

PORTFOLIO COMMITTEE NO. 6 - TRANSPORT AND THE ARTS

Friday 23 February 2024

Examination of proposed expenditure for the portfolio area

TRANSPORT

CORRECTED

The Committee met at 9:15.

MEMBERS

Ms Cate Faehrmann (Chair)

Ms Abigail Boyd

The Hon. Sam Farraway (Deputy Chair)

The Hon. Dr Sarah Kaine

The Hon. Stephen Lawrence

The Hon. Jacqui Munro

The Hon. Cameron Murphy

The Hon. Damien Tudehope

The Hon. Natalie Ward

PRESENT

The Hon. Jo Haylen, *Minister for Transport*

CORRECTIONS TO TRANSCRIPT OF COMMITTEE PROCEEDINGS

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

**Budget Estimates secretariat
Room 812
Parliament House
Macquarie Street
SYDNEY NSW 2000**

CORRECTED

The CHAIR: Welcome to the first hearing of the Portfolio Committee No. 6 – Transport and the Arts for the additional round of the inquiry into budget estimates 2023-2024. I acknowledge the Gadigal people of the Eora nation, the traditional custodians of the land on which we are meeting today. I pay my respects to Elders past and present, 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. My name is Cate Faehrmann and I am Chair of the Committee. I welcome Minister Haylen and accompanying officials to this hearing.

Today the Committee will examine the proposed expenditure for the portfolio of Transport. I ask everyone in the room to please turn their mobile phones to silent. Parliamentary privilege applies to witnesses in relation to the evidence they give today. However, it does not apply to what witnesses say outside the hearing. I urge witnesses to be careful about making comments to the media or to others after completing their evidence. In addition, the Legislative Council has adopted rules to provide procedural fairness for inquiry participants. I encourage Committee members and witnesses to be mindful of those procedures.

Welcome and thank you for making the time to give evidence. Minister Haylen, 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. Witnesses who appeared in the initial hearing before this Committee also do not need to be sworn. Witnesses who did not attend the initial round of hearings will now need to be sworn prior to giving evidence.

CORRECTED

Mr JOSH MURRAY, Secretary, Transport for NSW, on former affirmation

Mr HOWARD COLLINS, Coordinator General, Transport for NSW, on former oath

Ms BRENDA HOANG, Group Chief Financial Officer, Transport for NSW, on former affirmation

Ms TRACEY TAYLOR, Chief People Officer, Transport for NSW, affirmed and examined

Mr DAVID BRITTON, Chief Legal Officer, Transport for NSW, affirmed and examined

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

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

Mr RICHARD HOST, Acting Deputy Secretary, Customer Strategy and Technology, Transport for NSW, on former oath

Mr PETER REGAN, Chief Executive, Sydney Metro, on former affirmation

Mr ANTHONY WING, Commissioner, NSW Point to Point Commission, on former oath

Mr MATT LONGLAND, Chief Executive, Sydney Trains, on former affirmation

Ms LYNDAL PUNCH, Acting Chief Executive, Transport Asset Holding Entity, sworn and examined

Ms SUSAN CARROLL, Chief of Staff, Transport for NSW, on former affirmation

Mr JIM MODROUVANOS, Acting Chief Investigator, Office of Transport Safety Investigations, sworn and examined

The CHAIR: Today's hearing will be conducted from 9.15 a.m. to 5.30 p.m. We are joined by the Minister for the morning session from 9.15 a.m. to 1.00 p.m., with a 15-minute break at 11.00 a.m. In the afternoon, we will hear from departmental witnesses from 2.00 p.m. to 5.30 p.m., with a 15-minute break at 3.30 p.m. During these sessions there will be questions from the Opposition and crossbench members only, and then 15 minutes allocated for Government questions at 10.45 a.m., 12.45 p.m. and 5.15 p.m. We'll begin with questions from the Opposition. There is no opportunity for an opening statement as it is budget estimates.

The Hon. NATALIE WARD: Shame. Welcome, Minister Haylen. Thank you for joining us again.

Ms JO HAYLEN: Pleasure.

The Hon. NATALIE WARD: Estimates comes around so quickly. What a joy.

Ms JO HAYLEN: It does.

The Hon. NATALIE WARD: Minister, following the metro review, what's the current forecast cost of Metro West?

Ms JO HAYLEN: Metro West is forecast to cost around \$25 billion. We are currently undertaking works to consider the new scope of the project following the Government's announcement late last year, firstly, that we would be proceeding with Australia's largest public transport project and doing that in conjunction with the delivery of the housing that our city needs. That includes the consideration of additional stops on the metro between Sydney Olympic Park and Parramatta. That's critical to our Government's objective to marry public transport with planning and housing, and so that work is underway.

The Hon. NATALIE WARD: So \$25 billion taxpayers are paying. The two election commitments for the new metro business cases—that's Western Sydney to Macarthur and St Marys to Tallawong—how much funding has been allocated to each business case and when are they forecast to be complete?

Ms JO HAYLEN: Again, that work is underway. We're doing that in conjunction with the Australian Federal Government. We have shared objectives in completing the rail circle around Sydney. Obviously we want to ensure the best possible use of the Western Sydney Airport Metro when it opens, when planes land in 2026.

The Hon. NATALIE WARD: I'm going to direct you just to the specifics of that question, if I may, just to the allocation of the funding.

Ms JO HAYLEN: To realise the full potential of that critical link to the new Western Sydney Airport, we do need to also consider links to the north-west through St Marys to Tallawong and, indeed, to the south-west—south of aerotropolis, beyond to Campbelltown and Macarthur.

CORRECTED

The Hon. NATALIE WARD: I'm going to redirect you, Minister. How much funding has been allocated to each business case, and when are they forecast to be completed?

Ms JO HAYLEN: Work is underway on those business cases and money has been allocated.

The Hon. NATALIE WARD: How much?

Ms JO HAYLEN: An additional \$20 million. Also, the Federal Government has made a contribution. For the detail of that, I'm happy to pass to the secretary.

The Hon. NATALIE WARD: When are they forecast to be completed?

Ms JO HAYLEN: Again, I will hand to the CEO of metro to provide that information.

PETER REGAN: Thank you, Minister. The work is underway on both the business cases. We expect that over the next 12 to 18 months, we'll be able to provide Government with the options for both the north and the south extensions.

The Hon. NATALIE WARD: Okay, \$20 million and 12 to 18 months, is that right?

PETER REGAN: Actually, in total, \$30 million has been allocated into Restart NSW for each of those business cases.

The Hon. NATALIE WARD: Okay, \$30 million and 12 to 18 months.

PETER REGAN: That's correct.

The Hon. NATALIE WARD: On the two additional stations under the metro review, in December the Government announced that you had requested Sydney Metro to complete scoping studies for up to two additional stations on the Metro West alignment. Has that work started?

Ms JO HAYLEN: Yes, it has.

The Hon. NATALIE WARD: What locations have been looked at?

Ms JO HAYLEN: As the Government announced in December last year, we are moving ahead the Rosehill racecourse site, with a MOU having been signed with the Australian Turf Club. There is an unsolicited proposal to Government to not only build a new metro station and 25,000 homes but also public open space in that critical location close to both the CBD and Parramatta. We are progressing with Rosehill and we are considering other locations.

