK VEITCH: They haven't been vacant long, have they?

CAROLINE MACKANESS: No.

The Hon. MICK VEITCH: How many of your staff are veterans?

CAROLINE MACKANESS: We have two veterans currently that are running the Veterans' Employment Program. But I would say that I am also responsible for the Anzac Memorial, where we employ a larger number of veterans and a lot of the staff in the Office for Veterans Affairs have relatives that have served, or parents that have served. It's a very passionate office about supporting veterans.

The Hon. MICK VEITCH: In answers to supplementary questions, I think it says that the memorial employed five veterans full-time and three part-time. Is that still roughly the same number?

CAROLINE MACKANESS: Yes. We have a lot of casual staff and they've just recently done a new recruitment. That number might be slightly different, but we do proactively encourage veterans to apply for roles in the whole of the public service, but particularly at the Anzac Memorial.

The Hon. MICK VEITCH: Can you take on notice as of today's date what the numbers are in the Anzac Memorial?

CAROLINE MACKANESS: Yes, very happy to.

The Hon. MICK VEITCH: And the veterans and family members of veterans?

CAROLINE MACKANESS: Yes.

The Hon. MICK VEITCH: That might update our figures. It was also revealed earlier this year there were plans for the Office for Veterans Affairs to be relocated. Has this occurred yet?

CAROLINE MACKANESS: We have actually found a home in Goulburn Street in the Department of Communities and Justice office there and that is quite convenient for us because it's close to the Anzac Memorial where we deliver a lot of programs.

The Hon. MICK VEITCH: That was just a part of the normal process for finding new accommodation? Was there a short list? What was the process to determine that?

CAROLINE MACKANESS: I think it's fair to say that a lot of public servants have been moved to Parramatta, but for our particular office and the work that we do we are often at the memorial or at the cenotaph. I am on some boards that are with RSL and other organisations and committees that all operate out of the city. It's fair to say that I advocated fairly strongly for our team to remain with a base in the city, because we also go to a lot of meetings at the Anzac Memorial. I am the honorary secretary to the trustees of the Anzac Memorial, which is a bipartisan board.

The Hon. MICK VEITCH: Did you give any consideration or were there any reasons at all that you might think of moving to Parramatta or further west? I gather from what you are saying the main reason for staying in the city is because of the Anzac Memorial.

CAROLINE MACKANESS: Really for proximity to all the work that we deliver. I also go to meetings with the Minister's office and most of our stakeholders, Legacy, RSL, LifeCare organisations are based around the city. Craig Delaney, our veterans employment manager in particular, meets with a lot of veterans and their preference is usually to come into the city to meet. But we are also able to work from the Parramatta office if we have reason to work out in Parramatta.

The Hon. MICK VEITCH: Why did you have to relocate? What was the reason?

CAROLINE MACKANESS: We were located in the Phillip Street office.

The Hon. MICK VEITCH: Okay. So you have locked in the new position and the new location. Is there a lease for the new premises or because you are in the Department of Communities and Justice—

CAROLINE MACKANESS: We are currently in the Department of Communities and Justice and they have courts and tribunals which operate out of that building, so it's a base for the department.

The Hon. MICK VEITCH: Do you have some sort of operating lease with the department?

CAROLINE MACKANESS: No. We are a very tiny office that has moved numerous times. We are currently in the Department of Communities and Justice and that has been a good department for us to be in. We are just part of the department. The Anzac Memorial is a separate statutory entity.

The Hon. MICK VEITCH: I want to get my head around the Ranks to Recognition program and how it relates to the Veterans Skills Program. Can you shed some light on how many veterans were assisted in those two programs last year?

CAROLINE MACKANESS: I was given a presentation just two days ago, and if I can take on notice to give you the exact data, TAFE looks after that program. Some hundreds of veterans and their partners have now been supported through the Ranks to Recognition program. I was very impressed with how proactive they have been and the difference they are making, particularly in reaching the regional locations and supporting veterans in the regions through the TAFE programs.

The Hon. MICK VEITCH: It is with TAFE because it is part of the Veterans' Employment Program?

CAROLINE MACKANESS: We work across the whole of government. We were very proactive working with TAFE to establish this support program so that veterans that wanted to transition their skills and training into the civilian workforce had the support that they needed to do that.

The Hon. MICK VEITCH: If you could take that on notice I would really appreciate that. The sort of things I want—we want a picture of how many veterans were involved, how many were placed, partners or spouses as well, or family members.

CAROLINE MACKANESS: Yes. They are now collecting that data, too.

The Hon. MICK VEITCH: As of today's date, that would be good if you could take that on notice. The Veterans Employment Workshop, which I have been advised was due to be held on 28 and 29 September at the Anzac Memorial, has there been much interest?

CAROLINE MACKANESS: Our new staff member veteran is following up with the community at the moment. It has been very successful in terms of supporting veterans to translate their skills and understand how to apply for roles.

The Hon. MICK VEITCH: Two things: First, is it at capacity already—the number of people or what is capacity and how are we tracking? Second, I'm from regional New South Wales, so I would like to know how veterans from regional New South Wales are going to be able to participate. Are arrangements being made?

CAROLINE MACKANESS: Craig, who runs the program, is passionate about the regions and we are looking to actually take it out to some of the regional locations now that COVID is a lot easier to manage these events. We welcome people coming in from the regions to participate in the program. It is promoted broadly. We have capacity probably for 30, because of the close work that the workshop does.

The Hon. MICK VEITCH: How far advanced are the plans to take it out into the regions? Are they well advanced?

CAROLINE MACKANESS: We have allowed some budget to do so.

The Hon. MICK VEITCH: This is probably cheeky, but have you worked out which parts of regional New South Wales you would take this to? Are there some centres that are at the top of the list?

CAROLINE MACKANESS: Not as yet, but we are looking carefully at the census data and TAFE is actually doing an analysis. We will look at really where we think the greatest need is.

The Hon. MICK VEITCH: Veterans with medical conditions or physical conditions, how are they going to be able to access the workshop?

CAROLINE MACKANESS: We are happy to facilitate all veterans.

The Hon. MICK VEITCH: So you will make accommodations that may be required for each individual depending on their—

CAROLINE MACKANESS: The Anzac Memorial is particularly careful about access for everyone and was designed specifically so. As a venue, it's very good to accommodate everyone.

The Hon. MICK VEITCH: The VEP website talks about its champions network and states:

Our Champions are a group of mentors and thought leaders promoting VEP Initiatives and the skills that veterans can bring to the Public Sector.

In regard to that, how many champions are there currently that we have on our books?

CAROLINE MACKANESS: I will get Craig to provide the number as of today's date, but I think around 340. Craig Delaney works very hard to network across the whole of the public service. So I'm very happy to say that Transport has a large number of veterans, and it has a very strong veterans' network. Having only two staff members in my office that run the Veterans Employment Program, they work by the multiplier factor, so by having groups of veterans in different clusters that build their own networks and help mentor and champion other veterans. But the network includes all HR managers that would like to be a champion for the program.

The Hon. MICK VEITCH: How does someone get to become a champion?

CAROLINE MACKANESS: By Craig presenting the information to the group, and they put their hand up. It works by people being aware of veterans in their network, by helping to promote them and by sending us jobs that we think are a good fit for veterans. We have a large Facebook and LinkedIn following now, so we promote jobs in the public sector that we think would be a good fit for veterans.

The Hon. MICK VEITCH: Are they paid positions—the champions?

CAROLINE MACKANESS: They are public servants.

The Hon. MICK VEITCH: So it becomes a part of their normal role. Is that how it works?

CAROLINE MACKANESS: Yes. We send them a quarterly newsletter and we update them on progress. We are now collecting very detailed data with the Public Service Commission on how many veterans there are in each of the clusters. If I look at my notes, I might be able to find Transport's latest intake. For every cluster, we know how many veterans are being employed and we know the success rate against how many veterans are applying for roles. It has actually improved over the amount of time that we've been running the program. So that veterans' success rate of getting jobs has improved, and I think that is largely through the communications program that we have been running, which helps explain to employers the skills and training of veterans. We explain through the workshop to veterans how their skills are a good fit for the public sector.

The Hon. MICK VEITCH: I think you said you were working on the number of veterans employed in each of the clusters. Do you have that detail that you might be able to provide on notice?

CAROLINE MACKANESS: It is actually on the website.

The Hon. MICK VEITCH: Excellent. We don't have to ask for it on notice. That's excellent. I think you were also saying then that you're gathering information about veterans who apply for positions?

CAROLINE MACKANESS: Yes.

The Hon. MICK VEITCH: That aren't successful?

CAROLINE MACKANESS: Yes.

The Hon. MICK VEITCH: Is that publicly available as well or could you take that on notice?

CAROLINE MACKANESS: That's the data that Craig collects with the Public Service Commission. One of the things that we do is encourage through our champions network that, if a veteran applies for a role and they're not successful, and they ring up and they want to understand better why they weren't considered, we give honest feedback. So Craig will explain that they might have put in some of the lingo from the military that is not as well understood and really help support them better apply for roles.

The Hon. MICK VEITCH: The interim report from the royal commission—have you had a chance to get across that and see how it might apply or be applied or what aspects of it might be applied to the New South Wales—

CAROLINE MACKANESS: Yes. We have a whole-of-government working group that includes particularly health and our own department, which have large interface with veterans and their families. We have been meeting regularly, and the New South Wales Government—my office—with the Minister's endorsement, submitted a submission to the royal commission on 24 April, which outlined the New South Wales Government Veterans Strategy and all the positive things that we're trying to do, including initiatives like the national centre for veterans' health at Concord. So we have read with interest the first interim report. It is largely focused on the Commonwealth and their responsibilities—the Department of Veterans' Affairs and the Australian Defence Force. But there are certainly some key things that are outlined that are across all jurisdictions—coronial matters in particular, definitions, collection of information, reporting of information and support to families. Our court group are looking at that. Data collection is another issue, which is a national issue of how you collect data across all the States and jurisdictions in a similar way.

The Hon. MICK VEITCH: As in consistent.

CAROLINE MACKANESS: Consistent reporting—that is being looked at. We've been given notices for information and we're working with the Crown Solicitor's Office. They're working very closely with us on any inquiries or any requests for information. And at the moment we're looking proactively at, from the first report, what might be the things that will be looked at in the next phase. Certainly the Minister in Tasmania was called to give evidence. So we think that going forward they will be looking in more detail at the States and Territories and the interface of frontline services but also things that we can work on nationally like data, coronial definitions and information sharing.

The Hon. MICK VEITCH: Were there other things that you've identified that we could be doing better to support our veterans, arising from the royal commission?

CAROLINE MACKANESS: There's a large focus on families, and I've been part of the Commonwealth, State and Territory working group, which has been in operation since 2016. There is a veterans wellbeing task force, and there was a recent meeting of all the Ministers. They regularly get together—we do—and share information. There's a piece of work, for example, being done on veterans in jail at the moment, being led by South Australia but New South Wales is participating in that. So I think it's a very collegiate and shared space where people are genuinely working together to improve outcomes for veterans and their families.

The Hon. MICK VEITCH: I think, if I'm correct, the royal commission's interim report highlights that the transition from military service to civil society sometimes is a bit bumpy for our veterans. There are obviously things that we can do to assist in making that a smoother transition. Has the department looked at what might be required there to assist veterans? Are there things we can do in New South Wales around assisting that transition?

CAROLINE MACKANESS: Absolutely. Again, because of the work of the Commonwealth, State and Territory committee, there have been a lot of reports into veterans and transition. A lot of that work we took on board, and then we did our own research and our own survey and consultation with the veterans' community to write our own Veterans Strategy for New South Wales, and transition is certainly a large part of that. Out of that grew the employment program, the education program and the support for veteran families. We're working with education to support children of veterans in the education system. We initiated the local government program, encouraging local government to start their own veteran employment programs. I think we—my team—are all very passionate and very proactive, and wherever they can see an opportunity to work with local government or other departments, they have done so. Can we do more? Probably. There's always more you can do. But I'm very proud of what we've achieved so far.

The Hon. MICK VEITCH: One of the things that happens, not just for your office but for a range of public sector agencies, is the changing of Ministers. How do you accommodate the changing of Ministers within your office? Is it a process that you do? Do you brief the new Minister and then—I gather priorities must change with each Minister. I'm just interested—with a small crew, how do you work through that?

CAROLINE MACKANESS: We're well accustomed to writing briefing notes, budget estimates notes and putting information together. An incoming Minister would be fully briefed on all the topics. I've found that every Minister brings a different lens and that's not a bad thing; you get a different focus.

The Hon. MICK VEITCH: One of the reasons I asked that question is because the Minister, in December last year, described the national veterans cemetery as his top priority.

CAROLINE MACKANESS: Yes.

The Hon. MICK VEITCH: Where are we up to with that particular project? Has there been a site identified?

CAROLINE MACKANESS: The Minister wrote to the Commonwealth. There's been a change in Federal Government since that time. I believe he is following up with the new Government. The responsibility for national veterans' cemeteries lies with the Commonwealth, very clearly.

The Hon. MICK VEITCH: Yes. Are you keen to have it in New South Wales?

CAROLINE MACKANESS: The Minister is on the public record as saying that. But I understand that, it being a national matter, there may be other interests as well.

The Hon. SCOTT FARLOW: While your time has expired, you can continue on. It's safe to say you can knock yourself out.

The Hon. MICK VEITCH: Thank you. I'm just trying to get my head around the concept of—I've been to Arlington, so I understand what a national veterans' cemetery would look like or what it can do. But in New South Wales, there's a range of stakeholders. Clearly there's a lot of work to be done around advancing the case—the RSL, for instance. The Minister has made representations to the new Federal Minister, based on your recent response. What is your office's role in pulling that all together—the stakeholder discussions, your jurisdictional peers in other States? How much of your time is this taking?

CAROLINE MACKANESS: I liaised with my Commonwealth counterparts over information. We have an Australian war graves office in the Department of Veterans' Affairs, so they have provided expert advice on the number of times this has been considered by interdepartmental committees. It has been raised a number of times, as I understand, and it would progress through a great deal of consultation and would be really in the hands of the Commonwealth. New South Wales could offer locations within our State close to Canberra, because Canberra sits within, if it was determined that there should be a national cemetery and that it should be close to Canberra.

The Hon. MICK VEITCH: I reckon there would be any number of places putting their hands up for something like this in that part of New South Wales, so I could see there being a bit of competitive tension around it.

The Hon. SHAYNE MALLARD: Not the Sydney Basin with our cemetery inquiry and the lack of space.

The Hon. MICK VEITCH: Yes, that's right. But around Canberra, I can see how that works. All of us would be keen to have it in New South Wales. So groups like RSL have been approached and had discussions about the war cemetery?

CAROLINE MACKANESS: I am not sure of all the discussions the Minister has had. Certainly we've received correspondence through our office that is supportive of the idea. The Minister is connected to all the veterans' associations and is a veteran himself, so I'm sure he has had a lot of conversations, but it is squarely with the Commonwealth to progress.

The Hon. MICK VEITCH: So is this happening out of the Minister's office? I'm trying to word this without—is it being driven from the Minister's office?

CAROLINE MACKANESS: It's an initiative from the Minister, as the Minister for Veterans and as a veteran.

The Hon. MICK VEITCH: Okay. And Legacy, those sorts of stakeholders, are they being involved? Do you know?

CAROLINE MACKANESS: I think the last time this was raised, it was discussed as requiring a lot more work and a lot more consultation. And with the change of government, it needs to be raised again by the Minister.

The Hon. MICK VEITCH: But, essentially, you are going to be involved in that process?

CAROLINE MACKANESS: We've connected the Minister's office with the appropriate Commonwealth bureaucrats who look after the war graves.

The Hon. MICK VEITCH: Thank you. There's a couple of questions to finish up with, regarding supplementary questions from earlier this year, just to get some clarity, if I could. We asked the Minister about programs or funding of places to support veterans who have been identified as attempting suicide or are at risk of suicide, and the Minister moved those questions on to the health department as the appropriate agency. But in light of the royal commission's interim report, which we were discussing a bit earlier, is there a role for your agency in that whole-of-government response to the royal commission to talk about this particular issue, this particular very important aspect of the royal commission's work?

CAROLINE MACKANESS: We're a very small group, and the Commonwealth is a large and well-funded organisation specifically to support veterans. Clearly we have health services that are for the whole community, including veterans. The National Centre for Veterans' Healthcare is doing an extraordinary job in managing complex injuries and illness of veterans, and they have the accommodation to support their families. There are a number of Commonwealth-funded organisations, like Open Arms, that support veterans. I personally took a call from a veteran yesterday who was clearly struggling. That is not my expertise, but I listened for close to an hour and ensured that he got the right support, in this case from RSL LifeCare, which has the counsellors and the networks. They work very closely with our own department because this gentleman needed housing support, for example. But they can wrap around the other services they might need or actually ensure that that veteran gets referred to the National Centre for Veterans' Healthcare. All of my staff would answer a call from a veteran and would ensure that they received the appropriate support, either from our own health services or from DVA support services or from RSL LifeCare.

The Hon. MICK VEITCH: Those sorts of calls can be quite troubling for the person on the phone as well. How do we support your staff through that exercise? In no way am I saying it's not important that we support veterans, but I'm also concerned about the people fielding the phone calls. How are you supporting those individuals?

CAROLINE MACKANESS: In particular at the Anzac Memorial, they are more front line than we are. We don't normally get that sort of call to our office. It's more likely at the Anzac Memorial, where they've been trained in dealing with those situations because it's more likely that a veteran might turn up at the memorial distressed as the place of commemoration and respect for veterans.

The Hon. MICK VEITCH: Yes. Do you train your staff?

CAROLINE MACKANESS: Our staff have had some training, probably not to the extent that the Anzac Memorial staff have.

The Hon. MICK VEITCH: I think supporting our staff in those processes is also very important. Thank you. Can I talk about the resource that was for children of veterans earlier? These relate to the supplementary questions previously. Will this also cater for children of current ADF personnel located in New South Wales? Do you know?

CAROLINE MACKANESS: Yes. There is a support system in the Department of Education for children of current serving. That's done through the ADF. The gap that was identified was the children of veterans, so the Department of Education is working on a program to ensure that that's better covered.

The Hon. MICK VEITCH: ADF personnel relocate pretty regularly. I've got a couple of mates, one in the navy and one in the army. They were moved all the time, which was pretty difficult for their children. What's the support that OVA provides to the children in that circumstance, where ADF personnel are being relocated but the family will stay in New South Wales?

CAROLINE MACKANESS: If they're current serving, the ADF ensures that the families and children are supported in the education system. It's a different issue if the families are moving across jurisdictions.

The Hon. MICK VEITCH: Yes, like to Townsville.

CAROLINE MACKANESS: There are all sorts of complexities, which every jurisdiction could grapple with—the difference in different concessions, different licences, different tickets. They're all sorts of things that don't just affect veterans, but certainly they get discussed at the Commonwealth, State and Territory committee meetings. They're longstanding issues that it's going to take longer to solve. For example, transport concessions is one that New South Wales, I understand, actually provides more generous transport concessions for veterans than other States and Territories. It's often discussed how we can improve that, but other States and Territories don't have the budget to be as generous as New South Wales.

The Hon. MICK VEITCH: We have explored a number of different aspects of the work of OVA. Very early on I asked about the FTEs—the number of staff you had. It would appear to me that you're doing a lot of work with a small crew. How stressed are you? Some of this work is very important for veterans. I'm just looking at you and thinking, "There is a lot of work going on here." Do you need more staffing? I'm just thinking about how your staff are supported in that very small agency? Clearly doing quite a lot of work.

CAROLINE MACKANESS: I would have to say my team work incredibly hard, but I think a lot of public servants do. I would note particularly Health during COVID. I would hope that where we identify some areas that may require some additional support—for example, homelessness for veterans is something that needs addressing. It is an issue for our broader population. Certainly, we would need the Minister to advocate to other Ministers or for perhaps resources in other areas. We work by collaborating and leveraging. We do have to be knowledgeable in a whole lot of areas. Briony and Fab in my team do a large share of the work with the Transport group. I can't say that I'm across every last detail of the Transport concessions, but they are.

The Hon. MICK VEITCH: As you say, a number of the agencies are stretched and I have no doubt yours was stretched during COVID as well. There were calls on support from a range of places. Chair, I think that will do me with the Office for Veterans Affairs.

The Hon. SCOTT FARLOW: Excellent.

The Hon. MICK VEITCH: Clearly the others don't have any questions for the Office of Veterans Affairs. If it is okay with you, I am happy to let Ms Mackaness go.

The Hon. SCOTT FARLOW: I would be happy to. I know that Ms Boyd is returning, though.

The Hon. MICK VEITCH: She may have some questions.

The Hon. SCOTT FARLOW: That is fine. Would you mind staying for a little longer until we can confirm with Ms Boyd as to whether she has any questions for you?

CAROLINE MACKANESS: Yes, I am very happy to.

The Hon. SCOTT FARLOW: We might actually ask if the secretariat can check with Ms Boyd's office perhaps in the intervening time to see whether she has any questions for you. If not, we will dismiss you and thank you very much for your attendance today.

CAROLINE MACKANESS: Thank you.

The Hon. SCOTT FARLOW: We can move on to other witnesses.

The Hon. MICK VEITCH: I can.

The Hon. MICK VEITCH: I have some questions now about western Sydney. I am not sure who I should direct those to.

ROB SHARP: Direct them to me initially and I will forward it to the relevant party.

The Hon. MICK VEITCH: You will do the Nathan Cleary and divert the ball to whoever.

The Hon. SCOTT FARLOW: Half-back or hooker?

The Hon. SHAYNE MALLARD: What are you talking about? What language are you using?

The Hon. MICK VEITCH: Western Sydney.

The Hon. SHAYNE MALLARD: I know all about that.

The Hon. SCOTT FARLOW: Rugby league, mate. You know rugby league. You are a Souths fan who used to be a Penrith fan.

The Hon. SHAYNE MALLARD: Rabbitohs.

The Hon. MICK VEITCH: The aerotropolis precinct plans, Mr Sharp?

ROB SHARP: Please proceed with the question.

The Hon. MICK VEITCH: The aerotropolis precinct plans. We are trying to work out the role that the Western Parkland City Authority is playing in developing the draft precinct plan around the aerotropolis.

ROB SHARP: It doesn't sit with Transport, I'm afraid, but I do interface with that group. We've had a number of meetings around, for example, the future planning of roads and what the growth may deliver in that space. Obviously we take a long-term view in terms of orbital roads, corridor protection and then what are the main local roads around the aerotropolis, but the commission itself doesn't report to us.

The Hon. MICK VEITCH: You may have to take some of these on notice, Mr Sharp, but those meetings within the Western Parkland City Authority—is there a group or individual who's been assigned the task of working in that capacity around the aerotropolis?

ROB SHARP: I'll just pass to Ms Drover. Have you been in any working groups in that space?

TRUDI MARES: I think I can assist, secretary. In Greater Sydney with work with the Western Parkland City Authority. We work with DPE as well on their aerotropolis master planning. There are a number of working groups set up to work through those planning options for both roads and public transport for the aerotropolis.

The Hon. SCOTT FARLOW: Just before you continue on, I have had confirmed from Ms Boyd that she has no questions for Ms Mackaness. Ms Mackaness, if you would like to leave you are more than welcome to.

CAROLINE MACKANESS: Thank you very much.

(Ms Caroline Mackaness withdrew.)

The Hon. MICK VEITCH: What roll did the WPCA play in developing the final aerotropolis precinct plan?

TRUDI MARES: Reiterating the secretary's comments, I can't talk to their particular role, but they are a coordination authority. So DPE leads the master planning, but they do a lot of interfaces with the various government departments that are working together on the aerotropolis plans.

The Hon. MICK VEITCH: Mr Sharp, what was your department's role in the aerotropolis precinct planning? Did your agency have a role?

ROB SHARP: As Ms Mares mentioned, the actual master plan itself sits with the DPE. One of the longer term plans, though, we are involved with is the orbital roads and the corridor protections for major roads that would support the aerotropolis, the new airport, in the future.

The Hon. MICK VEITCH: That would include acquisition for corridors and the like?

ROB SHARP: Yes, corridor gazetting. And in the meantime, if there are hardship requests that come through, we deal with those. But, ultimately, there would be a business case and a road corridor business case pulled together and funded. So what we are doing is protecting the long-term capability and lessening the impact on the community for people building in areas that might eventually be a corridor.

The Hon. MICK VEITCH: And the consultation processes around the corridor identification?

ROB SHARP: I will pass to Mr De Kock. His team specifically manage the corridor process.

JOOST DE KOCK: Thank you for the question. As the secretary said, there has been quite a lot of work done on the corridor protection in western Sydney and it all stems from the original 2056 plan. We actually looked at the broader picture. As part of that, actually three corridors were protected in western Sydney: the North South Rail Line, the South West Rail Link and also the Western Sydney Freight Line. Those are gazetted corridors.

Also, we exhibited the Outer Sydney Orbital Corridor in 2018. For all of those there was significant community consultation to get input from the community before those corridors were finalised.

The Hon. MICK VEITCH: Thank you for that. If there is adverse reaction, adverse response to the proposals, how is that accommodated within the final determination?

JOOST DE KOCK: In the normal corridor protection process, first of all we are looking at typically very long-term plans. They are sometimes decades away. Actually, the transport planning team looks at the long-term planning, thinking about what are the transport needs in a particular area and it looks at the different solutions and then it determines a number of corridor options and does quite a lot of work in multivariable analysis in terms of what are the different choices between the corridors. So lots of different factors are taken into consideration, such as housing, obviously the transport needs, environmental impacts, cost of construction and a whole set of criteria. They normally come with a number of different choices. That is then presented to the community and feedback is gathered from the community to try to narrow down which is the preferred corridor. So there is quite a lot of consultation during that process and it is typically quite a lengthy exhibition period to collect that feedback. Once that feedback is obtained, eventually the corridor is finalised and sometimes exhibited or sometimes it's gazetted by the Government.

The Hon. MICK VEITCH: Mr Sharp, this would be the same process for the M12, for instance?

ROB SHARP: The M12 is a road that is being built, so it has moved past the corridor.

The Hon. MICK VEITCH: But that was the process.

ROB SHARP: This is long-term—10, 20 or it could be 30 years—corridor protection.

The Hon. MICK VEITCH: With the M12, I guess it's on track?

ROB SHARP: I will pass to Ms Drover to talk on the project status.

CAMILLA DROVER: Yes, we have awarded the first two packages of the M12, so the western and the central package. In fact, we did the sod turning just a week ago out at Badgerys Creek.

The Hon. MICK VEITCH: So that means then all the properties that would need to be acquired for those two phases have been acquired?

CAMILLA DROVER: Yes. I think there are three easements that are still going through the process, but, yes, the property requirements have been acquired.

The Hon. MICK VEITCH: It has been raised with me a couple of times from people in regional New South Wales that there are issues around fuel going to some of these big centres. How do we plan on getting fuel to the airport? My colleagues will go a bit berserk here; I have gone off script. Are we going to rail it in or are we going to use roads?

ROB SHARP: It's a question for Western Sydney Airport. Joost, if you want to handle it?

JOOST DE KOCK: Yes, absolutely. As you appreciate, the new airport going in there and the large community being built over there will require a lot of fuel. We are working on creating a Western Sydney Airport fuel pipeline project. That's currently well progressed, and we are sort of doing that in collaboration with the Western Parkland City, the Greater Sydney Commission, the Sydney Water Corporation and DPE—Department of Planning and Environment—to identify what is a suitable corridor to be able to get the fuel to the airport. Obviously it takes a huge amount of trucks off the roads, and the plan is that once the corridor is established, with all those agencies and stakeholders that I mentioned, it will be put to industry to build the actual pipeline going forward. It's a great thing to get the fuel supply to western Sydney and we get to keep the trucks off the road.

The Hon. MICK VEITCH: But there is a budget allocation, do you know? This may not be your purview.

JOOST DE KOCK: Yes, there is. Let me just check the budget allocations.

The Hon. MICK VEITCH: You can take it on notice.

JOOST DE KOCK: I will have to take it on notice what the project budget allocation for that is, yes.

ROB SHARP: The actual Western Sydney Airport is responsible for—

The Hon. MICK VEITCH: For that?

ROB SHARP: —within their precinct.

The Hon. MICK VEITCH: Yes.

ROB SHARP: They have master plans with options for fuel.

The Hon. MICK VEITCH: Thank you all very much.

The CHAIR: I was wondering, Ms Drover, if I could ask you about that Cammeray Golf Club issue. Has an agreement been entered into with the Cammeray Golf Club by Transport for NSW that foresees the golf club having a lease beyond 2026?

CAMILLA DROVER: It's a Minister Ward issue, but I can answer it in this forum.

The CHAIR: Thank you.

CAMILLA DROVER: For many years now we have been in discussions with the golf club about using that site, partially, for the construction works for the Western Harbour Tunnel and Warringah Freeway Upgrade. As part of that, we are proposing to amend the current layout so that we will continue to have provision of a golf course right throughout the construction works. Those works have commenced, and we're aiming to complete them for this summer so that, although we are taking part of that site for the construction works, an operating golf course will continue right throughout construction.

The CHAIR: When does that construction end, then?

CAMILLA DROVER: It's about a five-year build for Warringah Freeway Upgrade and the Western Harbour Tunnel. I would need to take on notice exactly how long we need that site. It's not necessarily always the full extent of construction. There are some permanent facilities also to be sited at the corner of the current golf course.

The CHAIR: What's the projected outlay, in terms of dollars, when it comes to that upgrade and reconstruction work?

CAMILLA DROVER: I would have to take it on notice the exact budget associated with that. We have been working for very many years with the golf course and the operator, and we have made some contributions along the way to support the golf course, given the uncertainty about the impact on their club and the construction works. Of course, in the EIS that site was identified as a construction site, and it did go through the consultation process and was part of the planning approval.

The CHAIR: Given that the current lease that the golf course has is up in 2026, was consideration given to instead buying the golf course out of that lease early?

CAMILLA DROVER: I would have to take on notice all the detail of the negotiations.

The CHAIR: Were any discussions had with council as part of that process?

CAMILLA DROVER: Yes, because, as I understand it, the golf club has a lease from the council. The council are, I think, the ultimate landowner—it may be the Crown, though. But we can take on notice more details of what engagement has occurred. Obviously it has been very extensive with North Sydney Council, not just about that site but generally the works in that precinct around the council area.

The CHAIR: I understand that the council was considering not renewing that lease in 2026 and using the land for other purposes. Could you come back to me on notice, then, as to whether that was actually discussed with council as part of the decision?

CAMILLA DROVER: Yes, we can take that on notice.

The CHAIR: Can I ask a couple of questions in relation to Kamay ferry? I know that my colleague Mr Banasiak did ask a couple earlier, but I just want to make sure that we have everything covered. I understand that the project has been approved now and we're waiting for Commonwealth determination. What date was Transport for NSW informed of that approval?

ROB SHARP: Of the Commonwealth approval? I'm not sure. Mr Collins, do you know the date?

HOWARD COLLINS: No. I know the approval for the work to go ahead—by Minister Roberts—was made on 21 July.

The CHAIR: Sorry, that is the approval I am referring to. So 21 July?

HOWARD COLLINS: Yes. If you do a search on Google, you will find the report there. I think it's either the twenty-first or the twenty-ninth, but it is certainly July this year. That includes the full environmental review. Following that, my colleagues in maritime—with the approval of Ministers—progressed to awarding the contract for the building of the wharves, which obviously are at La Perouse and Kurnell.

The CHAIR: On the planning website, the approval is put down as 3 August.

HOWARD COLLINS: It may well be where the signature is in July and then there are a few days before it appears, but certainly we proceed after we receive a planning approval.

The CHAIR: Do we have a current estimated cost of the project?

HOWARD COLLINS: I don't know whether Ms Dover has more information, but we have awarded the contract. If you bear with me a second, I think over the next three years we have committed a budget of \$49.3 million.

ROB SHARP: Forty-nine million.

HOWARD COLLINS: This year we will spend \$6.8 million. The work, I think, as we said, will commence in the first half of 2023 and will take approximately two years to complete.

The CHAIR: It's my understanding that in the 2021-22 Treasury papers, that was estimated to be \$24.3 million. Is that correct?

HOWARD COLLINS: Correct. I think I explained earlier, but just to clarify, a number of things have changed since that original estimate. There were delays to the project for very good reasons—further environmental studies, deliberations by the Government. But when it came to the contract award through a process, a number of things had changed: the cost of steel, as Ms Drover talked about earlier; the extent of the works; and, I think, quite rightly, the incorporation of some First Nations Aboriginal artwork and demonstration of the story of the First Peoples in that area. The total cost now—the contract cost plus the total cost—is estimated to be \$49.3 million.

The CHAIR: That is a significant difference. It is over double the amount that it was estimated to be just a year before. Are you saying that that is all—

HOWARD COLLINS: If you look in the construction industry, steel prices have probably gone up most significantly—I think sometimes a 30 per cent or 40 per cent increase. We can possibly provide a breakdown of some of the costs, but that was the contracted price. I don't know whether Ms Drover has anything further. This is a project which we are seeing across the board, whether it's ferry wharves or other constructions. There are significant increases in costs.

TRUDI MARES: I think I would just add to that, Mr Collins, that I understand the original budget was set in 2018 and this updated budget and approval to proceed was a few years later, in addition to the issues that Mr Collins raised.

The CHAIR: So it was budgeted in 2018 but when it was put into the papers last year it wasn't updated or there was no—

TRUDI MARES: I would like to check that for you but that is my understanding, yes.

The CHAIR: I understand that there were fairly complex conditions of approval put on to this project. Has meeting those conditions of approval been included in this latest cost estimate?

HOWARD COLLINS: Absolutely. Again, that may well be some of the reason why costs have increased. The actions to ensure we protect the environment, the EPA recommendations and the method of construction all have taken that into account, and the fact that this is quite a substantial wharf, certainly on the south side as there is significant shallow water before you can get a vessel into the actual wharf head itself. So it is quite extensive. That may well be a reason. We will be working very closely with our Parks colleagues and newly appointed Kamay rangers—our Aboriginal rangers—to ensure that during this work, we protect and look after the environment.

The CHAIR: In a previous budget estimates we talked about that Transport for NSW was going to subsidise the operator of the ferry service for at least a period of time. Does this \$49.3 million include the subsidy costs?

HOWARD COLLINS: Absolutely not. What I can recall talking about is that we have no specific plans about a scheduled ferry service. But, along with our colleagues in DPE, Jim Betts and others, we have been engaging with the Local Aboriginal Land Council in La Perouse to understand what the opportunities would be to operate a cultural ferry experience. It is early days; we will continue to have those discussions. It is not only a ferry wharf terminal or potential for bringing back the 1974 loss of the ferry service, but also other watercraft. The public can use both of those ferry wharves to get access, which is an important part of Maritime's \$210 million asset management program.

The CHAIR: But still not a cruise ship terminal of any kind?

HOWARD COLLINS: Absolutely not. I think this is—certainly, we are supporting the opportunity to link these two communities and tell that First Nations story, which needs to be told in that area.

The CHAIR: I understand there was \$25 million that was given to the broader project from the Commonwealth. How much of that will be used for this part of the project—the Kamay ferry wharves?

HOWARD COLLINS: I can't talk about the broader project; that is for other Ministers or other secretary portfolios. But it is a broader scheme. This money—\$49 million—obviously does involve some support from Commonwealth colleagues. But the construction of the wharf, which is the first phase, is fully funded and is part of, obviously, New South Wales Government's commitment to build the wharves.

The CHAIR: How much is going to be Commonwealth funding, then, and how much is New South Wales funding of that \$49 million?

TRUDI MARES: We might need to take that one on notice, please.

The CHAIR: I understand there was another \$4.5 million that was allocated from the Commonwealth for this project as well. Are you aware of that?

HOWARD COLLINS: Again, I will take that on notice. If people know, this area is not only about building two ferry wharves and considering further operation of a ferry service but also working to hand back this land to Aboriginal people and also provide employment for park rangers and other work on both the Kurnell side and the La Perouse side. We will see if we can provide as much information as possible regarding the individual funding streams.