The Hon. NATALIE WARD: What other locations are you looking at?

Ms JO HAYLEN: We're working through the detail of that. I'm not in a position to provide that information.

The Hon. NATALIE WARD: Do you know the other locations?

Ms JO HAYLEN: We're working through the detail of that.

The Hon. NATALIE WARD: I'm not asking you to say them here if you're not comfortable doing so, but you're aware of them?

Ms JO HAYLEN: There are a number of options and the Government is considering them.

The Hon. NATALIE WARD: And you're not prepared to say—that's fine. How long are the scoping studies expected to take?

Ms JO HAYLEN: We expect to provide further information in the first half of this year. Again, I hand to the CEO of Sydney Metro for further information.

The Hon. NATALIE WARD: So six months?

PETER REGAN: We are working on the detail to give Government options—

The Hon. NATALIE WARD: Just how long, Mr Regan.

PETER REGAN: As the Minister said, by the middle of this year. We're rebaselining the project and providing initial scoping options for Rosehill.

The Hon. NATALIE WARD: That's very helpful, thank you. Following the scoping studies, what is the next step?

CORRECTED

PETER REGAN: If the Government decides it wants to proceed, then we continue to the next phase of design, and we incorporate the options to facilitate that station and the changes to the system into the procurement of the remaining packages in the second half of this year.

The Hon. NATALIE WARD: Minister, recommendation 4 of the metro review flags the Government should look at:

Potential opportunities to safeguard sites for later station insertion, subject to detailed feasibility studies.

Are the scoping studies announced in December a response to that recommendation?

Ms JO HAYLEN: The recommendations of the independent Sydney Metro Review have been key in driving our understanding of the project. This was a critical piece of work done by Mike Mrdak and Amanda Yates for Government so that we were to provide certainty and clarity to the taxpayers of New South Wales that we were getting best value for—

The Hon. NATALIE WARD: Sorry, it's pretty much yes or no, Minister. Was it a response to the recommendation?

Ms JO HAYLEN: No, I disagree. I'm answering the question: to ensure that taxpayers could have confidence in the expenditure of some \$25 billion and that we were getting the best bang for our buck to not only deliver a fast public transport service but also the housing that we needed. Yes, those recommendations are critical to our path forward.

The Hon. NATALIE WARD: The scoping studies are not a response to that recommendation or they are? I'm just trying to be clear.

Ms JO HAYLEN: As I said, the recommendations are critical to our path forward when it comes to Australia's largest public transport project.

The Hon. NATALIE WARD: Okay, you can't say. Is the current intention of the Government to have the station delivered in time for the 2032 opening or at a later date?

Ms JO HAYLEN: Again, as I outlined earlier, we're undertaking that work. As the CEO of Sydney Metro outlined, that includes a rescoping of elements of the project—a rebaselining. We're working—

The Hon. NATALIE WARD: It's not a trick question. Is it on track for 2032 or is it going to be later because of the scoping?

Ms JO HAYLEN: I didn't think it was a trick question. I'm just answering it.

The Hon. NATALIE WARD: Is it on track for 2032 or is it going to be a later date because of the rescoping?

Ms JO HAYLEN: As I said, we're doing the rescoping for those elements, and that will inform us for the project more broadly. Our ambition is for Metro West to open by 2032. That date was informed by the independent review of Sydney Metro and also the work, of course, that is being undertaken by the Sydney Metro team.

The Hon. NATALIE WARD: Can you guarantee that the new stations won't impact that 2032 date?

Ms JO HAYLEN: Our ambition, of course, is that it open by 2032. But our ambition is also that this significant investment not only realises the critical link for Sydney's public transport network, but also delivers the housing that is needed. Our Government's approach is to marry housing and planning with Transport and Sydney Metro.

The Hon. NATALIE WARD: Sure, but I'm interested in the Metro West, which is what I'm asking about, so I will redirect you to that. I just want to know if you can guarantee that the additional stations won't impact the 2032 date.

Ms JO HAYLEN: Our ambition is that the project open by 2032, but our ambition is also that we realise the best value for taxpayers and deliver, with that investment, the housing that our city desperately needs.

The Hon. NATALIE WARD: Sure, but I'm asking you about the delivery date on the metro project.

Ms JO HAYLEN: Yes, and I answered—

The Hon. NATALIE WARD: I understood, and I've heard three times about the housing, so we've got that covered. But let's cover off on the—

Ms JO HAYLEN: Yes, and I answered you question, thanks so much.

CORRECTED

The Hon. NATALIE WARD: If I can finish. You did promise the 2032 delivery time line. Are you clear on that promise now, or is that potentially going to blow out, given the additional stations?

Ms JO HAYLEN: The Government's ambition is that Metro West open by 2032. That date is informed by the work undertaken so far by the delivery plan delivered by Sydney Metro. It's also informed by the independent review. It is our ambition that that project open by 2032. But, as I have said previously, we also—

The Hon. NATALIE WARD: There was also your promise.

Ms JO HAYLEN: It's our ambition that it open by 2032.

The Hon. NATALIE WARD: Okay. Sounds like the ambition and the promise are the same thing, and you can guarantee that that will be done, nonetheless the alignment?

Ms JO HAYLEN: Natalie, if you want to meddle with words, that's fine.

The Hon. NATALIE WARD: No, Minister Haylen, I'm just trying to get clarity.

Ms JO HAYLEN: No, Natalie, if you want to meddle with words, that's fine.

The Hon. NATALIE WARD: No, I'm not.

Ms JO HAYLEN: I'm perfectly clear—

The Hon. NATALIE WARD: You promised 2032. The taxpayers would like to know—

Ms JO HAYLEN: No, they're your words.

The Hon. NATALIE WARD: —when and what it will cost.

Ms JO HAYLEN: They're your words, Natalie.

The Hon. NATALIE WARD: Can I try it this way, Minister?

Ms JO HAYLEN: What I'm saying is that our Government's ambition—

The Hon. NATALIE WARD: Yes, I've heard your ambition, thank you.

Ms JO HAYLEN: Our Government has ensured—

The Hon. NATALIE WARD: Minister Haylen, have you had any advice on the new stations or whether they could delay the 2032 date? Have you received advice about that?

Ms JO HAYLEN: I've had a number of briefings and conversations with the Sydney Metro team about ensuring that we realise best value for the taxpayers and we deliver on our ambitions to make sure that Metro West is everything that our city needs, both a fast public transport service and married with the housing that our city needs.

The Hon. NATALIE WARD: I do have limited time, Minister, so I'm going to redirect. Thank you. That's helpful. Mr Regan, have you provided advice about the additional stations and whether that could impact the 2032 date? Have you provided that to the Minister?

PETER REGAN: Yes, we've had extensive discussion with the Minister around the potential for new stations, including the new station at Rosehill. We are working, as the Minister said, to provide options for Government for consideration in the middle of the year. That will include an option to open, along with the rest of the railway, in 2032.

The Hon. NATALIE WARD: In your experience, could the addition of two new stations potentially delay the 2032 date?

PETER REGAN: It's certainly possible to build those stations by 2032.

The Hon. NATALIE WARD: You're confident that that can be done?

PETER REGAN: There are, of course, a lot of issues to work through inserting a station into a railway—the planning process, the design procurement.