The CHAIR: Do we know now the final length of those two wharves?

HOWARD COLLINS: I normally know these wonderful bits of useless information, but I will come back to you and tell you the length of the wharf. I know that there is a significantly longer wharf right next door, which is the airport fuel terminal. But the one on the south—I am sure my colleagues will text me in a minute and I will furnish the Committee, if possible, with those details.

The CHAIR: There has been some confusion. Apparently three different numbers have been thrown around.

HOWARD COLLINS: I will give you the one the contractor has and hopefully that is the one which is built.

The CHAIR: Very good. Again, I appreciate if you may need to take this question on notice, but some of those numbers are referring to the length extending from shore and others are talking about the overall length of the wharf. Is there a difference between those two?

HOWARD COLLINS: Yes. It's all about measuring where the tide is. I am not an absolute expert, but the shore depends on—I think there is a mid-level tide measurement. We will provide you that detail. If we can't provide it now, we will make sure that we provide you with the factual information.

The Hon. DANIEL MOOKHEY: Thank you to the officials. Mr Secretary, how many members of the senior executive service have been terminated under clause 41 of the GSE Act?

ROB SHARP: I would have to take that on notice. As I mentioned before, for the evolving transport and corporate services reviews, there were a number of positions that were earmarked for that. How many have specifically been actioned to date, I will have to come back to you.

The Hon. DANIEL MOOKHEY: I understand from the evidence you have previously given that that process was completed in the last financial year.

ROB SHARP: The timing was extended in accordance with the New South Wales Government approach to the impact of COVID. There is a small tail that still exists because we were managing through the COVID period.

The Hon. DANIEL MOOKHEY: Have you terminated any deputy secretary under section 41 in the past 12 months?

ROB SHARP: No.

The Hon. DANIEL MOOKHEY: What were the reasons why Deputy Secretary Bourke-O'Neil left Transport for NSW?

ROB SHARP: Ms Bourke-O'Neil had an extended period of medical leave and then she tendered a resignation. The reasons would be personal to her.

The Hon. DANIEL MOOKHEY: How often are you meeting with the Minister for Transport, Mr Secretary?

ROB SHARP: The Minister for Transport? I have weekly meetings with his team.

The Hon. DANIEL MOOKHEY: With him?

ROB SHARP: I have regular conversations directly with the Minister two or three times a week. There is a formal monthly meeting that we have in place.

The Hon. DANIEL MOOKHEY: Are you still required to submit—well, request—for discussions via the Minister's chief of staff or has that arrangement changed?

ROB SHARP: Sorry, could you repeat the question?

The Hon. DANIEL MOOKHEY: Are you still required to channel a request for contact with the Minister through his chief of staff or has that changed?

ROB SHARP: No.

The Hon. DANIEL MOOKHEY: When was that process abandoned?

ROB SHARP: There was no formal abandonment. What I would say is that there is still significant interaction through the chief of staff. In fact, a lot of the Ministers that we deal with, the chief of staff plays a key role.

The Hon. DANIEL MOOKHEY: Of course.

ROB SHARP: But, at the moment, it is a combination of chief of staff and the Minister directly.

The Hon. DANIEL MOOKHEY: Okay. And you have the Minister's phone numbers, correct?

ROB SHARP: Indeed. As I said, we speak regularly.

The Hon. DANIEL MOOKHEY: Both of them?

ROB SHARP: I have got a number.

The Hon. SCOTT FARLOW: I've only got one number.

ROB SHARP: You will have to talk to the Minister about whether he has got other phones.

The Hon. DANIEL MOOKHEY: I will double-check. Thank you very much. Can I ask you, Mr Sharp, about the conduct of negotiations that have taken place with the Combined Rail Unions, if you don't mind? When we last left this particular story in the last estimates, we were all set for some intensive set of negotiations beginning from March 2022. That is correct?

ROB SHARP: Correct.

The Hon. DANIEL MOOKHEY: Since March 2022, did Combined Rail Unions representatives and Transport cluster representatives discuss various claims and draft clauses for a proposed new enterprise agreement?

ROB SHARP: That has been an ongoing process. There has been an iterative negotiation—some 303 claims. As those claims have been agreed or negotiated, there have been draft clauses along the way. That has been built up over time.

The Hon. DANIEL MOOKHEY: Up until May 2022, did Transport cluster representatives represent that the Expenditure Review Committee was to be the final level of approval for certain cost-related claims?

ROB SHARP: Yes, and that is a standard process. If there is a wages policy impact, that needs to go to Cabinet. Likewise, if there are bargaining parameters, we would take those to the ERC or the subset of the Cabinet. Around that time, there was a particular set of bargaining parameters that we had discussed with the unions and we'd committed to the—not just the RTBU but also the CRU. We'd committed to table those at Cabinet for Cabinet decision.

The Hon. DANIEL MOOKHEY: The Transport cluster representatives, so we are clear, who are we talking about? Who are the Transport cluster representatives—the principal ones?

ROB SHARP: The responsible, accountable managers are the respective CEOs of the rail entities.

The Hon. DANIEL MOOKHEY: So Mr Longland?

ROB SHARP: Mr Longland would be, for Sydney Trains.

The Hon. DANIEL MOOKHEY: And Mr Merrick for NSW Trains?

ROB SHARP: Correct.

The Hon. DANIEL MOOKHEY: To you, Mr Longland: Did you represent that the Expenditure Review Committee was the final level of approval for certain cost-related claims?

MATT LONGLAND: Thank you for the question. The intensive bargaining period in April and May—a seven-week period—we developed a package of items that both of the chief executives committed to submit to government as a package. Now some of those were items that incurred costs or had implications for budget matters that needed Cabinet consideration. Other items were items that would impact on whole-of-government policy. There were a number of areas that we needed to work through post that intensive bargaining period. We haven't yet completed negotiations, so we are still working through that process.

The Hon. DANIEL MOOKHEY: That does seem to be true, that you are still working through it. I want to be very clear, Mr Longland, because I asked a very specific question: Did you represent to the CRU that the ERC was the final level of approval for certain cost-related claims?

MATT LONGLAND: For certain claims? That would be correct. Certainly the other thing that was made clear was that we would need the work across government to ensure that items that weren't cost related but had a precedent impact across government would need to align with government policy.

The Hon. DANIEL MOOKHEY: Indeed. So there is no dispute about this, is the ERC still the final level of approval for certain cost-related claims?

MATT LONGLAND: That's correct.

The Hon. DANIEL MOOKHEY: Thank you. But in June 2022 is it the case that you, Mr Longland, or you, Mr Sharp, or any other representatives—did you indicate to the Combined Rail Unions that there would be two further levels of approval required, being the ERC and the public sector employment relations team?

ROB SHARP: The public sector employment relations team provides input. They are an internal consultation. We have a number of stakeholder groups across government that we have to consult with. They're not an ultimate decision-maker. They provide a service. An example would be, if you were in any negotiation, you would have lawyers and other advisers who would provide input. They provide specialist advice on the EA clauses, how it might fit into the overall EA document. They also are obviously privy to the minutia of broader consequences across government, and so they provide that information and we consult with them through the process.

The Hon. DANIEL MOOKHEY: But is it your position that the Public Sector Employee Relations is not an approval step?

ROB SHARP: They provide information. If we wanted to raise a concern there or we wanted to test a particular item, that would go up to ERC and ultimately to Cabinet.

The Hon. DANIEL MOOKHEY: That wasn't my question, Mr Sharp. My question was, is the PSER an approval step?

ROB SHARP: The structure we have is that they are a consultation group. We consult with them.

The Hon. DANIEL MOOKHEY: You consult with them, but are you required to obtain their agreement?

ROB SHARP: As I indicated, if we didn't agree, it would escalate to the approver and the approver is the subset of Cabinet, being the ERC, the expenditure review group.

The Hon. DANIEL MOOKHEY: But it is the case that the first time the combined rail unions were advised of the role of the PSER was in or around June 2022?

ROB SHARP: The first time they were involved?

The Hon. DANIEL MOOKHEY: Advised of the role.

ROB SHARP: The PSER have been represented throughout the working groups for the union.

The Hon. DANIEL MOOKHEY: I will just repeat the question. The first time that the combined rail unions were advised about the role of the PSER as an approval step was in June 2022. Is that correct?

ROB SHARP: That's incorrect because they're not an approval step. But Mr Longland can add some colour to that.

MATT LONGLAND: I am happy to speak to that specifically. My recollection is that at the conclusion of the intensive bargaining period, which was in May, we provided in some detail a list of the items that the rail agencies were taking forward for approval. In addition to being very clear that the items that would require budget or policy consideration needed to be submitted to government for consideration, that there would also be a review of the clauses and the drafting of the clauses. I am fairly certain that PSER as an entity was mentioned in that correspondence to the combined rail unions, which would have been in May.

The Hon. DANIEL MOOKHEY: Just to be clear, denying that that advice was provided in June and/or July, you say it was done in May?

MATT LONGLAND: It has been discussed multiple times. It has been discussed as recently as this week. We were in bargaining with the combined rail unions on Wednesday of this week. There has been quite some discussion about the progress of claims and the drafting. My recollection is that the first time that it was formally put to the combined unions was when we closed out the intensive period and provided a list of those items that the rail agencies were supporting for consideration by government.

The Hon. DANIEL MOOKHEY: And that was via correspondence?

MATT LONGLAND: From memory it was via email, that's correct.

The Hon. DANIEL MOOKHEY: Do you mind tabling that on notice, if possible? That might just clarify it.

MATT LONGLAND: I'll look to get that email and we can see if we can get that tabled.

The Hon. DANIEL MOOKHEY: In the course of the negotiations that have taken place since March, they've involved at one point Minister Elliott directly. Is that correct?

ROB SHARP: Correct.

The Hon. DANIEL MOOKHEY: And it has involved Minister Farroway. Is that correct?

ROB SHARP: Minister Farroway was not directly involved in the negotiations. He was a support Minister to Minister Elliott.

The Hon. DANIEL MOOKHEY: What about now?

ROB SHARP: In the last two weeks in regards to the actual NIF deed, Mr Farroway has been working closely with a small group, including myself and Mr Collins, to work through with the RTBU the clauses. It is a very specific exercise.

The Hon. DANIEL MOOKHEY: Again, since March to date, they have also involved the direct intervention of Minister Tudehope attending meetings as well. Is that correct?

ROB SHARP: Minister Tudehope has been involved in the meetings. That is on the public record because the Premier issued a memorandum indicating that Minister Tudehope would work with Mr Elliott on this because of the broader government considerations.

The Hon. DANIEL MOOKHEY: And for a period of time Minister Ward was leading the negotiations. Is that correct?

ROB SHARP: Minister Ward was stepping in for Minister Elliott while he was on leave for a short period.

The Hon. DANIEL MOOKHEY: And Minister Maclaren-Jones, has she been involved?

ROB SHARP: No.

The Hon. DANIEL MOOKHEY: And Minister Kean, has he made an appearance in any of this?

ROB SHARP: No.

The Hon. DANIEL MOOKHEY: It is the case, though, that we have had, is it four Ministers, that have been the rotating cast of government leaders who have been involved?

The primary Ministers have been Minister Elliott and Minister Tudehope, who have attended a number of meetings directly with the CRU and senior executives of the unions, combined with the CEOs and myself.

The Hon. DANIEL MOOKHEY: How often have you been briefing the Premier on this, Mr Secretary?

ROB SHARP: The Premier has been briefed by the Ministers. You'd have to talk to the Ministers specifically.

The Hon. DANIEL MOOKHEY: Have you briefed him directly?

ROB SHARP: I've presented to ERC where he's been in attendance at the meetings, as have others.

The Hon. DANIEL MOOKHEY: Have you briefed him directly in a one-on-one meeting of any form?

ROB SHARP: Yes, I have.

The Hon. DANIEL MOOKHEY: When did you do that?

ROB SHARP: I would have to take on notice the date, but there have been at least two meetings where he's had briefings, and not just directly from me. There have been representatives from Transport and the Ministers, and we've briefed the Premier.

The Hon. DANIEL MOOKHEY: We ascertained from the last estimates round that at least one of them involved your first meeting with Minister Elliott in a while. Is that one of the meetings you're referring to?

ROB SHARP: No, it's not.

The Hon. DANIEL MOOKHEY: So there have been two since then?

ROB SHARP: Yes.

The Hon. DANIEL MOOKHEY: On notice you're going to provide us with the dates for that?

ROB SHARP: Yes, I can do that.

The Hon. DANIEL MOOKHEY: That was a direct meeting between you and Transport representatives and the Minister directly?

ROB SHARP: Yes.

The Hon. DANIEL MOOKHEY: Sorry, the Premier directly.

ROB SHARP: The Premier, yes.

The Hon. DANIEL MOOKHEY: Was that a meeting that you sought or a meeting that the Premier sought?

ROB SHARP: I would have to take that on notice. I believe the Premier sought it. There were conversations occurring with the Minister and those meetings took place.

The Hon. DANIEL MOOKHEY: What was the nature of the briefing you provided or you were asked to provide?

ROB SHARP: It's a confidential conversation and it's part of the process of the industrial relations negotiations. But basically at a macro level, Mr Mookhey, it was updates in regard to the status of negotiations.

The Hon. DANIEL MOOKHEY: When? Do you have no better recall as to when either of these two meetings took place? Is that right?

ROB SHARP: Sorry? Where they were—

The Hon. DANIEL MOOKHEY: You have no better recall about when either of these two meetings took place?

ROB SHARP: The timing?

The Hon. DANIEL MOOKHEY: Yes. It's been a long dispute.

ROB SHARP: They would've been probably back in May, June, around that period. It was when we were looking at presenting a package on behalf of the unions up to the ERC.

The Hon. DANIEL MOOKHEY: So in the last two months there's been no direct briefing provided by the Transport cluster to the Premier directly?

ROB SHARP: Not from myself, no. That's the Ministers and the updates through the ERC.

The Hon. DANIEL MOOKHEY: Yes, but not from the department.

ROB SHARP: They have been the forums.

The Hon. DANIEL MOOKHEY: I presume you're regularly keeping—you'd be available for any such briefing if requested by the Premier?

ROB SHARP: Yes, absolutely.

The Hon. DANIEL MOOKHEY: But no request has come in in the months of July or August that you're aware of?

ROB SHARP: No. The normal course of events is that the Ministers have that interaction with the Premier, and Cabinet Ministers would have daily conversations with the Premier.

The Hon. DANIEL MOOKHEY: That's speculation, isn't it? Are you speculating?

The Hon. SCOTT FARLOW: The Minister outlined that earlier in his evidence.

ROB SHARP: Mr Elliot actually said that this morning, so I'm not speculating at all.

The Hon. SCOTT FARLOW: He said they have daily conversations.

The Hon. DANIEL MOOKHEY: I'm being fair to everybody involved. Who are you exactly in this process, Mr Farlow? Are you Deputy Chair, or what? Let's just get back to what was going on with respect to your negotiations. Is it the case that on 4 and/or 5 August—this month—you provided the Combined Rail Unions with additional representations and correspondence?

ROB SHARP: No, there's been ongoing communication between myself and the unions, so I don't recollect what correspondence was specifically on that date.

The Hon. DANIEL MOOKHEY: Perhaps on notice do you mind just checking if there were any specific correspondence and meetings that took place on 4 and 5 August, Mr Secretary?

ROB SHARP: Will do.

MATT LONGLAND: I'll also check that, Mr Mookhey. I think that may well have been an update from the two bargaining leads—myself and Mr Merrick—but I'll check that. So 4 or 5 August?

The Hon. DANIEL MOOKHEY: Around then, around about that time, if that's possible. Mr Longland, in that, did you indicate that the ERC and PSER deliberations were now also likely to be subject to further internal Transport for NSW review and a further legal review?

MATT LONGLAND: Without having that said correspondence in front of me, I can't confirm that. But I can say, in terms of legal review, the Combined Rail Unions have a claim of combining both the New South Wales trains and the Sydney Trains agreements in one. So there is quite a significant redraft under way to combine the two EAs and to ensure that the clauses connect with each other. That has required significant legal review. So it's quite likely that if I had corresponded I would've mentioned that.

The Hon. DANIEL MOOKHEY: Thank you, Mr Longland. Is it the case that as a result of the process you just described, you indicated to the Combined Rail Unions that 12 previously agreed claims had now been unagreed?

MATT LONGLAND: Again, I can't speak to the detail. I can say that of the 70 or thereabouts claims that we took forward out of the intensive bargaining period, those claims were subject to government consideration and review. There were a number of those claims that we then corresponded back to the Combined Rail Unions, that there had been some change to our position from the intensive bargaining period, and we are working through those. We worked through probably five or six issues, or maybe seven issues, last Wednesday—a couple of days ago. We are meeting with the Combined Rail Unions again next Monday. So we're continuing to negotiate. We haven't got a final position at this stage.

The Hon. DANIEL MOOKHEY: But it is clear that in respect to a number of the matters that were agreed in the intensive bargaining period, they were unagreed following the legal review. Is that correct?

MATT LONGLAND: In terms of the word "unagreed", I think the advice that we have provided at a number of periods during this negotiation has been an update to our agreed position. That position will continue to change until we finalise the negotiations. In terms of the number of claims, for those sorts of things I would need to have a look at that correspondence to confirm that.

The Hon. DANIEL MOOKHEY: Just to be clear here, you're not disputing the fact that certain matters that were agreed, around about the start of this month, by the Transport cluster representatives were withdrawn for the reasons you just gave.

MATT LONGLAND: The language I would use would be a number of claims that were supported by the rail agencies were subsequently not approved in terms of the drafting or the wording or the policy or the budget as part of that government approval process. However, the negotiation is not yet over. So those items are continuing to be negotiated on.

The Hon. DANIEL MOOKHEY: That's helpful context, Mr Longland. When you say that they weren't approved, who withheld approval in respect to those particular matters that required the revisions that you are now describing? Was it you who decided or was it someone else?

MATT LONGLAND: There were a number of items that were considered by government and not approved. So they were some of those items.

The Hon. DANIEL MOOKHEY: When you say "considered by government", are you talking about other agencies of the Government or are you talking about the Cabinet?

MATT LONGLAND: I am talking about the Cabinet specifically. There were a number of items that were taken forward for consideration that were not approved—claims that were supported by the rail agencies. There were a number of other areas where, on consideration and on receiving advice from the PSER, we reconsidered our position to ensure that we were consistent with government policy. And there were other areas that we were working through and drafting, as we still are.

The Hon. DANIEL MOOKHEY: I appreciate that, Mr Longland. There are now the three categories, which is probably the right way to work through this. There are the matters which were agreed to by the rail agencies but then not agreed to by the Government. The third category I specifically recall was matters that require further discussions following legal advice. Is that fair?

MATT LONGLAND: Yes, which is ongoing. Correct.

The Hon. DANIEL MOOKHEY: Then the second category was decisions that upon reflection were not in keeping with government policy. Is that a fair way of surmising them?

MATT LONGLAND: Items following advice across government where we reconsidered our position across the rail agencies. Correct.

The Hon. DANIEL MOOKHEY: Let's go through the matters that were originally supported by the rail agencies that were not supported by the Government. What are we talking about?

MATT LONGLAND: I can't go into the details of what went to Cabinet and what came out. That's Cabinet in confidence.

The Hon. DANIEL MOOKHEY: Was it the domestic and family violence leave and support entitlements claims by the Combined Rail Unions that were agreed to by the rail agencies and then withdrawn following disagreement by the Government?

ROB SHARP: Mr Mookhey, Minister Elliott spoke specifically to that this morning. He's very supportive of it. He continues to be supportive of it. The RTBU and CRU have been looking for 20 days. There are 10 days in there at the moment. There has been considerable discussion at all levels of government on that particular matter.

The Hon. DANIEL MOOKHEY: Just to be very clear here, I think you'd find that the ASU is equally as interested in this particular matter as the CRU unions.

ROB SHARP: They are. As an agency, we fully support the protection of women in these circumstances and, as Minister Elliott mentioned this morning, men who find themselves in that situation as well. The debate is one of policy across whole of government and, as I've mentioned, there have been many conversations in many meetings on this topic for some months.

The Hon. DANIEL MOOKHEY: That's, again, very helpful context, Mr Sharp. But Mr Longland, just to be very clear here, you're not prepared to disclose items that were agreed to by the rail agencies and that the Government then rejected, despite your support?

MATT LONGLAND: That's correct. I can't go into the details of what Cabinet considered and what Cabinet agreed. That's correct.

The Hon. DANIEL MOOKHEY: Thank you. Certainly, the combined rail unions are making the point that they thought that they were at agreement when it came to matters as important, to be clear, as carer leave improvements. Which of the three categories does this fall into?

MATT LONGLAND: If you are referring to the requirements or the extension of carer's leave for those partners that don't live in the same household—

The Hon. DANIEL MOOKHEY: People who are not necessarily in traditional relationships, yes.

MATT LONGLAND: That was an item that we considered across Government. We put a position to the combined rail unions. We bargained on that in good faith on Wednesday and we have actually agreed the position of the combined rail unions. That, I guess, demonstrates that we are continuing to negotiate, and we have not yet landed the final package.

The Hon. DANIEL MOOKHEY: You said that you had agreed that last Wednesday?

MATT LONGLAND: Wednesday just gone—two days ago.

The Hon. DANIEL MOOKHEY: But it is the case that, a month ago, you had reversed an earlier agreement. Basically, two days ago you restored an agreement that we already had from the May intensive. Is that a fair reflection of events?

MATT LONGLAND: I don't support the premise of your question in that we're approving and unapproving. What we are doing is updating our position as we move through the bargaining process. We're doing so in a transparent way. We're regularly updating the combined rail unions. We're engaging regularly. We're engaging in debate. We're hearing the various points of view across multiple unions. We're considering that, and we are updating our negotiating position as we move along. The carer's leave item's a very good example of that.

The Hon. DANIEL MOOKHEY: I respect the use of language, Mr Longland, but it is the case that some form of an agreement was reached in respect to, for example, carer's leave in the May intensive. In July the Government or the rail Transport cluster representatives reversed their position. Then, two days ago, you restore your position. Just as a matter of fact, are they the three events which took place in that chronology?

MATT LONGLAND: Again, I think I prefer to describe it that we supported a package of claims, 70 claims or thereabouts—it might've been 72—coming out of the intensive period. They were very much on the basis that they were the items that the two rail agencies, Sydney Trains and NSW Trains, were prepared to stand behind and take forward for consideration through Cabinet and also to engage across government, including taking advice from the PSER. Our position on a number of those claims did change as a result of the approval processes through government and the advice we received across government. However, where we had issues and where we were able to move, we've demonstrated that we can negotiate and bargain in good faith to get an outcome that's agreeable to all parties.

ROB SHARP: Mr Mookhey, the negotiations that take place at the delegate level are without prejudice. We still need to consult across multiple stakeholders. I understand there is some frustration on some of the delegates who feel that things have been agreed, but it was always subject to input from consultation. We could probably streamline that process somewhat, but ultimately it is an iterative process. As Mr Longland indicated, we're still in that process, and we are able to close the gap and agree some of these.

The Hon. DANIEL MOOKHEY: Mr Secretary and Mr Longland, I don't necessarily disagree with you. Industrial negotiations are all conducted on a without-prejudice basis until an agreement is reached. But the reason why, I guess, I'm asking you these specific questions is because the Government has represented that it's simply been the case that the combined rail unions, to use the Minister's term, have been moving the goalposts. But the actual substance of the matter is that, certainly, if the unions have been doing that, so has the Government. There are matters which the Government has or the Transport cluster representatives have indicated a position on. Then, all of a sudden, that position then changes as well. So I guess what I'm putting to you is that your agencies have been reversing positions as much as the unions have, haven't they?

ROB SHARP: Minister Elliott spoke to that terminology this morning, about moving the goalposts. There are certainly examples where we feel nuances change and therefore it changes the nature of what we thought we were negotiating. I'm sure, on the flip side, there would be similar feelings. But how you would describe it—that was how the Minister described that this morning.

The Hon. DANIEL MOOKHEY: To be very fair to you, Mr Sharp, you didn't use the term.

ROB SHARP: No.

The Hon. DANIEL MOOKHEY: Neither did you, Mr Longland. But it is the case that from the perspective of the combined rail unions—to be fair, from the perspective of the public, in some respect—we've had five Ministers come in and out of this process in the last eight weeks, for reasons that you specified. But equally we've had you and your agencies diligently working towards a position, and then we've had decisions of

Government that perhaps may have taken place unbeknownst to you and which have basically undercut you. Is that fair?

ROB SHARP: Look, the decision of Government for the agency sits squarely with Cabinet. It's obviously of interest to us what various Ministers' views are, but ultimately they get discussed and debated within the Cabinet room and there is a decision made, and the Premier is the ultimate decision-maker. For us, we stick to the process. We make sure that we brief the Ministers and we make sure that that decision process ends up in the ERC.

The Hon. DANIEL MOOKHEY: Yes. What advice have you provided Minister Elliott that would allow him to say that he's preparing radical options?

ROB SHARP: I've not spoken to Minister Elliott about radical options. I wait with interest for his memoirs.

The Hon. SCOTT FARLOW: As do we all.

The Hon. SHAYNE MALLARD: So do the lawyers.

The Hon. SCOTT FARLOW: Maybe Daniel's ones with Alex Claassens.

The Hon. DANIEL MOOKHEY: Have you discussed with him when exactly he is intending to publish his memoirs? Has he sought the access to information you can release?

ROB SHARP: I'm not on a commission basis, so no.

The Hon. DANIEL MOOKHEY: Has he sought permission from you, as the owner of that information, to release certain information for his memoirs or not?

ROB SHARP: No, I'm not privy to that.

The Hon. DANIEL MOOKHEY: To his memoirs? That's fair.

ROB SHARP: We have a number of conversations with Minister Elliott—

The Hon. DANIEL MOOKHEY: Mr Sharp, you're highly persuasive when you tell me that you're not privy to the writing of his memoirs. You're not ghostwriting it, just to be clear? Okay, good to hear. Just to be clear here, you are preparing contingency options, aren't you?

ROB SHARP: As Minister Elliott indicated, there are always legal options available. At the moment, we're in full dialogue with the unions. We're basically in daily meetings. I think the last call I've had the last two nights is with Alex Claassens. I'm not quite sure what that means for my life. At the end of the day, we're in good-faith negotiations right at the pointy end, hopefully, of a deal. We're focused squarely on that. We're squarely focused on securing a negotiated deal that works for both the unions and their members as well as for the Government.

The Hon. DANIEL MOOKHEY: Are you telling me you're doing no scenario planning on behalf of the Minister or the Government?

ROB SHARP: There's no scenario planning. What we are doing is just ensuring that everyone's across their legal options. There's no scenario planning occurring.

The Hon. DANIEL MOOKHEY: So what conversations have you had with PSER or DPC, which PSER sits within, around the potential termination of the industrial agreement?

ROB SHARP: I have a forum with PSER where they attend. We've got multiple stakeholders, so one of the governance structures is a regular meeting with representatives from the Premier's office, Minister Tudehope's office and other stakeholders. This is partly to keep them across the cut and thrust of the negotiations—

The Hon. DANIEL MOOKHEY: Who from the Premier's office attends?

ROB SHARP: —and I've not had conversations with them in regards to termination.

The Hon. DANIEL MOOKHEY: Who from the Premier's office attends that forum?

ROB SHARP: A policy adviser, Monica Tudehope.

The Hon. DANIEL MOOKHEY: Sorry? Oh, yes, a policy adviser. The Premier's policy director.

ROB SHARP: Correct.

The Hon. DANIEL MOOKHEY: And Mr Coutts-Trotter is there?

ROB SHARP: Indeed.

The Hon. DANIEL MOOKHEY: And you are there?

ROB SHARP: Yes.

The Hon. DANIEL MOOKHEY: Mr Longland, are you there?

MATT LONGLAND: No, I'm not.

The Hon. DANIEL MOOKHEY: Who else from Transport attends?

ROB SHARP: The head of People, Tracey Taylor, attends.

The Hon. DANIEL MOOKHEY: Is that the only representative from Transport who attends?

ROB SHARP: There are people who will attend to talk to a particular topic, but it's basically me providing an update to those senior—

The Hon. DANIEL MOOKHEY: How often does this meet?

ROB SHARP: Once a week. At the moment, it's two or three times a week because we're at the pointy end of a negotiation.

The Hon. DANIEL MOOKHEY: Are you telling me that in that forum it has never been raised—the option of terminating the industrial agreement?

ROB SHARP: You asked, "Are we actively working on a termination approach?" The answer is no.

The Hon. DANIEL MOOKHEY: Has it ever been raised in that forum?

ROB SHARP: That forum is not geared to that. That forum is geared to me updating them on negotiations and what claims are outstanding, so we can actually work and try to expedite getting a good-faith deal done. That's the nature of that forum. These are governance structures.

The Hon. DANIEL MOOKHEY: You are quite right in saying, Mr Secretary, that I didn't ask you that question—so I'll ask you that question now.

ROB SHARP: What specific question, Mr Mookhey?

The Hon. DANIEL MOOKHEY: In the forum that you just described, has there ever been a discussion around the potential of terminating this agreement?

ROB SHARP: There has been no discussion specifically on it. However, what I will say is termination is a legal option, as is going to Fair Work—all the usual mechanisms that you'd be very familiar with.

The Hon. DANIEL MOOKHEY: So have you had any discussions—

ROB SHARP: But as the Minister said this morning, we've committed to working in good faith to get a deal done, and that's what we're working on.

The Hon. DANIEL MOOKHEY: Have you had any discussions with any person whatsoever, from any agency or from the Government, or from a Minister or a Minister's office, which has sought your views as to the practicalities or otherwise of terminating the industrial agreement?

ROB SHARP: No-one's asked me.

The Hon. DANIEL MOOKHEY: Have you volunteered that view yourself?

ROB SHARP: No. What I will say is—

The Hon. DANIEL MOOKHEY: What about to Ms Taylor?

ROB SHARP: —everyone is aware that we have those options. But, as I've indicated, all the effort and focus is on closing the deal.

The Hon. DANIEL MOOKHEY: Yes, Mr Longland? Have you been party to such discussions, at all, at any level, with anyone?

MATT LONGLAND: No. No, I haven't.

The Hon. DANIEL MOOKHEY: What about Ms Taylor? Have you had discussions with her about this as an option, Mr Sharp?

ROB SHARP: Any meeting that Ms Taylor has had with those relevant departments, I've been at. She's not here. You'd have to ask her, but as far as I'm—

The Hon. DANIEL MOOKHEY: No, I'm asking, with you directly?

ROB SHARP: As far as I am aware, no.

The Hon. DANIEL MOOKHEY: But I'm asking about you, with her, directly?

ROB SHARP: No.

The CHAIR: It now being 3.30 p.m., we're going to break for a 15-minute tea break.

(Short adjournment)

The CHAIR: We will go back to the Opposition for questions.

HOWARD COLLINS: Thank you for the tea.

The CHAIR: You are very welcome.

The Hon. DANIEL MOOKHEY: In respect of the tea, don't mention it. The last time someone did, Treasury took it off us.

MATT LONGLAND: Put it on record.

The Hon. DANIEL MOOKHEY: That's a true story. We are not making that up.

PETER REGAN: They don't give us tea either.

The Hon. DANIEL MOOKHEY: I may well consider the tea policy issue if there is a change in government. Can I just ask you a few more questions around the rail matter? Mr Secretary, are you making preparations to present the agreement to rail employees via a ballot in the next month?

ROB SHARP: What we are doing is working to a point where we've actually got claims and an agreed—not agreed, a circulated EA with the unions. We are still needing to achieve milestones before we could go out for a vote. We have been very open, though, that we are keen to go to a vote. But we would prefer to go to a vote with an agreed position with the collective unions.

The Hon. DANIEL MOOKHEY: But should you not reach an agreed position, will you be going to a vote?

ROB SHARP: That would be a decision for Cabinet and that hasn't occurred yet because we haven't presented a definitive, final position to the Government to consider.

The Hon. DANIEL MOOKHEY: But is it likely that you'll be in a position to provide such advice by the end of next week?

ROB SHARP: It will come down to where we land on the negotiations. I mean, the reality is, we would love to put something up to Cabinet sooner rather than later. However, that is still subject to quite complex negotiations on the technicalities of the NIF deed and also landing a position on the claims. As we have publicly said, we are aiming to meet with the unions extensively next week. It would be really good if we could get to a point where we can agree those core differences over the coming days.

The Hon. DANIEL MOOKHEY: But just to be clear, the Government is reserving its right to present—as it is its right, by the way; I mean, it is well within the law—its offer as an agreement to the people who are subject to that agreement even if it is not agreed to by the combined rail unions for approval.

HOWARD COLLINS: Yes. Mr Mookhey, I think in 2018, whilst the union weren't fighting us to say they didn't want to go to vote, we didn't have their approval, but after extensive negotiations and discussions in 2018 we did go to the members of staff and trade unions—

The Hon. DANIEL MOOKHEY: Hence my point, Mr Collins: It's nothing illegal; nothing inappropriate. What I'm asking is whether or not that is a scenario for which you are currently planning?

ROB SHARP: It would be a scenario that depends on how far we progress over the coming week. As I indicated, the best case would be we all lock ourselves in a room for a few days and we actually agree core issues. We've stepped up to this plate three or four times in the last six months. Ultimately that's, if you like, the gate for that decision.

The Hon. DANIEL MOOKHEY: And you're anticipating that you will be in a position to provide advice to the Government either way by the end of next week?

ROB SHARP: We'd be certainly at a minimum providing an update on our view at the end of next week.

The Hon. DANIEL MOOKHEY: Fair enough. Mr Longland, congratulations, you got a 14.3 per cent increase in the recurrent side of your budget. What are you going to do with this windfall?

MATT LONGLAND: Thank you for the question. It's a large and complex budget in terms of the operating budget. The movement year on year is made up of a whole range of factors, particularly as we recover from COVID.

The Hon. DANIEL MOOKHEY: You got \$600 million more. What are you going to do with it?

MATT LONGLAND: Some of that funding will offset changes in the access and licensing arrangements for TAHE for the use and licensing of the rail assets. There is also COVID cost recovery, particularly around patronage and managing the fare box—those sorts of things.

The Hon. DANIEL MOOKHEY: I'm going to presume 2.5 per cent of it is in order for you to fulfil the requirements of the Government's wage policy. Is that correct?

MATT LONGLAND: Correct. Payroll goes up every year.

The Hon. DANIEL MOOKHEY: Yes. How much of it is a result of additional access fees charged by the Transport Asset Holding Entity?

MATT LONGLAND: Just let me have a look at the figures. The licence and access fees this current financial year 2022-23 for Sydney Trains will be \$662.6 million.

The Hon. DANIEL MOOKHEY: And that is how much higher from last year?

MATT LONGLAND: Last financial year was \$437 million for 2021-22.

The Hon. DANIEL MOOKHEY: How much was it the year before?

MATT LONGLAND: I wasn't here the year before, but I think the last year, 2021-22, was the first year of access fees and licence fees being paid to TAHE from memory.

The Hon. DANIEL MOOKHEY: That \$400 million reflects the upward revision that took place in the half-year review and then there's been an additional \$200 million between the half year and the full year. Is that correct?

MATT LONGLAND: I think the changes in 2021-22 were—2021-22 was locked in prior to the renegotiation. The discussions commenced in December and the outcome of that renegotiation wasn't finalised until very late in the financial year. So that new methodology for calculating licence fees and access fees was applied to 2022-23 and beyond so this current financial year.

The Hon. DANIEL MOOKHEY: Indeed, and the Auditor-General has helpfully charted the projected access and licence fees until the end of the decade, which she confirmed in 2021-22 was to be 680, but she projected that for this financial year it would be, between you and, to be fair, NSW Trains, \$1.081 billion. Is that still your view as to what the joint contribution is likely to be?

MATT LONGLAND: I can't speak for NSW Trains, but I can say for Sydney Trains, 2022-23 is \$662.6 million.

The Hon. DANIEL MOOKHEY: Do you have the same figure for 2023-24?

MATT LONGLAND: No, I don't have it in front of me, I'm sorry, but we could check that.