The Hon. NATALIE WARD: It's a big and complex thing to do.

PETER REGAN: Yes, it is big and complex.

The Hon. NATALIE WARD: You've done a few of them.

CORRECTED

PETER REGAN: It's absolutely possible to have that station by 2032, but there is a long way to go down that path.

The Hon. NATALIE WARD: I want to be clear, yes or no: In your current view, given your extensive experience in metro, in your opinion right now, are you confident that 2032 can be met—

PETER REGAN: For the railway?

The Hon. NATALIE WARD: —with the addition of two stations?

PETER REGAN: It definitely can be met. We will be giving the Government a range of options around the station, and we've been asked to rebaseline the project around that 2032 date. That's what we're working to.

The Hon. NATALIE WARD: When will there be certainty on the delivery date?

PETER REGAN: That's the process we are going through now to give the Government those options. Then there is a process to procure the balance of the contracts for the works, and obviously construction of the project is well underway. As the procurement takes place over the next couple of years, we'll finish the tunnelling and then move on to the stations and systems.

The Hon. NATALIE WARD: You mentioned other options—thank you for that. What other options are you considering are available? What other options are there that you've mentioned? I assume they would have to include further delays. That would have to be one of the options, surely.

PETER REGAN: The options that we are looking through—it's different construction techniques, different designs for the station, how the station would integrate with the broader precinct around it. It's a range of options that could be considered as part of the broader planning for the precinct there. Those options also look at the sequence of construction and the construction technique. At this point we are doing the work to provide those options and there has been no decision.

The Hon. NATALIE WARD: I understand that you're diligent in doing the work but, surely, in those options have you considered whether one of those might be—plonking two new stations is no simple thing to do. Will that impact the delivery date?

PETER REGAN: There is no one answer to that. As I have said, it is—

The Hon. NATALIE WARD: I will rephrase: Does it have the potential to impact the 2032 delivery date?

PETER REGAN: I think any change to a project has the potential to impact the pathway to its completion.

The Hon. NATALIE WARD: It's realistic, isn't it?

PETER REGAN: We are working towards 2032.

The Hon. NATALIE WARD: Should these scoping studies be successful and the Government makes a decision, those new stations will presumably go through the next stages. Is that right, Minister Haylen?

Ms JO HAYLEN: As the CEO has outlined, the work is underway on those scoping studies and a rebaselining of the project. Those will be made as recommendations to Government for consideration.

The Hon. NATALIE WARD: But once they go through those, will you then move on to, presumably, the next stages—strategic business case, final business case, funding, contract delegation.

Ms JO HAYLEN: Yes.

The Hon. NATALIE WARD: You spoke about Rosehill. I'd like to explore that. Who is the lead Minister for the memorandum of understanding, and who signed the memorandum of understanding with the Australian Turf Club?

Ms JO HAYLEN: The memorandum of understanding is made with the Government, and the Government is dealing with the unsolicited proposal from the Australian Turf Club for the redevelopment of the racecourse. The Cabinet Office is responsible for those negotiations.

The Hon. NATALIE WARD: Who is the lead Minister?

Ms JO HAYLEN: I would have to confirm that. I want to make sure that I provide the correct answer to the Committee.

The Hon. NATALIE WARD: Did the MOU go through the metro review?

CORRECTED

Ms JO HAYLEN: I'm sorry?

The Hon. NATALIE WARD: Did the memorandum of understanding go through the metro review?

Ms JO HAYLEN: No. The memorandum of understanding was signed after the review process had concluded.

The Hon. NATALIE WARD: Did Transport for NSW or Sydney Metro provide formal advice to the Government regarding the MOU prior to it being signed?

Ms JO HAYLEN: I was not involved in the processes around the MOU or the unsolicited proposal.

The Hon. DAMIEN TUDEHOPE: Have you seen a copy, Minister?

Ms JO HAYLEN: No, I have not.

The Hon. DAMIEN TUDEHOPE: You haven't seen a copy of the memorandum of understanding which was reached?

Ms JO HAYLEN: No, I haven't.

The Hon. DAMIEN TUDEHOPE: Does that memorandum of understanding include Rosehill racecourse metro station?

Ms JO HAYLEN: Again, I haven't seen a copy of the memorandum of understanding.

The Hon. DAMIEN TUDEHOPE: Have you received advice in relation to its terms?

Ms JO HAYLEN: Sorry, this process is being dealt with at arms-length from the elected representatives, as would be appropriate. It's a part of the unsolicited proposals process.

The Hon. DAMIEN TUDEHOPE: I want to take you to that. You accept that the process is an unsolicited proposal, do you?

Ms JO HAYLEN: Yes, this is an unsolicited proposal.

The Hon. DAMIEN TUDEHOPE: Are you aware of the obligations relating to unsolicited proposals?

Ms JO HAYLEN: Yes.

The Hon. DAMIEN TUDEHOPE: Are you aware of your obligations in relation to unsolicited proposals?

Ms JO HAYLEN: As I said, Damien, this has been—

The Hon. DAMIEN TUDEHOPE: Are you aware of your obligations?

Ms JO HAYLEN: Sorry, can I just finish my answer?

The Hon. STEPHEN LAWRENCE: Point of order—

The CHAIR: A point of order has been taken, Minister. I will hear it.

The Hon. STEPHEN LAWRENCE: For the fourth time in a row, the Hon. Damien Tudehope has interrupted the Minister only seconds after she has commenced her answer.

The Hon. DAMIEN TUDEHOPE: I have the answer.

The Hon. STEPHEN LAWRENCE: It is a discourteous approach, I would suggest.

The CHAIR: I have heard the point of order. I was listening very carefully. I don't uphold it, but I will remind the member to allow the Minister to complete her answer.

The Hon. NATALIE WARD: Minister, I want to be clear: You stood at the announcement at the press conference about the memorandum of understanding. Are you telling us you had no knowledge or understanding and you had not seen the MOU prior to, at the time or since? Having stood at the press conference and announced it, you have no understanding and you've never seen it. Is that what you are telling us?

Ms JO HAYLEN: I have an understanding of its significance.

The Hon. NATALIE WARD: But you haven't seen it?

Ms JO HAYLEN: I've just confirmed to the Committee I have not seen the memorandum of understanding.

CORRECTED

The Hon. NATALIE WARD: Do you do that often? Do you stand at a press conference not knowing or having seen what it is that you're announcing?

Ms JO HAYLEN: I know exactly what we're announcing. That announcement in December was about the Government proceeding with Sydney Metro West—

The Hon. NATALIE WARD: That's extraordinary.

Ms JO HAYLEN: You didn't have comment about the announcement we made in December. I thought that was pretty extraordinary, Natalie.

The Hon. NATALIE WARD: It's not about me, Minister. It's about you standing at a press conference making an announcement about something you're telling this Committee you have no understanding of and you haven't seen. I just want to be clear—

Ms JO HAYLEN: No, that's your interpretation. I said I have an understanding of the importance of the memorandum of understanding—

The Hon. NATALIE WARD: Sure, but you hadn't seen it.

Ms JO HAYLEN: I said that to the Committee. I understand the importance of the memorandum of understanding, the significance of it. But it is appropriate that, as Minister for Transport, I am focused on the delivery of Sydney Metro West, its scope and its delivery, its cost to the taxpayer and, ultimately, its benefit. That's what I'm focused on—

The Hon. NATALIE WARD: How did you get that understanding? You said you have some understanding of the importance. How did you gain that understanding, having not seen it?