The Hon. DANIEL MOOKHEY: Could you on notice tell me what the figure is for 2023-24 as you understand it? Can you also tell me for 2024-25 what you understand it to be? What happens in 2025-26 with your access fees?

MATT LONGLAND: Access fees change every year so it depends on the changes to the asset base. Every year we undertake operational maintenance, so we fund that ourselves through the Sydney Trains budget and TAHE fund capital improvements—so renewables and those sorts of things to our asset base. New assets come online, whether that be rolling stock, stations, those sorts of things, car parks, any of those improvements. That will affect the asset base which will then flow through to licence and access fees, so the figure will change year to year even though we've got a forward sort of profile.

The Hon. DANIEL MOOKHEY: Again, we have a forward profile from 2024-25 onwards and 2025-26. It says in 2025-26 between the two organisations you'll be paying more than \$1.6 billion in access fees.

But the reason I ask is because this is the first budget in which 2025-26 is now within the forward estimates, but also the Auditor-General has screamed from the rooftops that there has been no funding decision made in terms of funding you to pay TAHE's access fees beyond 2025-26. So, given last time we had a conversation on this, Mr Longland, you were meant to enter into a heads of agreement with TAHE or update the heads of agreement, have you reached an agreement yet?

MATT LONGLAND: Yes. We worked through that process. We agreed to the heads of agreement renegotiation in December and then we worked through that process. I think it was completed in around about May, and Transport were a part of that as well.

The Hon. DANIEL MOOKHEY: By any means, can I invite you to table that agreement on notice, if possible?

MATT LONGLAND: I would need to have a look at the details, but, yes, that's—so this is the agreement between NSW Trains, Sydney Trains, Transport for NSW and TAHE on the access and licence fees.

The Hon. DANIEL MOOKHEY: Yes. Mr Secretary, can you give us any insight as to whether or not Sydney Trains will have its budget increased from 2025-26 onwards in order to pay TAHE's access fees?

ROB SHARP: The process, Mr Mookhey, is for us to table our forward projections for the forwards as well as for the next four years. That's a rolling basis. That process would continue. We would table that as part of our appropriation request. As with every budget, with every line item, the Government looks at that and debates where the priorities are, and we align our budgets to the Government priorities, and then the appropriation is allocated.

The Hon. DANIEL MOOKHEY: That is true.

ROB SHARP: We would request that through that process.

The Hon. DANIEL MOOKHEY: Hence it's inside this year's forward estimates. So I am wanting to know, given that it is now within the forward estimates period, as to whether or not you have made the request for an increase for the budget for Sydney Trains in order to facilitate their payments to TAHE—because otherwise they don't have any money.

ROB SHARP: We have put those dollars into the budget request, and that includes the four years and the 10 years.

The Hon. DANIEL MOOKHEY: Thank you, Mr Secretary. That's helpful. Mr Longland, it's all swings and roundabouts when it comes to your budget because, even though your operating side has gone up by 14 per cent, your capital budget has been cut by 41.2 per cent. Why did you lose 41.2 per cent of your capital budget?

MATT LONGLAND: Thank you for the question. On capital funding, Sydney Trains actually has a relatively small budget.

The Hon. DANIEL MOOKHEY: Well, now it's more.

MATT LONGLAND: The majority of capital improvements are delivered through the Infrastructure and Place team in Transport. So Ms Drover and her team deliver a number of capital improvements on the rail network for us, and they are funded through either TAHE or Government injections into the Transport budget.

The Hon. DANIEL MOOKHEY: This is why we have been worried now, Mr Longland, because TAHE's asset management plan from December 2021 says that there will be limited investment by them in Sydney's rail network from 2024-25 onwards. Mr Secretary, why is the Government not investing in our rail network beyond 2024-25 or limiting its investment?

ROB SHARP: Look, that would be a question for Government. I am not sure about the premise of it. From Transport's perspective, we have asset plans. We have asset management systems in place where we look at replacements and the need for replacements, and we have forecast those into our budget process.

The Hon. DANIEL MOOKHEY: But as a board member of the Transport Asset Holding Entity, who is there by virtue of you holding the secretary's position, you would have agreed to the TAHE strategic asset management plan, wouldn't you?

ROB SHARP: It would be inappropriate for me to talk about whether I support or not support anything in my participation on the board. Obviously, I am aware of it.

The Hon. DANIEL MOOKHEY: Why is it inappropriate?

ROB SHARP: Because it's a board deliberation. You're going to have differing views around the table. As a general practice, I wouldn't talk about conversations I have at the TAHE board.

The Hon. DANIEL MOOKHEY: To be fair, I am not inviting you to canvass the deliberations. I am asking you whether as a member of the board, who is there by virtue of your secretaryship, you would have approved the TAHE asset management plan.

ROB SHARP: I don't approve the plan; the board approves the plan. So that means all of the directors vote and, ultimately, the chair records that decision through the minutes. I believe the plan was endorsed by the board.

The Hon. DANIEL MOOKHEY: Well, it just makes it very—

ROB SHARP: I was part of that process. It's a technicality, I know, but it's important.

The Hon. DANIEL MOOKHEY: No, it's important, and I appreciate it. But that plan makes clear as crystal that funding for the entire rail network will be cut to \$50 million per year from 2025 onwards by the Transport Asset Holding Entity. Do you know why, given you are also the maintainer of the assets that actually perform the work for TAHE?

ROB SHARP: Correct.

The Hon. DANIEL MOOKHEY: So we are getting less revenue in. That's actually also disclosed in the budget. There is less being paid for accessing transport services by the TAHE. So what's going on? Why are we cutting back?

ROB SHARP: I would have to look at the numbers, Mr Mookhey. I don't recollect that level of detail, and I am happy to take it on notice in terms of what it's meaning. I am not sure of the connection through to our accounts, just talking here without the detail.

The Hon. DANIEL MOOKHEY: But, equally, it's clear that the signalling and control systems that Mr Longland has to rely upon are facing obsolescence, yet we're not actually providing the funding for it.

ROB SHARP: You're talking about specific projects. Happy to pass to Ms Drover just to give you a sense of that, because there are investments happening in the rail system.

The Hon. DANIEL MOOKHEY: I'm asking specifically about the forecast maintenance level for the network.

ROB SHARP: Yes.

The Hon. DANIEL MOOKHEY: Mr Longland, given you're a user of the network, are you satisfied that the people that you're paying to access the assets don't seem to be making an investment in the network you're meant to be relying on?

MATT LONGLAND: Thank you for the question. The maintenance of rail assets does sit within Sydney Trains. We've got a 10-year maintenance outlook. We invest around \$1.5 billion a year on maintaining the rail asset. That's a mixture of capital funding for renewals and operating funding to maintain the asset, the rolling stock and the equipment that we use on the network. The process for funding the asset and services plan has remained the same, so we work through Transport and then Transport work through TAHE around the mix of capital funding and operating funding to ensure that we can have the asset at the right standard to deliver the right service outcome.

The Hon. DANIEL MOOKHEY: Indeed, but it just seems as though—

ROB SHARP: Mr Mookhey, my CFO has just confirmed that the access and licence fees are fully funded for the next 10 years for the Transport budget.

The Hon. DANIEL MOOKHEY: Thank you, that's helpful. I do appreciate that extra information, and is that in accordance with the projections that are set out by the Auditor-General in the State accounts?

ROB SHARP: It would be in accordance with the budget that we've just prepared. It'll be similar to the profile that you saw, but there's been a negotiation. As Mr Longland indicated, the timing of some of those asset deliveries does move, but that profile is reasonably consistent with what would be approved in the budget.

The Hon. DANIEL MOOKHEY: Thank you, Mr Sharp, that's really helpful. How many Waratah sets will be purchased under the Government's existing More Trains, More Services policy?

CAMILLA DROVER: I can talk to that.

ROB SHARP: Ms Drover can give you the details.

CAMILLA DROVER: We have acquired Waratah series two trains as part of MTMS2. That work is complete; they're in service. We bought an additional—41 was the total, but I think it was an additional 17 under MTMS2.

The Hon. DANIEL MOOKHEY: Are there no plans to replace the K-sets, V-sets and T-sets of carriages and trains, even though all of those variants of rolling stock have either reached or are about to reach the end of their 30-year life span?

MATT LONGLAND: I'm happy to take that question, Mr Mookhey, in relation to rolling stock. As you say, the K-sets and the V-sets are approaching end of life. But they are continuing to be maintained by Sydney Trains, by our own people at Flemington. We're investing in the life of those assets while we await the rollout of the new intercity fleet. When the new intercity fleet are put into service on the intercity corridor, the K-sets, otherwise known as the Oscars, will cascade into the suburban fleet. They will continue to be operated then by Sydney Trains as suburban rolling stock, but that will allow us to retire the V-sets and the K-sets.

The Hon. DANIEL MOOKHEY: What about the C-sets and the T-sets?

MATT LONGLAND: The C-sets have already been retired, so they're no longer operating. The T-sets that were otherwise known as the Tangara trains are currently undergoing an upgrade, the Tangara Technology Upgrade project. It's being delivered and it's being managed by Sydney Trains, currently in delivery. I think the first train that has been upgraded is currently in test. That's a \$107 million program of work, and that will deliver a number of upgrades to the system to make sure we can keep that train operating reliably. Subject to further upgrades, we're able to operate the T-sets through until around about 2035. That investment decision for the new rolling stock to replace the T-sets is some time away.

The Hon. DANIEL MOOKHEY: Okay, but it is the case that they are reaching the end of their 30-year life span?

CAMILLA DROVER: And the upgrade program will be finished in the 2023-24 year.

The Hon. DANIEL MOOKHEY: Okay, so we're intending to run them for longer, subject to the maintenance parameters that you've just described?

MATT LONGLAND: What we consider to be end of economic life—if you keep upgrading trains and upgrading the systems, you can continue to operate them, but the economic life we consider for the T-sets is around about 2035. That gives us some time to consider what the next tranche of rolling stock might look like to replace the T-sets.

The Hon. DANIEL MOOKHEY: On notice or now, do you have the cost of those upgrades? What was the forecast final cost of all those upgrades?

ROB SHARP: The technology project?

MATT LONGLAND: Stage one of the Tangara Technology Upgrade project is \$107 million. That's works that are currently being delivered. And should we choose to invest in the future stage, I think the estimate is \$211 million.

The Hon. DANIEL MOOKHEY: How many carriages on the Greater Sydney rail network are expected to reach the end of their life in the next five years?

MATT LONGLAND: I would need to take that on notice to get you a specific figure. But, in terms of the fleets that operate across the Sydney network, the K-sets would be the trains that would be approaching end of life over that period. We've got, from memory, about 28 car sets that operate on the Ks. They tend to not operate every day. They are put into service depending on the needs around other rolling stock that aren't operating. So they are not operated as regularly as the other sets. The other fleet would be the V-sets that operate on the intercity network. Again, that's not part of our operation but we do maintain those V-sets for NSW Trains.

The Hon. DANIEL MOOKHEY: Just to be clear, I was talking about the Greater Sydney rail network, but I appreciate the extra context. Is it the case that you are expecting around 660 carriages to expire in the next five years from their ordinary life span?

MATT LONGLAND: This will test my maths. There are 20 K-sets, eight-car sets, so that would be 160 cars in the K-set consists. V-sets I don't have the figure on at the moment. But they would be the two classes of rolling stock that are approaching end of life. As I said, we are investing in the Tangara trains at the moment. I think there are 55 eight-car sets in the Tangara trains. They will be life extended to allow us to operate them for a longer period.

The Hon. DANIEL MOOKHEY: Are you anticipating any form of a shortfall?

MATT LONGLAND: At this stage, we are not anticipating a shortfall. But it's very much dependent on the future timetable iteration, particularly as the Sydney Metro City & Southwest is delivered and put into service. That will change the way we operate the Sydney Trains network and will allow us to rethink how we operate specific corridors and rolling stock requirements attached to that. That work is underway. But certainly there's not something that's an immediate issue in terms of rolling stock shortage.

The Hon. DANIEL MOOKHEY: But that's subject to the timetable. That does actually restrict our ability to introduce new services, I presume.

MATT LONGLAND: I guess the three real components around new services are track capacity, rolling stock and also train crew to make sure that we've got—other than, obviously, funding is the other one and that you can afford to run the services. But, yes, there are a range of factors that go into the timetable development process, including where is the demand. As we know, there has been a significant change in the demand profile post-COVID. We are currently a little under 60 per cent. I think we are at 55 per cent of our pre-COVID patronage. We expect it will take some time to recover the patronage number, which would then obviously delay the need for growth services that would add capacity across the Sydney Trains network, particularly as we add capacity through the Sydney Metro City & Southwest project.

The Hon. DANIEL MOOKHEY: The Tangara Technology Upgrade program was tendered first in 2014, wasn't it?

MATT LONGLAND: I don't have the background on the TTU project. I was obviously appointed mid-last year. The program of work that we are delivering is managed in-house by Sydney Trains so I am very confident and very familiar with the current budget of \$107 million. In terms of previous works and time lines, that is something that I'm happy to take on notice, unless anyone else wants to comment on that. I'm not sure if Ms Drover has any details.

CAMILLA DROVER: I believe there was some scope change to that project. Once again, it was before my time.

The Hon. DANIEL MOOKHEY: It certainly seems as though it was tendered in 2014, which—now I am doing my maths—appears to be about eight years ago. When is it finishing again?

CAMILLA DROVER: Financial year 2023-24.

The Hon. DANIEL MOOKHEY: So it is taking us more than a decade, is that fair?

MATT LONGLAND: Again, I'm not familiar with the 2014 details. The works that we are managing in Sydney Trains commenced—as I said, the first train is in test. I think we started the works to that train in around August or September last year. So that has been underway in the previous financial year.

The Hon. DANIEL MOOKHEY: But it's late, is that fair?

MATT LONGLAND: Again, I'm not sure about the background and when it was committed and when it was started. The current program of work and the current schedule for the works that are being undertaken in Sydney Trains is on schedule.

CAMILLA DROVER: I can add that I understand that when those works were undertaken, it was discovered that not every train was the same. There was a high degree of variance in the arrangement of the trains. So that did add to the time frame to complete that project.

The Hon. DANIEL MOOKHEY: But we commenced this project about a decade before the Tangaras were meant to end their natural life, and that decade has almost gone and we're still upgrading the trains. So it appears as though something went wrong.

ROB SHARP: Well, there have certainly been delays, as Ms Drover indicated.

The Hon. DANIEL MOOKHEY: Okay.

ROB SHARP: But we'd have to go back to the details to see what that original time line was. Presumably, it was aligned with the aging of the fleet as the fleet hit age points.

The Hon. DANIEL MOOKHEY: Deputy Chair, I have questions for Commissioner Wing but it's almost certain I will have to put them on notice as I work through them. So I don't want to detain Commissioner Wing any further.

The Hon. SCOTT FARLOW: I suspect that Ms Boyd has no questions for Commissioner Wing. So, Commissioner Wing, we're very happy to dismiss you this afternoon.

ANTHONY WING: Thank you very much.

(Mr Anthony Wing withdrew.)

The Hon. DANIEL MOOKHEY: I might just turn to some of the remaining questions for Mr Regan, because he certainly looks like he'd like to go—as do you all.

The Hon. SCOTT FARLOW: Shall I ask as well the officers from western Sydney perhaps?

The Hon. DANIEL MOOKHEY: The officers from western Sydney aren't here. Mr Regan, I know my colleagues were asking you this morning about the Sydenham to Bankstown aspect of the conversion.

PETER REGAN: Yes.

The Hon. DANIEL MOOKHEY: Is it going to happen in '24?

PETER REGAN: As I said this morning, unfortunately there has been a pretty significant impact on the works that we had scheduled over the past six months and that impact from the industrial relations issues with Sydney Trains has had a significant impact on when we've been able to access the railway to do some of the preparatory works before that conversion takes place. So we've always been targeting bringing services in in 2024. At this stage, I don't have clarity as to when I'll be able to get access to be able to continue those works. So it is quite difficult at the moment to put a definitive date on when those works would be completed, and we're needing to work with Sydney Trains to see what other access arrangements can be put in place. But, at the moment, it certainly is an unfortunate impact.

We're doing the works that we can, Mr Mookhey. Off the direct alignment we're continuing to work where possible. But we have suffered around 40 cancellations of full work shifts over the past six months. That's 20 days of full work over a series of possessions and then the flow-on impact of that has created a pretty significant delay. So we're working to see how we can mitigate that and, in doing so, there's quite a balance to be found in the future to still get onto the networks and do those works. That requires further closures of the railways, so trying to find that balance between the most efficient way to catch up work versus not adversely impacting customers is what we're working through with our colleagues at Sydney Trains and across Transport as well.

The Hon. DANIEL MOOKHEY: Mr Regan, on a second and unrelated matter, right now, is Sydney Metro developing plans for housing above railway stations you would control?

PETER REGAN: Sorry, could you just say that again?

The Hon. DANIEL MOOKHEY: Is Sydney Metro developing plans for housing above railway stations you would control?

PETER REGAN: So you will be aware that throughout the metro network there have been significant works that we've done to facilitate broader precinct development and precinct activation around the railway. The plans have been very public around our joint venture with Landcom in the north-west, which is not directly above the railway but adjacent to the railway and that does include significant housing and other community and commercial premises. Through the city section of the city and south-west line, we have got a number of arrangements in place—again, these are all public—for development above and around the station, and some of that does include housing. But that's something that's public.

The Hon. DANIEL MOOKHEY: On notice, are you able to provide me with the number of square metres or hectares of land and air space which are part of that precinct development?

PETER REGAN: I'm certainly happy to take away and see what I can provide on that.

The Hon. DANIEL MOOKHEY: Thank you. And what proportion of such housing is being set aside for affordable housing?

PETER REGAN: Certainly for the existing Metro Northwest and the City & Southwest arrangements have been put in place historically for some of those sites. For the west metro—so the Western Sydney Airport line and the Metro West project itself—that's something we're currently working through with other government agencies as well.

The Hon. DANIEL MOOKHEY: Is there a policy you're meant to follow, or is this a matter that you have to decide as a board or as an organisation?

PETER REGAN: That's a good question. There are different arrangements in place and there are discussions across government around looking at what those policy positions will be in the future. And there's a number of different aspects. There is social housing, affordable housing, build to rent schemes, key worker housing—so there's different areas being discussed. We don't have a definitive plan at this point, but we're actively working across government to be able to assist in delivering a broad range of housing where we are delivering housing. Certainly, we're very keen to maximise the benefit of housing of different types being based around those broader precincts around the metro stations where that's appropriate.

The Hon. DANIEL MOOKHEY: But there is no definitive policy that you're following or required to follow?

PETER REGAN: Nothing that's specific to the Sydney Metro. I mean, clearly, anything that is done around the metro stations is subject to planning approval processes and whether it's—

The Hon. DANIEL MOOKHEY: There's no SEPP, for example, that would specify a minimum percentage that has to be allocated to the housing categories that you just described?

PETER REGAN: No, but I think that's a discussion that we're having more broadly as to sort of what can be done around—

The Hon. DANIEL MOOKHEY: When do you anticipate reaching a decision on that?

PETER REGAN: It's not entirely in our decision-making, so we're working across government.

The Hon. DANIEL MOOKHEY: But you could unilaterally decide, as a board, could you not?

PETER REGAN: Well, only to the extent that we could decide what to seek planning approval for. But the actual planning approval is granted either by the Department of Planning and Environment or, as appropriate, the relevant local authority.

The Hon. DANIEL MOOKHEY: Of those precincts that you were describing, how many have you actually formally sought planning approval for?

PETER REGAN: On the north-west metro, the planning approval process for a number of those have been completed. I'd have to take on notice the exact numbers and which sites are complete. Some of those are still going through—

The Hon. DANIEL MOOKHEY: Within those ones that you have completed and obtained planning approval?

PETER REGAN: Some of those, yes. Some of the construction is underway on some of those sites.

The Hon. DANIEL MOOKHEY: Of the ones that you have obtained and for which construction is underway, how much has been set aside as affordable housing?

PETER REGAN: It varies according to the local planning approvals per site. I would be happy, Mr Mookhey, to take on notice to come back and give you some figures on that.

The Hon. DANIEL MOOKHEY: Thank you very much. How many planning approvals are you intending to lodge in the next 12 months in respect to the other parts of the metro network?

PETER REGAN: I will come back to you on that as well, I think. We probably haven't got a fully finalised plan as to the exact timing of when some of those—

The Hon. DANIEL MOOKHEY: I'm not really asking for the exact timing, but I'm asking for which of the precincts that are next likely to enter the formal planning process.

PETER REGAN: There's some that, as I said, are in the planning process at the moment out in the north-west, and we are continuing to progress those. I think they are probably the most relevant. There's clearly significant opportunity around housing and some of the broader regeneration on some of the City & Southwest projects, where we've already put in place arrangements with partners. I think they have their planning approvals in place around Waterloo, and the like. I'm happy to come back. I'm very keen to give you the right information, so I will come back on those.

The Hon. DANIEL MOOKHEY: Thank you. Have you identified social and affordable housing providers that you can partner with?

PETER REGAN: We are aware there are a number of potential partners, including through government in our partnership with Landcom, for example. They definitely have ongoing arrangements. But I think it is a case-by-case approach. Where we have partnered with private sector developers, in some cases, out on the

north-west, they have then, in turn, partnered with social housing providers to deliver a proportion of their developments and dwellings in a social housing capacity. It does vary site by site, based on the planning approval. And, as I said, it is certainly something that we're very keen to explore how we can be involved in contributing more in that space.

The Hon. DANIEL MOOKHEY: In respect to Sydney Metro's acquisition of properties for the Metro West proposal, how many properties have you acquired in the last 12 months?

PETER REGAN: In the last 12 months for Metro West?

The Hon. DANIEL MOOKHEY: Yes.

PETER REGAN: Bear with me. On Metro West we've been acquiring properties effectively in two broad batches, between Westmead and The Bays precinct initially, and overall there are some, just over 400 interests in property and about 115 buildings where we have completed the majority of those acquisitions. Then the second batch, which is between Pyrmont and the CBD, there are 13 buildings in question and around 500 interests in those properties. They're ongoing at the moment. We have acquired just over 200 of those 500 by commercial agreement. The balance we are continuing to discuss.

The Hon. DANIEL MOOKHEY: Two hundred have been acquired to date via agreement, 300 for which you said discussions are ongoing?

PETER REGAN: Yes. Sorry, just to be clear, in the first bucket between Westmead and The Bays, there's 417 total interests, and we have completed acquisition by commercial agreement of around 300 of those.

The Hon. DANIEL MOOKHEY: How much did we pay collectively for those 300 properties?

PETER REGAN: We haven't disclosed publicly the overall budgets.

The Hon. DANIEL MOOKHEY: I know. I'm not asking for the budget. I'm asking, given we have already paid it now—

PETER REGAN: Yes.

The Hon. DANIEL MOOKHEY: How much did we pay?

PETER REGAN: We haven't disclosed the individual—

The Hon. DANIEL MOOKHEY: I'm well aware, Mr Regan, that's why I am asking. That's why I am here, to ask you. You told me 12 months ago you couldn't tell me because you were negotiating.

PETER REGAN: That's right, and we haven't—

The Hon. DANIEL MOOKHEY: Now you've done it—

PETER REGAN: No, no, we haven't finished.

The Hon. DANIEL MOOKHEY: Well, of the 300 that you have—

PETER REGAN: Yes, but we haven't finished the process. We have acquired on that section between Westmead and The Bays just around 300 interests out of the 400-odd, and on the section between Pyrmont and the CBD we have acquired around 200 out of the 500.

The Hon. DANIEL MOOKHEY: Are you ever intending to disclose publicly how much you are paying for these properties?

PETER REGAN: We don't intend to disclose individually what each of those arrangements are.

The Hon. DANIEL MOOKHEY: I'm not asking individually; I'm asking collectively. It doesn't involve any commercial-in-confidence negotiations because they are completed. Nor am I asking you to identify any particular landowner. On what basis are you objecting to telling us?

PETER REGAN: At the moment we are still in the process of acquiring and, as I said, we do those in batches. We have budgets that we're working to and to the extent that we can deliver those acquisitions below budget, then that creates additional contingency that returns to the project. We are working through that process. To answer your question, I will consider whether we can get to a point where that is something that we disclose.

The Hon. DANIEL MOOKHEY: But you have already disclosed—you said to me before, are you now the title owner of those 300 property interests?

PETER REGAN: Yes.

The Hon. DANIEL MOOKHEY: You are on the title? You have transferred the property?

PETER REGAN: Yes. There's a process—

The Hon. DANIEL MOOKHEY: What is outstanding? In respect to those 300 properties, given you are the title owner, prey tell what else do you have to do with those 300 properties?

PETER REGAN: Sorry, I don't understand your question.

The Hon. DANIEL MOOKHEY: You are the one whose made the point that the process is ongoing.

PETER REGAN: Yes.

The Hon. DANIEL MOOKHEY: But those 300 properties have been acquired, correct?

PETER REGAN: Yes.

The Hon. DANIEL MOOKHEY: You are the title owner of those properties.

PETER REGAN: That's correct.

The Hon. DANIEL MOOKHEY: What further processes are you embarking upon?

PETER REGAN: Sorry, as I was referring to, for each of those buckets of, or groupings of properties, we have a particular budget we are working to. We have applied part of that budget—

The Hon. DANIEL MOOKHEY: All I want to know is, for those 300 properties, collectively, what did we pay for them?

PETER REGAN: I understand your question. I will look and see what we can come back on that. We haven't to date disclosed individually—

The Hon. DANIEL MOOKHEY: Again, I'm not asking for individual disclosure. We have had this respect to other matters. Ms Drover was answering similar questions on Monday.

PETER REGAN: Yes.

The Hon. DANIEL MOOKHEY: There are no commercial-in-confidence reasons why you can't disclose because it is not subject to any negotiation.

PETER REGAN: But, with respect, it does impact the outstanding negotiations in some cases.

The Hon. DANIEL MOOKHEY: Well, you assert that it does.

PETER REGAN: Yes, I do. As I said, I am happy to take away and consider at what point we may be able to give you more information. But there is a distinction between the number of properties and the number of interests in properties.

The Hon. DANIEL MOOKHEY: Yes. We've gone through this before, Mr Regan, I appreciate that.

PETER REGAN: I am happy to take it away and consider that.

The Hon. DANIEL MOOKHEY: But your policy is never to disclose. That seems to be the impression you are leading, Mr Regan.

PETER REGAN: No, I don't think that's correct. I think, as we've discussed previously, we are not able to disclose the individual negotiations, and for good reason, because they often include assessment of people's individual circumstances—

The Hon. DANIEL MOOKHEY: Again, Mr Regan, I'm not asking for individual disclosure.

PETER REGAN: —and so in aggregate we then look—we don't want to create an unlevel playing field by people making assumptions as to then what the average price that is being paid for something in a particular area. So we could complete on each batch before we make any decision.

The Hon. DANIEL MOOKHEY: Again, I am not asking you for which properties. I'm not even asking you for which suburbs. I'm really only asking you how much has the public paid to acquire these 300 properties? I'm not going to push it much further because clearly I'm not going to get the answer, but I would invite you on notice to provide all information you possibly can around the collective figure.

PETER REGAN: That's what I've agreed to do. I will take on notice to see what I am in a position to provide around the properties we've acquired on Metro West.

The Hon. DANIEL MOOKHEY: So of the 200 that have not yet reached agreement, how many of them are now subject to a Valuer-General determination?

PETER REGAN: On a number of those properties in the section between Westmead and Bays, we haven't reached agreement with the Valuer-General. In the city section, those properties have not been gazetted, so negotiations are still continuing. If they are gazetted, they would then go for consideration by the Valuer-General.

The Hon. DANIEL MOOKHEY: That is true. So are you telling me that none of those 200 are the subject of current Valuer-General determinations?

PETER REGAN: That's correct. We haven't completed the gazettals for that section.

The Hon. DANIEL MOOKHEY: You were telling me about the other part, the Pyrmont to the city component. How many properties, interests are we talking about there?

PETER REGAN: Between Pyrmont and the city, there are 13 buildings, of which there are 513 interests in those buildings. We have acquired by commercial agreement just over 200 of those, and the balance are outstanding discussions.

The Hon. DANIEL MOOKHEY: Of those 200—I'm going to ask again and I'm not going to push it because we just went through this—if you can tell me what the collective payment was for all of them or what information you can provide on that.

PETER REGAN: I'll take away to consider what we can provide on that.

The Hon. DANIEL MOOKHEY: Mr Regan, I do appreciate that you are being mindful of your responsibilities. But we've been asking this now for a number of years. I just want to flag with you on notice that your answer in that respect will be very important in us determining whether or not there's a requirement for a supplementary budget estimates hearing.

PETER REGAN: That's fine. I understand the question. As I said, I am being careful of—

The Hon. DANIEL MOOKHEY: I'm respectful of that.

PETER REGAN: —competing responsibilities.

The Hon. DANIEL MOOKHEY: Indeed.

PETER REGAN: I will take away and look and see what I can provide.

The Hon. DANIEL MOOKHEY: But I'm just being very clear, so there's no ambiguity in my interest in this, that will be important in determining whether a supplementary budget estimates hearing is required.

PETER REGAN: That's understood. Your interest is in the aggregate amount we have spent acquiring properties to date for Metro West?

The Hon. DANIEL MOOKHEY: Yes.

PETER REGAN: Yes, understood.

The Hon. DANIEL MOOKHEY: I will probably ask you the same on notice for the airport line too, if you don't mind.

PETER REGAN: Yes, understood.

The Hon. DANIEL MOOKHEY: Thank you very much. Have we found a home for Sydney Helicopters yet?

PETER REGAN: I believe the property you are referring to has been settled and resolved.

The Hon. DANIEL MOOKHEY: So we did find a home or we leased?

PETER REGAN: You would have to put that to the owner. Sydney Metro was not responsible for finding a home for that property. It was a leasehold interest, and that acquisition of that leasehold interest has been completed. I'm not sure of the specifics of where that business is now located.

The Hon. DANIEL MOOKHEY: Do you use internal lawyers for these acquisitions or do you go to a law firm?

PETER REGAN: Both.

The Hon. DANIEL MOOKHEY: Which law firms do you use?

PETER REGAN: We use a number of law firms across the piece. We have an internal legal team and, case by case, we use—

The Hon. DANIEL MOOKHEY: Are they subject to model litigant requirements?

PETER REGAN: I believe so, but I'm happy to take that on notice.

The Hon. DANIEL MOOKHEY: Could you? Can we get the names of the firms on notice?

PETER REGAN: I'll take that on notice.

The Hon. DANIEL MOOKHEY: Can we also get the expenditure by firm on notice?

PETER REGAN: I'll have a look.

The Hon. DANIEL MOOKHEY: How many internal lawyers do you have on this?

PETER REGAN: I would have to look at that, Mr Mookhey. We have an internal legal team and obviously it fluctuates over time how many of them are directly involved in property transactions or in our other business. It changes over time, depending on where we are in the acquisition cycle and how many properties are coming through at any one time.

The Hon. DANIEL MOOKHEY: I'm going to ask you on notice to just provide how much we have spent on legal services with respect to property acquisitions in each year of the last five years, if that's possible.

PETER REGAN: I'll see what I can provide.

The Hon. DANIEL MOOKHEY: Thank you again, Mr Regan. With that, certainly I'm not sure I have any further questions for Mr Regan.

The CHAIR: Can I just ask a couple?

The Hon. DANIEL MOOKHEY: Actually, I do, but after you.

The CHAIR: I understand, Mr Regan, that you and Mr Collins will be heading to London next month. Is that correct?

PETER REGAN: Certainly, yes, I am. Mr Collins can answer for himself.

HOWARD COLLINS: I think I'm on annual leave, but I happen to be in the UK—my first visit for three years—and I'm assisting Mr Regan at the end of my holiday.

The CHAIR: So that's for the Australian British Infrastructure Catalyst 2022 event?

PETER REGAN: That is one of the reasons for the trip, yes. There are a number. We are participating in that infrastructure conference organised by the Australian British Chamber of Commerce. We have a very strong relationship with a couple of key rail bodies and infrastructure parties in the UK as well, particularly Transport for London. And as you would be aware, the recently opened crossrail project—

The Hon. DANIEL MOOKHEY: The Elizabeth Line.

PETER REGAN: —has a lot of similarities to the Sydney Metro projects. I, for one, am very much looking forward to finally travelling on the Elizabeth Line. They've had their challenges implementing that project, and there is a lot we've been learning from them along the way. They've been very helpful to us at Sydney Metro to date.

The CHAIR: The travel involved in that, is that something that the chamber of commerce pays for or is it something—

PETER REGAN: No, that's something that is paid for by the Government.

The CHAIR: I understand that the cost of attending that event is in the order of \$6,000. Presumably, there is no fee for appearance or it's part of the relationship—

PETER REGAN: No, there's not. There's a very tight travel schedule where I attend a lot of meetings in sequence. But no, I don't get paid for that.

HOWARD COLLINS: Just to clarify, I think, approved by Ministers, the reason why my costs are much lower is because it is three nights' accommodation, plus expenses—no flight as I'm already on leave.

PETER REGAN: We don't pay individually for attendance to that conference. The New South Wales Government is a sponsor and supporter of that conference and, as a result, we're part of the official party.

The CHAIR: As you would expect.

PETER REGAN: I think it is a fabulous opportunity.

The CHAIR: I'm not expecting you to pay out of your own pocket; I'm just curious.

PETER REGAN: But it is a really good opportunity. I think we talked earlier about the challenges in getting particular skilled resources. Certainly the opportunity to speak to people in the UK who have just come off completing the Elizabeth Line and attracting them hopefully to consider coming to work in Sydney, if we have opportunities for them, is a really good opportunity for us.

The Hon. SCOTT FARLOW: Lots of opportunities.

The CHAIR: I think perhaps this is primarily for you, Ms Drover, but I just wanted to ask some questions about the—

The Hon. DANIEL MOOKHEY: Chair, I've just got a few more for Mr Regan. Mr Regan, your operating budget in *Budget Paper No. 4* doesn't disclose your employee-related expenses. Do you know why not?

PETER REGAN: I think our employee-related expenses and the disclosures around that are included in our annual report.

The Hon. DANIEL MOOKHEY: Yes, I know. That's true. But it's not in the budget.

PETER REGAN: But it is publicly available.

The Hon. DANIEL MOOKHEY: It was for last year, but I don't know what your budget is for this year.

PETER REGAN: We haven't published our annual report. But it will be disclosed.

The Hon. DANIEL MOOKHEY: No, Mr Regan. The difference between an annual report and a budget estimate is one tells me what happened in the last year and one tells me what your budget is for the next year. So I can tell you right now that, for example, the good people at the Royal Botanic Gardens and Domain Trust will have an employee expense budget—no, they're not telling me either.

PETER REGAN: I was going to say I'm pretty sure we disclosed everything we're required to.

The Hon. DANIEL MOOKHEY: No. I can tell you Mr Sharp will spend \$1.8 billion on employee-related expenses but I don't know what Sydney Metro will, and I want to know. What is your employee-related budget for Sydney Metro for this financial year?

PETER REGAN: I'll take that on notice.

The Hon. DANIEL MOOKHEY: Thank you very much. Equally, your other operating expenses line item is not the one I wanted to ask you about. The one I did want to ask you about is your grants and contributions budget. It has dropped from \$1.38 billion to \$495 million as a revenue line item. To be fair, your cluster grant revenue has increased. Is that just a straight swap?

PETER REGAN: I will have to take that specific question on notice.

The Hon. DANIEL MOOKHEY: It's a pretty alarming drop. That's the reason why I'm asking you. Your grants and contributions went from \$870 million budgeted for 2021-22, and you ended up getting \$500 million more in revenue. Why did you get an additional \$500 million in grants and contributions last year?

PETER REGAN: Sydney Metro's operations have expanded significantly over the past two years, with the movement into construction of both the Western Sydney Airport metro line and Metro West. We certainly haven't suffered a reduction in funding. Yes, our funding has gone up during that time. Your question may relate—I'm happy to look into that, look at the particular sources of funding that come from Government, but certainly, yes, our funding has increased in line with the increased operations.