Ms JO HAYLEN: I'm not involved in the USP process.

The Hon. NATALIE WARD: I just want to clarify your evidence, to be fair.

Ms JO HAYLEN: I'm not involved in the USP process. That is wholly appropriate.

The Hon. NATALIE WARD: Yes, but you told this Committee just now—

Ms JO HAYLEN: As you know as a former Minister, I'm sure you're aware of those processes—

The Hon. NATALIE WARD: Minister, can I redirect you to your evidence and give you the opportunity to clarify?

Ms JO HAYLEN: —and it's wholly appropriate that as Minister for Transport, I'm focused on my responsibilities in relation to Sydney Metro West, the scope of that project and the potential to deliver a new train station—

The Hon. NATALIE WARD: Sure, I understand all of that. But you told this Committee—

Ms JO HAYLEN: —as a part of that project at Rosehill racecourse. That is my responsibility. At the press conference—

The Hon. NATALIE WARD: I'm going to redirect you, then, to your evidence, in fairness—

Ms JO HAYLEN: At the press conference that you refer to, that is what I commented on.

The Hon. NATALIE WARD: How did you gain that understanding?

Ms JO HAYLEN: In the media release from the Opposition, I noted you didn't have comment at all.

The Hon. NATALIE WARD: It's not about me. You stood at a press conference, Minister—

Ms JO HAYLEN: You are the shadow Minister for Transport.

The Hon. NATALIE WARD: I'm going to redirect you—

The CHAIR: Order!

Ms JO HAYLEN: And you didn't have comment in relation to this project.

The CHAIR: Order! Minister, I think you have spent enough time answering the question and the member is trying to ask you another question.

CORRECTED

The Hon. NATALIE WARD: I'm trying to clarify your evidence to this Committee today that you gained an understanding of the importance of something you'd never seen. I want to clarify your evidence; in fairness to you, if I were you, I'd want to clarify it. How did you gain that understanding?

Ms JO HAYLEN: Thank you for your commentary yet again, Natalie. But my understanding—

The Hon. NATALIE WARD: Minister Haylen, this is very important.

The CHAIR: Order!

Ms JO HAYLEN: My understanding is based on the briefings and information I receive, including conversations with my colleagues, with the CEO of Sydney Metro, with the Secretary of Transport for NSW.

The Hon. NATALIE WARD: You received a briefing?

Ms JO HAYLEN: My focus is on the Transport element of this critical project. Yes, that does include the potential for a metro station at Rosehill. But as the Premier has made absolutely clear, that is contingent upon the agreement—

The Hon. NATALIE WARD: I'm going to redirect you because I have just a couple of seconds.

Ms JO HAYLEN: —with the Australian Turf Club—

The Hon. NATALIE WARD: Don't you think—Minister, I'm going to redirect you.

Ms JO HAYLEN: —progressing that project.

The Hon. NATALIE WARD: Minister Haylen, I'm going to redirect you. You are telling this Committee that you had not seen the MOU. Don't you think for a project of \$25 billion it's important that you should see something in writing that affects that project—a significant project that you've talked about the importance of? Isn't it concerning to you that you stood next to the Minister and you had no understanding of the document that you were promoting that affects a \$25 billion project?

Ms JO HAYLEN: Firstly, at the press conference that you refer to, the Premier of New South Wales, the Treasurer of New South Wales—

The Hon. NATALIE WARD: I'm not asking about them; I'm asking about you.

Ms JO HAYLEN: —the planning Minister and the Minister for Transport were present.

The Hon. NATALIE WARD: You had no idea?

Ms JO HAYLEN: That is incorrect.

The Hon. NATALIE WARD: Okay, you hadn't seen the MOU that you were at the press conference announcing. Is that correct?

Ms JO HAYLEN: The announcement that we were making was in relation to—

The Hon. NATALIE WARD: Wow. You've been sidelined, I think. Don't let them do that.

The CHAIR: Order! If you could let the Minister respond.

Ms JO HAYLEN: Well, you weren't even in the media release, Natalie. You didn't even comment in the media release.

The Hon. NATALIE WARD: It's not about me. We're asking you the questions—

The CHAIR: All right, that's not a response. Order!

Ms JO HAYLEN: No, it's a Transport project. It's about Transport.

The Hon. NATALIE WARD: Answer the question.

The CHAIR: The Minister will come to order. I will be trying to get the members to treat you with respect, Minister, but I also ask that you—

Ms JO HAYLEN: Thank you for attempting, Chair; I really appreciate that.

The CHAIR: —try not to engage in bickering with the members as well. That would be helpful.

The Hon. NATALIE WARD: You've been sidelined. Don't let them do that to you.

CORRECTED

The CHAIR: I want to turn to the issue of Transport for NSW salaries. I think the latest annual report—the last two annual reports—indicate that there has been a significant increase in the number of staff earning over \$150,000 over a 24-month period. In fact, it was pretty much a two-thirds or 71 per cent increase; this was last year. I understand there are 16 executives, according to that annual report, who are earning as much as the secretary, which is \$588,000, and 134 people are on more than your base salary, Minister, which is \$315,000. Is this appropriate?

Ms JO HAYLEN: No. The New South Wales Government went to the election with a clear commitment to reduce the senior executive service across government. That includes in transport. We inherited a situation across government but, as you highlight—particularly in Transport for NSW, where there had been a ballooning of the top end rather than a deliberate significant investment in the frontline staff that people require for the delivery of essential public transport services—our Government will absolutely honour that commitment to reduce senior executive positions by 15 per cent, because we know that taxpayers expect that their money is being spent effectively, efficiently on the services that they need. I would perhaps refer you to the secretary in relation to progress that has been made since the annual report was issued and the new operating model that the secretary has recently announced. That sets us on—

The CHAIR: So progress—just in one or two sentences, Mr Murray, if you could—data.

JOSH MURRAY: Thank you, Chair. We have, as the Minister has said, embarked on the program that the Government has set to reduce senior executive levels by 15 per cent.

The CHAIR: Just the data. What has happened?

JOSH MURRAY: We are currently looking at an executive population which as of June last year was 1,357. So far this financial year that has been reduced by 37 executives. That equates to about 3 per cent of that number.

The CHAIR: Minister, the issue is, though, it is not just the numbers. Of course, that is part of the issue. But it is the salaries, isn't it?

Ms JO HAYLEN: I would say that our commitment is around reducing the number of senior executive positions overall and that that is a good outcome for the New South Wales budget but also the taxpayers of New South Wales. I'm not here to provide an opinion about salary levels, but our Government's commitment is very clear; that is, that our focus is on the delivery of frontline essential services.

The CHAIR: Are you aware that Transport for NSW uses a different grading scale to the rest of the public sector?

Ms JO HAYLEN: I again refer to the secretary in relation to salary levels.

The CHAIR: Do you see this as your responsibility in any way? You have a transport budget. We've just heard, for example, of the dire need for bus upgrades, more bus infrastructure. As an example, 3 per cent of the transport budget spend goes to buses. We know that there is a huge demand and need out there. Meanwhile, you've got 1,340 people, maybe a few less now—3 per cent less than that—on more than the base salary in your department. And you don't see that as your responsibility to set the direction and the principle of the matter, which is they're spending a lot of taxpayer money on these over-bloated pay packets?