The Hon. DANIEL MOOKHEY: It has in some respects. Again I'm not going to push this much further. But your cluster grant revenue was underspent. This was overspent. So it's entirely possible it's an accounting issue. Hence I'm asking you in budget estimates what's going on. But, equally, it's gone from \$1.3 billion to \$495 million, which is quite an alarming drop. But there has been an offset increase in your other lines. Just on notice, can you explain to me—

PETER REGAN: Yes. As I said, our overall funding has increased for each of the last two years. That reflects the increasing works that are moving from being in the planning stage into the construction stage. So that, I think—

The Hon. DANIEL MOOKHEY: Sure. But I will ask you on notice to just explain what's going on in that report in *Budget Paper No. 4*.

PETER REGAN: On those two line items. Sure. That's fine.

The CHAIR: You're done with Mr Regan?

The Hon. DANIEL MOOKHEY: I am.

The CHAIR: Mr Regan, you were done with—

PETER REGAN: Thank you, Chair.

(Mr Peter Regan withdrew.)

The CHAIR: I wanted to just ask for an update on the TAP and the upgrade of railway stations, in particular, Ms Drover, to ensure full accessibility. I think, when we last spoke, you said that, as part of that third tranche, there were 62 railway stations being upgraded and then there'd be about 63 left to go after that. Where are we up to? How many are left now?

CAMILLA DROVER: We are continuing with the TAP3, the third tranche of the program. We're actually working on the business case for the fourth tranche, which will be the last tranche, we hope. At the end of this tranche, we will have done another 65 stations as part of tranche three. They're due to be completed by 2023.

The CHAIR: They're all just still on track?

CAMILLA DROVER: Yes.

The CHAIR: There are no delays?

CAMILLA DROVER: There were some delays, absolutely. That was a direct impact of the protected industrial action. Yes, there were some delays. Absolutely.

The CHAIR: Do we think, then, that it will still be completed by 2023? I think we said last time they'll be completed largely by 2023.

CAMILLA DROVER: That was our expectation. Again, as Peter Regan said, it will be a function of how long the industrial action goes on. Obviously, we need possessions to upgrade railway stations. If we don't have those possessions, we can't complete the work. So we have had an impact, and there has been underspend in that portfolio. Having said that, we continually are reprogramming to see how we can get those work completed with the expected possessions we will have.

The CHAIR: In terms, then, of the ferry wharf upgrades, where are they up to?

CAMILLA DROVER: There are 13 ferry wharfs upgrades as part of TAP3 as well. The Kissing Point and Woolwich ferry upgrades were completed, as was North Sydney, just in June this year. So there will be 11 ferry wharfs completed by the end of this year. There are still six that we are progressing, either in planning or procurement.

The CHAIR: So we're looking, then, at two left over from tranche three for next year, plus six that you're now—

CAMILLA DROVER: Yes. The ones that are still in planning is Double Bay—we've got the planning approval; we're just finalising the detailed design. We have had a delay there. The community has told us they don't want us to construct over the summer months where that ferry wharf has high usage, so we're going to delay the start of that till early next year, after summer. Darling Point—the planning approval, the REF was displayed. Construction's due to start before the end of the year. Taronga Zoo and South Mosman—we're in the detailed design phase. Greenwich Point—again, we've had the planning approval displayed, and we're in detailed design. At Manly Cove, we have the Manly Wharf 3. We're doing the concept design and preparing the planning approval for community consultation display, and we're also doing the concept planning for the old Manly Sea Life facility.

The CHAIR: Thank you. That's very helpful. I think I just have one final question and perhaps I will direct it to you, Secretary. It's a bit of a random one. In relation to the Western Harbour Tunnel project—which I know is not the responsibility of Minister Elliott, but I want to ask you a more general question—there were three notices put on the tender website that were announcing up to \$10 million to be given to three separate construction services companies in relation to providing them financial support for the provision of tenders for that project. Is that normal? I've not seen it before. I'm just curious as to whether that's a standard practice.

ROB SHARP: It is normal. I'll ask Ms Drover to talk to the detail on it. But, as a general comment, we do want to foster competition. It is expensive to bring the specialist design work in. The benefit we get is competition, which flows into the tender process, but we also get the IP. When we pay that, we can actually leverage the ideas and innovations, and we have used that in some other projects as well. Ms Drover, if you could comment specifically?

CAMILLA DROVER: Yes. Because reimbursement is one of the commitments under the Premier's memorandum—the 10-point plan for the construction industry—there is also Treasury's bid cost reimbursement policy. So if we pay bid cost reimbursement, we seek the approval of Treasury and they give us that approval. They have given us that approval to pay bid cost reimbursement for the Western Harbour Tunnel, as they have for most of our large projects.

The CHAIR: Okay, so it's the large projects. I guess with the tunnel there is such a lot of engineering ingenuity that it would be useful to capture that, and I take your point about the competition. Thank you. That's all from me. Mr Mookhey?

The Hon. DANIEL MOOKHEY: Mr Secretary, can I ask a few more questions about matters to do with our ferries? How many days have the three Emerald Class Generation 2 ferries, *Balmoral*, *Fairlight* and *Clontarf*, been taken out of passenger service in 2022 for maintenance reasons, both scheduled and unscheduled?

ROB SHARP: I would have to pass to Mr Collins for the detail on that.

HOWARD COLLINS: Thank you very much. Obviously the accuracy and detail of that we will have to take on notice. Just for the record, I think your colleague quoted an incident happening in July this year. I have found that report. The master lost—starboard steering occurred without his control. He immediately went to the backup control. The ferry was taken back to dock and it was repaired, and some investigation took place. I don't think it was quite as described by Mr Graham, but that's for the record.

The Hon. DANIEL MOOKHEY: Who did the investigation?

HOWARD COLLINS: I believe the investigation for that ferry took place by Transdev themselves. Obviously we have the capability of asking our safety and environmental risk people to carry out investigations or, as OTSI published, they can carry out investigations themselves if notified.

The Hon. DANIEL MOOKHEY: Did my colleague ask you when Transdev notified you of this?

HOWARD COLLINS: He didn't.

The Hon. DANIEL MOOKHEY: Let me. When did Transdev notify you of this?

HOWARD COLLINS: Of the July incident? I'll take that on notice. We were notified. I'll let you know what the date was.

The Hon. DANIEL MOOKHEY: Basically, the ferry effectively started to drive itself?

HOWARD COLLINS: I think what's described in the report that I've read in the interim was that, whilst travelling, the master noticed the ferry was taking a starboard direction without him operating the—it's a bit like a joystick on the Emerald Class. He took corrective action and went to put the engines into neutral. He took corrective action. There's always a backup. I think this is just to make sure people understand that when this happens, you can go into backup. It's a bit like in 2012; the *Lady Northcott* veered off and actually crashed into the harbour wharf. These things have occurred in the past, but what has happened is that investigation took place. They believe it was connected with the Australian-made and designed toggle device, and further work has been done on that particular project.

The Hon. DANIEL MOOKHEY: Look, kudos to the master—

HOWARD COLLINS: Absolutely.

The Hon. DANIEL MOOKHEY: —and respect to them for the professional skill that they—

HOWARD COLLINS: Hugely professional—they would do that every day. It is not as if it was an emergency situation.

The Hon. DANIEL MOOKHEY: It's why we train them. Mr Collins, I do want to congratulate the master for the action that he took, but the fact remains that the ferry started to steer itself. That's correct?

HOWARD COLLINS: Correct. But it was immediately corrected.

The Hon. DANIEL MOOKHEY: Indeed.

HOWARD COLLINS: And there is a backup system.

The Hon. DANIEL MOOKHEY: I'm glad that that kicked in as well. How many people were onboard?

HOWARD COLLINS: I can't tell you exactly. I will find that report and tell you on notice.

The Hon. DANIEL MOOKHEY: Was it a typical service? Do we have any information about what time it took place?

HOWARD COLLINS: I, again, will get you—rather than give you a delay by looking for the report, I will give you that information regarding what time of the day it was, where exactly it was on the harbour and information regarding that report.

The Hon. DANIEL MOOKHEY: I presume the incident was disclosable, correct—as in, there was a mandatory disclosure obligation on the part of Transdev?

HOWARD COLLINS: All incidents, depending on their nature—but this one does sound very much, as you may be indicating, Mr Mookhey, that would be reportable so that AMSA or OTSI may wish to take investigations. We know reportable incidents—rail, ferry, buses investigations—can take place or it can be left with the organisation.

The Hon. DANIEL MOOKHEY: But has it actually been reported? Has it been reported?

HOWARD COLLINS: I will take that on notice and make sure I'm—

The Hon. DANIEL MOOKHEY: But this is an incident which took place on 11. There is an automatic—under all transport law, there is a requirement for mandatory reporting within a certain time period. It is not just that it's a reportable incident, you have to also, by law, report it in a timely way?

HOWARD COLLINS: Correct.

The Hon. DANIEL MOOKHEY: So, sitting here, some seven weeks later—maybe six weeks later—are we in a position to confirm that OTSI has, in fact, been notified?

HOWARD COLLINS: I will take that on notice rather than give you wrong information.

The Hon. DANIEL MOOKHEY: Are you aware of any OTSI investigation that is underway?

HOWARD COLLINS: Of this particular incident, I am personally not aware.

The Hon. DANIEL MOOKHEY: Mr Secretary, are you?

ROB SHARP: No, I'm not aware.

HOWARD COLLINS: I will just check that. I may have been notified. There are many—as you can imagine, there are thousands of incidents and operations during the services that are under my responsibility. Certainly, we are—my team, who are responsible for the contract, are always notified of OTSI incidents and also have regular updates with Transdev.

The Hon. DANIEL MOOKHEY: Perhaps, Mr Collins, on notice is it possible that you could tell us about how many reports have been notified to your team by Transdev in the past 12 months—

HOWARD COLLINS: No problem.

The Hon. DANIEL MOOKHEY: —how many of them have since been notified to OTSI or any other safety regulator, how many of them were then subject to an investigation by OTSI and, if you are in a position to do so, what was the outcome of the OTSI investigation?

HOWARD COLLINS: I think I've got the gist of your advice—we'll certainly take that on notice. As I said, not all incidents are necessarily reportable to OTSI.

The Hon. DANIEL MOOKHEY: Yes, I am aware there is a threshold.

HOWARD COLLINS: Yes, there is.

The Hon. DANIEL MOOKHEY: But hence my question as to how many of them are being notified from Transdev to you. I'm just going up the chain of responsibility, to be very clear, Mr Collins.

HOWARD COLLINS: Yes, thank you.

The Hon. DANIEL MOOKHEY: And I'm just wanting to go through each step of the chain of responsibility.

HOWARD COLLINS: Absolutely.

The Hon. DANIEL MOOKHEY: If it is possible we can get that information on notice, that would be helpful.

HOWARD COLLINS: Yes.

The Hon. DANIEL MOOKHEY: Actually, the question I did ask you, which I think the secretary referred to, was how many days have the three Emerald Class Generation—

HOWARD COLLINS: And I think I did ask—you might want to check on *Hansard* that I said I would take that on notice. And the chain of command, just to clarify, Transdev—who operate the fleet—are responsible for reporting those incidents to OTSI and they are also responsible for telling my contract manager that that has been reported, and obviously that comes through to me as the officer in charge.

The Hon. DANIEL MOOKHEY: Indeed, it does. To be fair, the chain of command wasn't what I was referring to. It was the chain of responsibility that I was referring to—but, fair enough. Has there been cracking reported on the hulls of the Emerald Class Generation 2 ferries, *Balmoral*, *Fairlight* and *Clontarf*?

HOWARD COLLINS: I believe so. Yes, they were identified in inspection—a number of cracks appeared.

The Hon. DANIEL MOOKHEY: How many?

HOWARD COLLINS: I can't tell you the number. But I know what has happened is that those identifiable cracks—again, this is an Australian-designed vessel by Incat Crowther. Those cracks have been identified and either repaired or have been of a nature that will be dealt with under maintenance.

The Hon. DANIEL MOOKHEY: When were you notified of the cracks?

HOWARD COLLINS: Again, I cannot give you the accurate date. But I will take that on notice of when we were first advised of identifying cracks on the Emerald ferries.

The Hon. DANIEL MOOKHEY: As always, Mr Collins, I respect your precision about accurate dates, but I'm happy to settle for was it earlier this year or was it—

HOWARD COLLINS: I believe, if I can recall, it was sometime earlier this year.

The Hon. DANIEL MOOKHEY: I think you may have made mention that you understand what was causing those cracks, and it was the parts that you've just described, was it?

HOWARD COLLINS: What we sought was information from both the operator and also the manufacturer and the designer. I believe the gist of the information which was provided back was that during manufacturing they did the assessment of what the stress levels were, and there were no risks from a safety point of view. Aluminium-welded vessels of this nature often do manifest some cracking over time or some stress cracking. I think it's the same as aircraft—I remember talking to Mr Sharp about his experience of aircraft—and therefore repair methods and programs are put in place.

The Hon. DANIEL MOOKHEY: Do forgive my ignorance on this particular point, Mr Collins, but how old are the *Balmoral*, *Fairlight* and *Clontarf*?

HOWARD COLLINS: They are probably less than three years old. They started manufacture obviously—

The Hon. DANIEL MOOKHEY: When did they enter service?

HOWARD COLLINS: They entered service last year, if I remember rightly. Again, I'll give you the service entry dates. They are relatively new.

The Hon. DANIEL MOOKHEY: But they have been operating for slightly more than a year?

HOWARD COLLINS: Yes, the early Emerald class ones. The twos came into service at a later date after we had a late delivery and a number of issues in terms of their operation prior to entering service.

The Hon. DANIEL MOOKHEY: Since they have entered service, one of them has gone into autopilot and all three of them have presented cracks.

HOWARD COLLINS: I am not sure of the facts, whether all three present cracks, but certainly we are aware of cracks. Like a lot of individually designed vessels over the history of Sydney, it does take a while to bed in those ferries. I'm a very avid reader of history and I believe the Freshwaters had a lot of issues to start with when they first came in in terms of steering, control, and even one grounded itself. But we have rigorous processes

approved by the regulator in terms of operation. We have had, disappointingly, reliability issues initially, and I think a few of those you listed and described earlier. But the good news now is we work very closely with the operator and Birdon, the manufacturers, to deal with these warranty claims. We have seen a marked improvement in the performance of those vessels and, as I said earlier, customers are now seeing over a 99 per cent operational service of Sydney Ferries.

The Hon. DANIEL MOOKHEY: How much did we have to spend to repair the cracks?

HOWARD COLLINS: These are warranty claims. They are not things that Transport for NSW pays for.

The Hon. DANIEL MOOKHEY: But that's assuming the warranty claims are agreed to. Let's go through that process.

HOWARD COLLINS: Well, they are very new vessels, as you've described.

The Hon. DANIEL MOOKHEY: Yes, but this isn't your ordinary warranty on a dryer.

HOWARD COLLINS: The other thing to describe also is that where Transdev ferries are able to operate and cancel services or have failed to deliver their new vessels to time, there are various contractual penalties that we apply to ensure that—

The Hon. DANIEL MOOKHEY: How much have we collected in contract penalties from Transdev in the last 12 months in respect of the ferries?

HOWARD COLLINS: The process for dealing with obviously the cancellation of ferries—

The Hon. DANIEL MOOKHEY: Have we connected—

HOWARD COLLINS: —and the operation of that obviously is worked through through our contracts team.

The Hon. DANIEL MOOKHEY: Yes, indeed. I appreciate knowing who is doing the work, but I want to know how much money have we recovered from Transdev in the last 12 months?

HOWARD COLLINS: I will provide what information is disclosable obviously under that contract.

The Hon. DANIEL MOOKHEY: Have we recovered even a cent?

HOWARD COLLINS: We have certainly applied penalties to this ferry operator in the last few months.

The Hon. DANIEL MOOKHEY: How many times have we issued a penalty to them?

HOWARD COLLINS: I will provide that information or what I can provide under the contract.

The Hon. DANIEL MOOKHEY: What restriction in the contract would prevent you from doing this?

HOWARD COLLINS: There may well be commercial issues, which we—

The Hon. DANIEL MOOKHEY: But you are telling us that you've signed a contract that says, "We can penalise an operator and not tell anyone"?

HOWARD COLLINS: It may well be that I will be able to reveal all of the information, Mr Mookhey. I just want to make sure that I'm not committing to something that I may not be able to provide.

The Hon. DANIEL MOOKHEY: Again, Mr Collins, I do appreciate the precision, but if you don't mind taking it on notice. We will go through step by step. The question that I'm hoping that you will take on notice was: How much money has been incurred to date to repair the cracks?

ROB SHARP: I can confirm, Mr Mookhey, that those repairs are complete and there was no cost to the taxpayer.

The Hon. DANIEL MOOKHEY: Is that because we claimed it under warranty?

HOWARD COLLINS: No, because they are under warranty.

The Hon. DANIEL MOOKHEY: They fixed it themselves.

HOWARD COLLINS: They fixed them themselves. It is absolutely clear these vessels are not something—and during the overall contract of the Sydney Ferry organisation, they are responsible for providing serviceable fleet. We are not, and that's what I said earlier. If they are able to provide serviceable fleet, whether that's old Freshwaters or new Emerald classes, there's that responsibility, and the contract works on the basis of if they fail to meet a certain threshold then penalties are applied.

The Hon. DANIEL MOOKHEY: Has Transdev made claims to Transport for NSW in respect to matters which they allege that Transport for NSW hasn't adhered to in respect of their contract?

HOWARD COLLINS: The deputy secretary can advise about the claims. Again, I think they are commercially sensitive and maybe confidential.

The Hon. DANIEL MOOKHEY: I'm not asking you to disclose the quantum of them. But we have done this a few times with the deputy secretary in respect of claims. Does the deputy secretary know whether Transdev has made claims on a contract?

TRUDI MARES: No, Mr Mookhey. What I can say is that we're working very closely with Transdev. There are some legal matters that we're still working through and negotiating with them. Like Mr Collins, I would rather check what is commercially-in-confidence, what is still in legal discussion and what I can release to you.