Ms JO HAYLEN: Firstly, I want the best people in the New South Wales public service. I want the best people in the right jobs delivering quality services for the people of New South Wales. In my very first attendance at the L100, which is the top 100 executives at Transport for NSW—which, to illustrate my point earlier, is more than 100 people, interestingly—I presented my five key priorities for our Government in the Transport portfolio. That number one priority is improving reliability to increase patronage and to improve people's confidence in public transport. The best way that we do that is to have the best people in the right jobs and a part of that is to ensure that that money is distributed appropriately. Our Government's policy is very clear here—that there must be a reduction in the senior public service across the entire Government.

The CHAIR: You've just reported 3 per cent, so 37 of 1,357. Where does the salary start, Mr Murray, for those 1,357 executives within Transport for NSW?

JOSH MURRAY: I'd have to take that on notice, Chair, but what I might add is that we have also announced a restructure where we will take 10 divisions down to seven and the three corporate divisions down to two, and that will enable us to continue to drive those numbers. You're quite correct in your earlier statement about Transport having a different framework to other parts of the public sector. That's because we have transport sector workers within that framework and they have a special designation. We have the transport senior managers in that pool as well. We are working through this restructure to get some benchmarking across the system. We do

CORRECTED

want to make that much more streamlined. But the reason that was established was to be able to recruit into the engineering sector in particular to deliver the mega-projects that have been undertaken over recent years.

The CHAIR: That's what you're saying. With the 746, for example, that I have here—again maybe 3 per cent less than that—on an average of \$257,000, your agency has a workforce of almost 15,600. As an example, DCJ, 24,082. Meanwhile the scale of their executive salaries is 75 per cent less than what Transport for NSW has. Minister, reducing the number of executives seems to be going very slowly. Meanwhile, that is a lot of money to be spending on these senior executives. You don't see—and I'll just ask it again—that there is any need to assess the amount of money that executives within your agency are being paid?

Ms JO HAYLEN: Firstly, I would say that we need to be competitive. We need the right people in the right jobs to deliver frontline essential services but also deliver very complex infrastructure projects. We're talking about in Sydney Metro alone, for example, a project worth \$60 billion delivering a world-class metro service. We do need the best people in the right jobs. But in relation to salaries, our policy is very clear and that is there must be a reduction of the senior executives so that we are directing taxpayer money in the right way. The secretary has undertaken a process. I appreciate your commentary around the progress of that, but as you well know, we have inherited a range of challenges here and my illustration of the L100 being more than 100 people, I think, illustrates the scale of that challenge.

The CHAIR: I want to turn to Sydney Metro, if I can, Mr Regan. I wanted to just get the status of a couple of internal investigations that are either underway or completed within Sydney Metro. There was an investigation called Elara. You're aware of that, I assume.

PETER REGAN: Yes, I am.

The CHAIR: What were the findings of that investigation?

PETER REGAN: The Elara investigation relates to the appointment of an individual on a labour hire basis back in 2022. The investigation was, amongst other things, looking at that appointment and some other issues around—

The CHAIR: What were the circumstances of that appointment? Why did it become an investigation?

PETER REGAN: We, from time to time, receive allegations or complaints around appointments or other issues in the business. When that happens, we clearly have an obligation to investigate and we take all those complaints very seriously. As appropriate, we also pass information on those kinds of allegations to ICAC, as I'm required to do. ICAC then consider that and advise whether they wish to hand that back to us to investigate or whether they will investigate themselves. In the case of the investigation that you refer to, ICAC passed that back to us to investigate.

The CHAIR: This was back in—when was this—2023, last year?

PETER REGAN: That was early last year—so, yes, early 2023. That investigation was undertaken. We passed that to Transport for NSW to investigate. That investigation was completed late last year.

The CHAIR: Were there two investigations, Mr Regan? Was there an external investigation and a Transport for NSW investigation into the same matter?

PETER REGAN: I understand Transport for NSW have an investigations team, and they use a combination of both internal and external people within that team to investigate. I'm not sure. I would have to pass that to Transport as to which of those it was.

The CHAIR: Let's just be clear: What was the allegation? It was sustained in the first investigation report, which has now been publicly released. It was sustained.

PETER REGAN: Yes, there were a number of aspects to the allegations, and some of those were substantiated. That's correct.

The CHAIR: Essentially somebody—a senior executive—creating a position or instructing somebody to create a position to which that person filled that position. A lot of effort seemed to go into it to make sure that that position's salary was under \$500,000 per year to avoid having to go to you as the CEO. It was signed off, as I understand, by the head of project delivery—I think that was his title at the time—Mr Tim Parker, who is now heading up the Federal High Speed Rail Authority. These findings were sustained by what I understand was an external investigation. Is that correct? Who undertook that? At the beginning—which then led to that referral to ICAC, or notified ICAC.

PETER REGAN: No. To be clear, the notification to ICAC happened at the start of the process. When we receive allegations, we are under an obligation, if we believe that that may relate to inappropriate conduct, to

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refer those to ICAC, and then ICAC advises us whether they wish it to be investigated within metro—and then we will at times ask Transport to do that—or whether or not they will investigate themselves. The referral happens at the start of the process. In this case it was referred back for that investigation to take place.

The CHAIR: The investigation reports that I have seen, to begin with, say that the allegations were sustained, that the senior executives acted outside of the various codes which ensure that positions like this go to open tender. Are you aware of that as well? They were sustained at that time. There was then another investigation by Transport for NSW. Is that correct? What happened with those findings?

PETER REGAN: Yes. To be very clear, a couple of points there. We expect everyone—all of our employees and all of our contractors—to operate within the constraints of the rules and the systems that are put in place. Those rules and systems at the metro level, within Transport for NSW and across government apply to everyone. We expect everyone to operate within those. In this particular investigation, which was undertaken by Transport for NSW, it was found that some of the allegations were substantiated. When allegations are substantiated through an investigation—

The CHAIR: Which allegations were substantiated, Mr Regan?

PETER REGAN: As I said, the broader investigation was into the matter that you described. There were a number of elements to it and some of those were substantiated. I'm not going to go into the details of the individuals and the specifics. But when an investigation has an allegation that is substantiated, then the next step in the process is to determine what the appropriate remedy or next course of action is. That can take a range of outcomes depending on what the allegation was. That can be a warning, that can be remedial action, disciplinary action or termination of employment or other contracts. That is determined following and separately to the investigation itself.

The CHAIR: Is anybody who was subject to that Elara investigation still working within Sydney Metro?

PETER REGAN: No, they're not.

The CHAIR: I understand that Mr Parker left at the—when did he leave Sydney Metro?

PETER REGAN: He left earlier this year.

The CHAIR: He left early this year? It was known that he was going to move over—

PETER REGAN: Yes, Mr Parker resigned from his role at Sydney Metro to take up a new opportunity, and that took place, I believe, in December.

The CHAIR: Has there been any review—were there any requests to undertake a review? Is it ongoing, into the findings that were sustained against Mr Parker?

PETER REGAN: That's a matter I would need to refer to Transport.