The Hon. DANIEL MOOKHEY: I do appreciate that, deputy secretary, but I will just be abundantly clear that this is also a matter which will be important in terms of whether or not we think there's supplementary budget estimates hearings in those. We're very happy for you to take it on notice, but I'll be very clear here. It is our responsibility to oversee your conduct in legal disputes as well, so there are no privilege claims.

ROB SHARP: Yes, we understand that.

The Hon. DANIEL MOOKHEY: I just want to be very clear, if you do feel like you need to take the advice, please do but I just do stress in terms of the answer you provide, it will be a key consideration.

ROB SHARP: Yes, understood.

HOWARD COLLINS: I think you're asking for a lot of details, Mr Mookhey. I'm very keen to make sure we provide that.

The Hon. DANIEL MOOKHEY: Not too much detail; I was only asking whether they had made claims. Thank you, Mr Collins, and I always respected your attention to detail as well. Did an independent report by Maritime Survey Australia commissioned by Transdev confirm that the Fairlight had a deformed plate, that there was buckling to a crucial internal rod and cracked coatings and welds near its front?

HOWARD COLLINS: Yes, I have read that report, and the action necessary is that it is not considered by that report to be a safety issue and that remedial repairs will take place by, again, the manufacturer Birdon at the appropriate time. I'm very keen to ensure that Birdon get on with those repairs to ensure that the vessel is looking in good condition because obviously some of the paint is flaking away but also to carry out the necessary modifications.

The Hon. DANIEL MOOKHEY: Did the report say that if the damage is simply repaired without addressing the cause, any repairs are likely to be ineffective in the long term?

HOWARD COLLINS: I think you're quoting the report Mr Mookhey, and I believe what you're saying. Yes, we have been quite clear with Birdon and Incat Crowther, who designed the vessel, that we want to ensure that whatever repairs take place, that we are satisfied that they'll be done in a manner which means that they are permanent and that further incidents do not occur.

The Hon. DANIEL MOOKHEY: Is it likely that the same problems in respect to a deformed plate buckling to a crucial internal rod and cracked coatings and welds are present on the other two vessels—namely, the Balmoral and the Clontarf?

HOWARD COLLINS: I do not believe so, although I understand they have been inspected. But we have asked Transdev, who are the procurer of the vessels, to ensure that further checks are made. The three vessels have had different time on the water under different conditions, and certainly we're very keen to ensure that whilst we have been advised that there is no safety risk whatsoever, we want to ensure those ferries are in absolutely good order.

The Hon. DANIEL MOOKHEY: Have they been assessed by Maritime Survey Australia?

HOWARD COLLINS: I believe Transdev carry out the inspections. I've not been notified of any issues that were presented in that previous report.

The CHAIR: Order! I understand that Mr de Kock is no longer required. If that's the case—

The Hon. DANIEL MOOKHEY: Subject to the secretary's view.

The CHAIR: Sorry, of course—subject to the secretary's approval.

JOOST DE KOCK: Thank you.

The Hon. DANIEL MOOKHEY: Enjoy your 15 minutes. Don't say we're not generous here.

(Mr Joost de Kock withdrew.)

The Hon. DANIEL MOOKHEY: Mr Collins, I'm not going to ask too many more questions about ferries, but I will ask you this one: Is it correct that the generation 1 Emerald *May Gibbs* recently had a catastrophic total steering failure while on the Manly run?

HOWARD COLLINS: No.

The Hon. DANIEL MOOKHEY: Did it have any form of steering failure?

HOWARD COLLINS: It did have—I think that was the point maybe I should have clarified, and I apologise, Mr Mookhey. In July of this year, which I think maybe your colleague raised earlier—he described this catastrophic failure of the steering. That was when, as the report describes, the master was operating the ferry and noticed that the ferry was steering to starboard without him carrying out an intervention on the joystick or toggle. He immediately and very professionally—as you describe and I describe too, as I've travelled with a master and understand the control mechanisms—he used the backup and the ferry was withdrawn. There was no safety issues whatsoever. It wasn't as if it was veering off course uncontrollably. He took it back. It was taken back, and they found a fault in the—I believe it's an Australian designed and built toggle joystick, and that fault has been repaired. In addition to that, the monitoring telemetry to understand why that fault has occurred—I believe now that the recording device does allow Transdev to download data to understand why those things have occurred and understand when faults are occurring. But that did happen in July, and I think in the lunchtime period I managed to have a look at extracts from that report.

The Hon. DANIEL MOOKHEY: Thank you, Mr Collins. Mr Secretary, let's talk about some bus-related matters. Ms Fontana, I presume, may be in a position to assist on this one. Sorry to keep you here. Thank you for staying. The following bus routes have been cancelled in the region 9 bus network: 300, 301, 302, 309X, 310X, 314, 316, 317, 338, 353, 357, 372, 373, 376, 377, 391, 393, 394, 395, 400, 400N, L94, X40, X93, X99, M10, M50, 891, 893, 378, and let's not forget the 361. It's quite a list. Were any impact studies conducted prior to these routes being cancelled?

ROB SHARP: Thank you for the question. The region 9 review was actually a critical exercise in terms of rebalancing the network, and there were a number of consultations that took place. I will pass over to Ms Fontana.

The Hon. DANIEL MOOKHEY: Your time to shine, Ms Fontana.

DANIELA FONTANA: Yes. The changes were introduced by State Transit Authority on 5 December 2021, as stated. A lot of those routes that you have described as being cancelled, there were replacement routes. So there were other alternate routes for customers to take. There was consultation done with some of our local councils at the time, and we have—

The Hon. DANIEL MOOKHEY: The local councils vehemently opposed it, did they not?

DANIELA FONTANA: Yes, there were some councils that provided feedback to us, and we did take into account feedback that we received at the time.

The Hon. DANIEL MOOKHEY: Did any council support it? Did any council support the cancellation of these routes?

DANIELA FONTANA: There were some councils that provided some opposition to some of the routes being cancelled. But, as I said, most of the routes did have alternative options for customers to pursue.

The Hon. DANIEL MOOKHEY: Did any council support the cancellation of these routes?

DANIELA FONTANA: I would have to take it on notice which councils opposed and which ones did not. Consultation was done back in October last year.

The Hon. DANIEL MOOKHEY: So were there any formal impact studies undertaken—not consultation but actual impact studies?

DANIELA FONTANA: That, I would not be able to answer.

The Hon. DANIEL MOOKHEY: I'm sure you can.

DANIELA FONTANA: We worked very closely—State Transit Authority—with our colleagues in the planning department of Transport. I would have to direct that question to the planning team.

The Hon. DANIEL MOOKHEY: Were you required to do an impact study?

DANIELA FONTANA: No.

The Hon. DANIEL MOOKHEY: What were the reasons, therefore, for the cancellation of these routes?

DANIELA FONTANA: The cancellation or the amendment of routes was as a result of the introduction of the light rail. There was a consolidation of services, streamlining and looking at more direct and efficient routes for our customers.

The Hon. DANIEL MOOKHEY: What's the daily capacity of the light rail?

DANIELA FONTANA: I would have to take that on notice; I'm not sure.

The Hon. DANIEL MOOKHEY: Do you know, Mr Sharp or Mr Collins? Does anyone know what the daily capacity is? Is it 13½ thousand people?

HOWARD COLLINS: It's certainly increased its frequency and certainly speeded up its service. Mr Mookhey, I'll take the actual daily total theoretical capacity on notice, but obviously those double-tram vehicles take up to 450 people.

The Hon. DANIEL MOOKHEY: I'm fairly positive it's 6½ thousand each way, and I know that because I'm fairly positive we've gone through this in estimates rounds prior to your—

HOWARD COLLINS: Yes, and I think in previous budget estimates, Mr Mookhey, we've talked about—

The Hon. DANIEL MOOKHEY: We have, I think it was at 9,000 for some level and then it was a maximum of 13,000, with no intention to reach the maximum until 2031 or thereabouts, as I recall.

HOWARD COLLINS: And it's amazing to see that 82,000 people on average use light rail.

The Hon. DANIEL MOOKHEY: Yes, I'm not disputing that yet. But what was the daily capacity of the bus services that were removed?

HOWARD COLLINS: Again, I will take that on notice, but I think—

The Hon. DANIEL MOOKHEY: To be fair, that was for Ms Fontana.

DANIELA FONTANA: I would have to take that on notice; I don't have those figures.

The Hon. DANIEL MOOKHEY: It's the case, isn't it, that we've actually removed more capacity than we've introduced? I want to put that to you very clearly: In respect of that part of Sydney, we've actually removed public transport. The amount of seats taken off the buses versus the amount of seats added to the light rail is negative. Isn't that the case, Mr Secretary?

HOWARD COLLINS: It depends on whether people fill those seats rather than actual seats.

The Hon. DANIEL MOOKHEY: I'm not asking about patronage; I'm asking about capacity.

HOWARD COLLINS: I think the plan—and, Mr Mookhey, I think I can recall that we deferred those region 9 changes to take on another 8,800 additional feedback statements and various meetings that we had, and offers of talking to local councillors and MPs to describe what the overall plan was. The overall plan, Mr Mookhey, was to design a new network with 11 all-day-frequency buses—core buses—running and, as you say, a total of 24 bus routes no longer operating. But generally, these were paralleling or were part of the new L2/L3 service. We did listen to feedback, providing and reinstating some of those services which were originally withdrawn. I think Coogee I can remember, and certainly some of those direct services to some of the shopping centres.

The Hon. DANIEL MOOKHEY: Mr Collins, I appreciate the history, and no doubt you did delay. But as we currently sit, 24 routes were cancelled. I'm putting to you clearly that the amount of capacity we withdrew from those buses has not been matched by the amount of capacity that's been added to the light rail, which means that in net terms we have withdrawn public transport services.

CAMILLA DROVER: I have got the capacity of the light rail if you need it.

The Hon. DANIEL MOOKHEY: Thank you.

CAMILLA DROVER: It's 13,500 passengers per hour in both directions.

The Hon. DANIEL MOOKHEY: I thought that was around the case, but is that the current capacity or is that the target capacity?

CAMILLA DROVER: That's the capacity, because we're not changing the vehicles. Whether they're actually achieving that patronage at the moment—

The Hon. DANIEL MOOKHEY: According to the EIS and according to the approval and the business case, it was meant to be staggered up to 13,500, so I'm just wondering how far along that progression path we are. But, to be fair, it's not necessary for now; I'm not going to press it.

ROB SHARP: Mr Mookhey, in terms of capacity, there has been an increase in capacity where the constraint points were. That better matching of capacity has actually been aligned with the quiet times. In terms of actual capacity available where it was needed, that was improved. But I do take your point that, overall, the capacity is down. There's also the usage and the interaction of the capacity with the light rail, so you'd have to add all that up and look at the efficiencies where we had duplicated routes and inefficient routes. The capacity question is quite a complex one.

The Hon. DANIEL MOOKHEY: Indeed, it is. But I do accept that subject to the complexity you just described, you do agree that there's been a reduction in capacity for the reasons that you've just described. It's entirely feasible for the Transport department to say that this is a better network set-up if it leads to better utilisation, which I imagine is the next concept.

HOWARD COLLINS: Mr Mookhey, I think it's—

ROB SHARP: It also addresses the constraints that we receive.

The Hon. DANIEL MOOKHEY: But I'll be very clear here. The issue, of course, is that the community backlash in respect of the removal of those buses has been pretty immense. You only have to visit these areas to discover just how much disruption it has created in those communities. Is there any consideration being given to the restoration of any of these routes?

HOWARD COLLINS: Thank you for your question, Mr Mookhey. We will and always do consider where adjustments are made. We are not perfect by any means and I certainly agree with you that where—and we have on other regions as well—we do believe if things change or people have demonstrated that clearly there are needs which we have missed, we have done that for accessing hospitals and school transport, I think, in other areas. I think the important thing here is that—and I'm not going to labour the point—those bus services were following the old tram routes from the 1950s and really hadn't been changed. I appreciate that some people lost out as a result of that, but I do feel the overall transport provision now is more matched to the demands of our customers.

The Hon. DANIEL MOOKHEY: Is that the reason why 50 bus stops have been removed from the region 9 bus network?

HOWARD COLLINS: Out of the thousands of bus stops where we move or change routes or we rationalise a route which probably followed an old tram route or did some quirky trip in the backstreets of the eastern suburbs, we did obviously remove some bus stops.

The Hon. DANIEL MOOKHEY: Is it 50?

DANIELA FONTANA: I can correct that. It is actually 28, which is less than 2 per cent of our total number of bus stops in the region. We have over 1,800 bus stops.

The Hon. DANIEL MOOKHEY: In the region 9 district?

DANIELA FONTANA: And 28 were removed in that region.

The Hon. DANIEL MOOKHEY: Over what time period?

DANIELA FONTANA: For the network change in December.

The Hon. DANIEL MOOKHEY: December last year?

DANIELA FONTANA: Yes.

HOWARD COLLINS: That would have been done—

The Hon. DANIEL MOOKHEY: So you are saying 28. Are you planning to remove any further?

HOWARD COLLINS: No. As far as I'm aware, unless there are other constraints like new buildings being built or roads changing, we generally retain. In fact, we have seen some improvements to the standards of bus stops in many areas, with new signing. You may have seen our new bright blue Bs out there and some improved bus shelters. We retain those, following the bus service changes.

The Hon. DANIEL MOOKHEY: Can I, on notice, get the locations of the bus stops?

HOWARD COLLINS: Yes. We have those available.

The Hon. DANIEL MOOKHEY: That would be appreciated. Is it the case that the region 9 bus network remunerates the private bus operator on a per kilometre basis?

DANIELA FONTANA: That forms part of the process or part of the contract.

The Hon. DANIEL MOOKHEY: Is that a practice that has been adopted in all the regions?

DANIELA FONTANA: The contracts are the same in regions 7, 8 and 9.

The Hon. DANIEL MOOKHEY: So it's been introduced in 7, 8 and 9. Has it applied to 1 to 6?

DANIELA FONTANA: Those contracts are prior to 7, 8 and 9. I wouldn't be able to answer whether they are exactly the same, but 7, 8 and 9 are part of the calculation of the way we pay operators. It's not the only formula.

The Hon. DANIEL MOOKHEY: Yes, it's not the only factor. When are 1 to 6 and 10 to 14 being renegotiated?

DANIELA FONTANA: They are actually under competitive tender now.

The Hon. DANIEL MOOKHEY: When is that meant to resolve?

DANIELA FONTANA: They will be all awarded by March next year.

The Hon. DANIEL MOOKHEY: In that tender, are you intending to introduce a per kilometre remuneration model to those regions?

DANIELA FONTANA: The contracts are out for tender at the moment, as I said, a competitive tender process. That does form part of the bidding process.

The Hon. DANIEL MOOKHEY: Is the reason why you're rationalising bus services because, therefore, you don't have to pay on a per kilometre basis for them?

HOWARD COLLINS: No.

DANIELA FONTANA: No.

The Hon. DANIEL MOOKHEY: Why did you adopt the per kilometre remuneration model for regions 7, 8 and 9?

HOWARD COLLINS: I can't comment directly because it was before my time but I think we do use best practice. As Ms Fontana described, it's not the only method of payment. There are many other indexes or contract arrangements. But it does work on the basis of ensuring that buses do run and we don't end up with—if we did it the old-fashioned way, the bus would turn up at five to nine, tick the box, and disappear again. I think the purpose of measuring part of the performance on kilometrage—and setting that kilometrage, whether it's 1,000 kilometres or 10,000—is to ensure that the bus operator does provide those in-service buses to the schedule and whether it meets or not meets the contract performance. I'll just remind you the fare box is not taken by the company.

The Hon. DANIEL MOOKHEY: Oh yep. I am aware of that.

HOWARD COLLINS: You understand that.

The Hon. DANIEL MOOKHEY: Yes. What component of their remuneration is tied to the per kilometre charge and what are the other factors?

HOWARD COLLINS: Ms Fontana?

DANIELA FONTANA: The contracts are currently, as I said, online. They are currently in process as we speak and they are available. The document's online. It's a range of—

The Hon. DANIEL MOOKHEY: It doesn't disclose the weighting, I believe. How much is it weighted as a per kilometre charge?

DANIELA FONTANA: I'd have to check—

The Hon. DANIEL MOOKHEY: Because, as I understand it, there's a per kilometre charge and then you're claiming a percentage process.

DANIELA FONTANA: —if I can disclose actual detail. Because the process is currently underway I'm not sure if I can give you the details.

The Hon. DANIEL MOOKHEY: I am asking about the ones that have been settled, not to the ones that are current to tender.

DANIELA FONTANA: There are available online, the contracts.

The Hon. DANIEL MOOKHEY: Okay. Have we applied penalties on operators in region 9 yet? Have we applied for failure to provide services accordingly and in accordance of the contract? Have we issued any penalties?

DANIELA FONTANA: We would have to take that on notice.

HOWARD COLLINS: Just in general terms, where operators are unable to provide bus services to a certain level, if they ask us to reduce those services, we do reduce the payment for those services.

The Hon. DANIEL MOOKHEY: Of course you would. You're not going to pay for services that aren't provided.

HOWARD COLLINS: Absolutely.

The Hon. DANIEL MOOKHEY: Have they asked to reduce? Have they put a request through to reduce services?

HOWARD COLLINS: As you know, Mr Mookhey, that's a subject in itself. At the moment bus drivers across the State, if not across the country, are in desperate short supply. We have over a thousand vacancies within the greater metropolitan areas.

The Hon. DANIEL MOOKHEY: Is that a yes, Mr Collins? Because the Chair is very eager to bring this hearing to a close.

HOWARD COLLINS: Yes.

The Hon. SCOTT FARLOW: We're one minute over.

The Hon. DANIEL MOOKHEY: They have requested to reduce services.

HOWARD COLLINS: I will check to make sure. I'm talking about regions 7, 8 and 9, which I think you were talking about. We will tell you that on notice, but a number of bus companies have put in a request because of this driver shortage, which is over 15 per cent in some cases.

The CHAIR: Order!

The Hon. SHAYNE MALLARD: Time!

The CHAIR: Yes, it is time. Thank you so very much for spending the day with us. The Committee secretariat will be in touch in relation to supplementary questions and questions taken on notice, but that does conclude our hearing for today. Thank you.

(The witnesses withdrew.)

The Committee proceeded to deliberate.