The CHAIR: Okay, I will refer that to Mr Murray. Are you aware of that? Is there any further review being undertaken now into those allegations or the findings that were sustained, in fact, into the Elara investigation?

JOSH MURRAY: No, my understanding is that matter has now been closed. What we have done, at the Minister's instigation, is further review the processes between Transport and metro to ensure that they are robust. Those findings have been independently verified that we do have the right systems between metro and Transport for NSW and the ICAC for handling these matters. As Mr Regan has already said, this case, which has bounced around now for a while in terms of these hearings, has previously been provided to the ICAC, which has declined to take any further action.

The CHAIR: With respect, Mr Murray, it's actually a different case. I haven't raised this case at these hearings before. The other case is actually Operation Cyllene, which is a completely different matter. They're two reasonably serious investigations, both of which suggest that there are failings within Sydney Metro in terms of contractors declaring conflicts of interest and contractors signing their statements of interest and declarations of interest and associations truthfully. I've seen—and they've been released; they're publicly available now—the conflict-of-interest statements and the statement of interest and association of, for example, Mr Barry McGrattan, who we know is Bellgrove Advisory; he runs that company. He declared no conflict of interest. He declared no statement of interest and association, Mr Regan. Do you think that's appropriate? In fact, most of the ones that I've seen, nobody is declaring any conflicts of interest. Meanwhile, they're running these recruitment companies.

PETER REGAN: We expect all of our employees and contractors to metro to maintain up-to-date statements and associations.

CORRECTED

The CHAIR: But why isn't that happening? The expectation—I'm sure that's a good thing to say here; that's a good line to run. But, in reality and in practice, that's not happening. I suppose the question for me is that there have been a lot of revelations that have come out, and I'm sure more will because there are still some boxes that haven't been released yet. What changes have happened, for example, with these declarations—the conflict-of-interest declaration, statement of interest and association? That system was completely failing two years ago, from the documents I've seen.

PETER REGAN: Thank you for asking that. We have made a number of changes over the past couple of years to the processes around how and when contractors are engaged, including applying additional layers of approval from parties not involved in the initial requisition of the work. Around September, October last year, we implemented a new contractor review process, where all contractor appointments, any extensions to those contracts, any changes to contracts, any new appointments all need to go through additional approvals by our chief financial and commercial officer, our head of people and culture, and above a \$250,000 threshold, by me.

We've done a detailed review since that time of every single professional service contractor, looking at the value for money, the longevity, the number of contracts that people have had over time. We take extremely seriously the allegations that were raised at the time. I note that you mentioned the investigation Cyllene as well. That is also being referred to ICAC. The allegations were not substantiated that were made in that particular situation, but I am absolutely aware of the concerns and the perception around conflict of interest. We have made very clear to all of our contractors just recently again the importance of full disclosure of interest, including where they are shareholders or directors of their consulting companies.

The people you mentioned before were not Sydney Metro employees. They're private sector employees who had been contracted from private sector companies to do work for Sydney Metro. They don't have the ability to award contracts to themselves. Only employees can award contracts or make recruitment decisions, and we have gone through a very detailed process to ensure that separation is in place and to ensure that there are appropriate checks and balances. As the secretary has mentioned, we've also had a further independent review of those processes done since the last hearing of this Committee. That has indicated we do have robust processes but there are always opportunities to improve. I'd be very happy to talk through with you what they are.

The Hon. DAMIEN TUDEHOPE: Minister, I wanted to ask you before: You're aware of the Government's obligations in relation to unsolicited proposals, are you not?

Ms JO HAYLEN: Yes, I am.

The Hon. DAMIEN TUDEHOPE: Do you agree with me that underpinning the concept of unsolicited proposals is the notion that the Government will be impartial in relation to those proposals?

Ms JO HAYLEN: Yes, I am. That's why I previously indicated that those matters are dealt with at arms-length from elected representatives. In fact, the USP process is being overseen by the Cabinet Office, as is appropriate.

The Hon. DAMIEN TUDEHOPE: Do you consider the media conference a demonstration of impartiality?

Ms JO HAYLEN: I think that's asking for an opinion.

The Hon. DAMIEN TUDEHOPE: You were there and cheering on the project, were you not?

Ms JO HAYLEN: I was there as the Minister for Transport.

The Hon. DAMIEN TUDEHOPE: And you were cheering it on, were you not?

Ms JO HAYLEN: I don't think I was cheering.

The Hon. DAMIEN TUDEHOPE: You were in fact making expressions in relation to the benefits relating to that project, were you not?

Ms JO HAYLEN: My job is Minister for Transport, and I was at that press conference to, firstly, release the independent Sydney Metro Review—it's findings—and to—

The Hon. DAMIEN TUDEHOPE: You weren't there as part of the announcement in relation to the decision by the chair of the ATC and those advising him in relation to their proposal? You weren't there in relation to that?

Ms JO HAYLEN: The announcement was at Rosehill racecourse with, as I outlined, the Premier, the Treasurer, the planning Minister, the ATC and I to announce that the Government is committed to building Metro

CORRECTED

West and doing that in conjunction with the delivery of housing and, in line with that policy objective, to deliver 25,000 homes, a brand new metro station and open space at Rosehill. That was the announcement.

The Hon. DAMIEN TUDEHOPE: And that was the announcement that you were there as part of making—

Ms JO HAYLEN: I think you were calling for it for some time, weren't you?

The Hon. DAMIEN TUDEHOPE: Would you agree with me—

Ms JO HAYLEN: In fact, the shadow Minister for Transport made some interesting social media posts about how long it might have taken, so I thought you would have been cheering, too, that we finally did it.

The Hon. DAMIEN TUDEHOPE: This is very unhelpful, in terms of getting through this material. If you would just confine yourself.

Ms JO HAYLEN: I'm answering your questions.

The Hon. DAMIEN TUDEHOPE: You're not.

Ms JO HAYLEN: Now you're telling me how to behave, Damien.

The Hon. DAMIEN TUDEHOPE: Minister, would you agree with me—

Ms JO HAYLEN: Now you're telling me how to behave.

The CHAIR: Order!

The Hon. DAMIEN TUDEHOPE: Would you agree with me that the memorandum of understanding contains a provision that if the members don't agree with the proposal which has been submitted to the Premier's office, then Rosehill station will not be built—it's a condition of the proposal that this station be delivered?

Ms JO HAYLEN: As the Premier has made very clear, the Government's ambition to build a new metro station at Rosehill is contingent upon an agreement with the Australian Turf Club; our Government's ambition is to ensure that when we deliver Metro West, it is also done in conjunction with the delivery of housing and Rosehill is critical to that.

The Hon. DAMIEN TUDEHOPE: I accept all of that. Do you agree with me, though, that the delivery of a railway station enhances the bottom line for the ATC?

Ms JO HAYLEN: We are working through an agreement.

The Hon. DAMIEN TUDEHOPE: Does it or not?

Ms JO HAYLEN: We wouldn't build 25,000 homes without a new metro station—

The Hon. DAMIEN TUDEHOPE: Correct.

Ms JO HAYLEN: —and vice versa. That's why the Premier has made absolutely clear—

The Hon. DAMIEN TUDEHOPE: Does it enhance the profits to the ATC?

Ms JO HAYLEN: —that this is not a done deal. We are working through the process. That's what we're doing. My responsibility as the Minister for Transport is to ensure that Sydney Metro is doing the work—

The Hon. DAMIEN TUDEHOPE: Did you get probity advice in relation to this?

Ms JO HAYLEN: Firstly, as I've said before, Damien, the unsolicited proposal process is dealt with by the Cabinet Office.

The Hon. DAMIEN TUDEHOPE: Did you get probity advice? The racing Minister got probity advice, Minister. Did you get probity advice?

Ms JO HAYLEN: I was briefed about—

The Hon. DAMIEN TUDEHOPE: Did you get probity advice?

Ms JO HAYLEN: Firstly, as a Minister of the Crown—

The Hon. NATALIE WARD: It's a yes or no.

Ms JO HAYLEN: —of course I received a briefing about the—

The Hon. DAMIEN TUDEHOPE: Did you get probity advice?

CORRECTED

Ms JO HAYLEN: Excuse me, can I answer the question?

The Hon. Dr SARAH KAINE: Point of order—

The Hon. DAMIEN TUDEHOPE: It's a straightforward question.

The CHAIR: A point of order has been taken. I need to hear it.

The Hon. Dr SARAH KAINE: Chair, a question has been posed and the Minister is attempting to answer it. Both Ms Ward and Mr Tudhope are refusing to let her and keep interjecting.

The Hon. NATALIE WARD: To the point of order: The Minister is clearly not answering the question and has spoken over the questioner. I think that we should—

The Hon. Dr SARAH KAINE: It doesn't mean you can keep shouting it at her.

The CHAIR: I'll hear one point of order, then the other, which I've now heard. I was listening very carefully. I think the question was very direct and simple. I remind the Minister to try to answer the question. Of course, you can always take a question on notice but you're here to answer the questions posed to you. I do not uphold the point of order.

The Hon. DAMIEN TUDEHOPE: Did you get probity advice?

Ms JO HAYLEN: I have been briefed on the unsolicited proposal process and I'm aware of my obligations. As I said earlier, it is the responsibility of the Cabinet Office to oversee these processes.

The Hon. DAMIEN TUDEHOPE: Yes or no, Minister?

Ms JO HAYLEN: It is done at arms-length from elected representatives—

The Hon. NATALIE WARD: We'll redirect. Thank you, we've heard that, Minister. We've heard that three times. We're aware of the process. We're just clarifying whether you were, and whether you got probity advice. It seems that you're not able to answer that question directly so we'll have to assume that's a no. But I'll move on—

Ms JO HAYLEN: Your constant commentary, Natalie, is not helping the Committee, I would suggest.

The CHAIR: Order! The Minister will come to order.

The Hon. NATALIE WARD: Were you there just to make up numbers? If you hadn't seen the MOU, if you didn't get probity advice, or it's unclear what advice you did get—

Ms JO HAYLEN: To make up numbers?

The Hon. NATALIE WARD: Yes. It seems that you were just standing beside them, because you were saying you're not part of—

Ms JO HAYLEN: That's an interesting reflection on a media conference that was held—

The Hon. NATALIE WARD: Do you want me to finish the question? Clearly not.

Ms JO HAYLEN: —probably one of the Government's most important announcements of 2023, an announcement that you constantly asked for from the Government—

The Hon. NATALIE WARD: It's not about me, Minister. I'm going to redirect you—

Ms JO HAYLEN: In fact, you made a series of social media posts—

The Hon. NATALIE WARD: It's not about me. I'm going to redirect—

Ms JO HAYLEN: —comparing me to a lettuce.

The Hon. NATALIE WARD: Minister, were you—

Ms JO HAYLEN: It was highly anticipated! I'm the Minister for Transport.

The Hon. NATALIE WARD: No, really? What a revelation! My goodness, she's the Minister for Transport! She needs to tell us.

The CHAIR: Order!

Ms JO HAYLEN: The Government was announcing that it was progressing with Australia's largest public transport project.

CORRECTED

The Hon. NATALIE WARD: Given that the Premier has said—

The CHAIR: Let's ask a question.

The Hon. NATALIE WARD: We might move to question and answer; that's how it works. Given that the Premier has said there's no guarantee about this project, how long will you wait as Minister for Transport before you either wait for this deal to be reached or dumped, one way or the other, and what impact will that have on the delivery time line?

Ms JO HAYLEN: Firstly, I reject your statement that this project will be dumped. The Government is committed—

The Hon. NATALIE WARD: The Premier said there's no guarantee.

Ms JO HAYLEN: No, the Government is committed to delivering Metro West. That is the project that I am responsible for, along with Sydney Metro, to deliver.

The Hon. NATALIE WARD: Yes, but just to clarify, Minister, the Premier did say there's no guarantee that that will happen at Rosehill. I just want to understand, from this Committee, how long will you wait?

Ms JO HAYLEN: We're not waiting. In fact, as you heard earlier from the CEO of Sydney Metro, we are currently undertaking works—including a scoping study and a rebaselining of the project—to ensure, firstly, that Sydney Metro is able to provide that information to government to make a decision—

The Hon. NATALIE WARD: I'll redirect you to the time line.

Ms JO HAYLEN: —to be able to proceed as we intend. That is our ambition, because we want to have—

The Hon. NATALIE WARD: Thank you. I'll redirect, Minister. You have told us about your ambition. We're very clear on that, so thank you. But we want to understand whether there's any impact on the delivery time line by this thought-bubble, MOU, arms-length deal that you had nothing to do with. How long will you wait to see if it's in fact—

Ms JO HAYLEN: Yet again I reject your commentary in relation to the question.

The Hon. NATALIE WARD: Sure.

Ms JO HAYLEN: There are TBMs in the ground right now. This project is progressing at pace. The announcement that you seek to characterise in a range of ways at the end of last year confirmed our commitment to the project, to its potential expanded scope and to the delivery of housing in association with that.

The Hon. NATALIE WARD: Thank you, you've said that. Minister—

Ms JO HAYLEN: Do you or do you not support the project?

The Hon. NATALIE WARD: —I'll move on to my next question.

The CHAIR: Order!

Ms JO HAYLEN: That's what I'd like to know.

The Hon. DAMIEN TUDEHOPE: We support proper process, Minister.

Ms JO HAYLEN: Yes, we actually like to see that there's a process, not a thought bubble.

The Hon. Dr SARAH KAINE: Point of order—

The CHAIR: A point of order has been taken.

The Hon. NATALIE WARD: The Minister asked the question.

Ms JO HAYLEN: A thought bubble! This is a project you were begging for us to announce.

The Hon. NATALIE WARD: This is not how estimates works, so we're clearly getting under your skin.

Ms JO HAYLEN: Begging!

The Hon. NATALIE WARD: Would you like to answer some questions?

Ms JO HAYLEN: You're not under my skin! Begging!

The CHAIR: A point of order has been taken by Dr Kaine.

CORRECTED

The Hon. Dr SARAH KAINE: There are continual interjections by both—

The Hon. NATALIE WARD: By the Minister.

The Hon. Dr SARAH KAINE: —Ms Natalie Ward and Mr Tudehope.

The CHAIR: There are continuing interjections by everybody at this point.

The Hon. NATALIE WARD: Time wasting and running cover. Can I ask some questions?

The CHAIR: Exactly. Mr Faraway, lift your game!

The Hon. NATALIE WARD: He has been very well behaved.

The CHAIR: We will go back to questions then answer.

The Hon. NATALIE WARD: I want to ask about Metro West. When will the project, when will the stations, the linewide, the train systems, operations and maintenance contract be put out to tender?

Ms JO HAYLEN: I'll refer that detail to the CEO of Sydney Metro.

The Hon. NATALIE WARD: You don't know?

Ms JO HAYLEN: Those are details in relation to the project. I'll refer them to the CEO of Sydney Metro.

The Hon. NATALIE WARD: Metro West—when will the contract be put out to tender?

The CHAIR: Order!

The Hon. NATALIE WARD: Wow.

The CHAIR: The Minister is able to ask one of her public servants to answer the question.

PETER REGAN: So—

The Hon. NATALIE WARD: I'll deal with you this afternoon.

PETER REGAN: If you wish.

The Hon. NATALIE WARD: I can direct that to you this afternoon, thank you. The review states, and I want to be clear on this:

Should [it] not be in the market by early 2024 as originally planned, there will be extensive time and cost pressures on overall delivery. That's your review and your experts. So has the delay to the contract tender placed any cost increases on the project?

Ms JO HAYLEN: As the CEO previously outlined, and as I have made very clear to the Committee, our ambition remains that this project open in 2032.

The Hon. NATALIE WARD: Ambition is not clarity.

Ms JO HAYLEN: We are committed to it and we are rescoping the project to ensure that Government has all the information before it to make a decision about potential extra stations.

The Hon. NATALIE WARD: Minister Haylen, in your own review—

Ms JO HAYLEN: But there is no—

The Hon. NATALIE WARD: I'm going to move on. In your own review it states, "It shouldn't be—

Ms JO HAYLEN: TBMs are in the ground, Natalie. There is no delay to the project.

The CHAIR: Order! We'll hear the question.

The Hon. NATALIE WARD: If it's not—

Ms JO HAYLEN: These questions are fascinating in relation to your previous commentary around Metro West.

The CHAIR: Order!

The Hon. NATALIE WARD: Minister—

The CHAIR: With respect, Minister, we'll just hear the questions as opposed to commenting on the questions.

CORRECTED

The Hon. NATALIE WARD: You're clearly wasting time. Minister, I'm going to move on. Were you consulted on the—

Ms JO HAYLEN: Every single question comes with a series of comments, so it's pretty difficult to discern the question from the commentary.

The CHAIR: Yes, I'm frustrated by that as well—

The Hon. NATALIE WARD: May I ask a question?

The CHAIR: —in trying to suggest that the member ask the questions, which is your role.

The Hon. NATALIE WARD: I am trying. Minister Haylen, were you consulted on the Transport Oriented Development Program before it was published?

Ms JO HAYLEN: I am a member of Cabinet and Cabinet subcommittees that were a part of the decision-making around the Transport Oriented Development SEPPs.

The Hon. NATALIE WARD: So yes.

Ms JO HAYLEN: I was a part of the decision-making. Transport for NSW provided information to the Department of Planning in the development of that policy.

The Hon. NATALIE WARD: So did Transport for NSW provide formal advice before the release of, I'll call it the TOD, the Transport Oriented Development Program by the Government?

Ms JO HAYLEN: Yes, Transport for NSW provided information to the planning department so that the right data and information could be the basis for the right locations for these planning changes, and that includes the capacity of our railway network and those stations.

The Hon. NATALIE WARD: Good. That's pleasing to hear. Is there a plan being developed to upgrade any or all of the 39 stations included in the TOD Program given the expected increase in patronage?

Ms JO HAYLEN: Transport for NSW is obviously working through all of those details and has provided both the relevant current information and future projections based on a range of investments and programs. They include, for example, our accessibility program. We would want to ensure that—

The Hon. NATALIE WARD: I am going to redirect you, though, because I don't have much time, Minister Haylen.

Ms JO HAYLEN: We would want to ensure that all of that expenditure aligns.

The Hon. NATALIE WARD: Thank you for that information, but my specific question is about the plan to upgrade any or all of the 39 stations included in the TOD given that there's going to be expected increased patronage. What are the plans for those?

Ms JO HAYLEN: As I said, it's my expectation that expenditure aligns and that we take a whole-of-government approach to Planning and Transport. It's obviously the topic we've been covering this morning, that our Government is committed to marrying those two key areas of policy, and, as you highlight, the TOD is one of those Government policies where we are pulling on those levers together. It's my expectation that expenditure is directed in the right locations.

The Hon. NATALIE WARD: So within the TOD selection, which was a Planning decision, only two stations were selected for Transport Oriented Development precincts on the Metro West and Metro Southwest conversion lines. Did Transport provide any concerns or advice against the use of the metro stations as precincts for the TOD?

Ms JO HAYLEN: Again, Transport provided relevant advice and the Department of Planning put forward a minute and Cabinet made a determination. I'm happy to hand to the secretary for further information.

The Hon. NATALIE WARD: That's okay, I can ask the secretary this afternoon, but thank you for that. Purely from a Transport perspective, as Minister for Transport and responsible for Transport for NSW, is there any reason why stations on either metro line couldn't be rezoned for precinct development?

Ms JO HAYLEN: Firstly, I would say that these are decisions of Cabinet based on information from the Department of Planning. I am not a part of the decision matrix that aligns the transport capacity and planning considerations. Those recommendations came forward to Cabinet. Elected representatives are not in the business of selecting one location over another location. We are in the business of ensuring that those two—

CORRECTED

The Hon. NATALIE WARD: To pick up on that, you are the Minister who takes it to Cabinet. You get the advice, and I understand—I agree with that—there is advice and there is a planning decision. But what I am asking is, from purely a transport perspective, as the Minister for Transport—you have told us that's what you are—is there any reason why stations on either metro line couldn't be rezoned for precinct development?

Ms JO HAYLEN: These are the first sets of policies that we are putting forward in relation to the delivery of housing, and that is absolutely our Government's priority. As I said earlier—

The Hon. NATALIE WARD: It's a very specific question.

Ms JO HAYLEN: —we are marrying transport and planning. This list does not preclude further stations from being added in the future. Obviously Transport and Planning will continue to work together to find the right locations for quality housing density to be built near transport stations.

The Hon. NATALIE WARD: Sure, I understand all of that, but it's a very specific question as to these two stations. Mr Murray, do you have anything to add to that? Are you aware of any reason why the metro stations couldn't be added as precincts?

JOSH MURRAY: I would make the point that of the eight accelerated projects, seven of those are either current or future metro sites. I'm not sure of the exact aim of the question outside of that. We are obviously targeting—

The Hon. NATALIE WARD: Are you aware of any reason why they can't be? It's pretty specific.

JOSH MURRAY: The Planning department, aided by Transport and aided by other government agencies, have all fed into the process of identifying the eight accelerated TOD sites and the 31 follow-up sites. All of those have had initial modelling, and Transport is now working with the Department of Planning to fill out those plans and to look at both current infrastructure and what might be required over the time line of the TOD developments. We are doing that at the moment.

The Hon. NATALIE WARD: I accept that the Government picked certain sites—I understand that—and picked certain stations. The question is: Is there a reason why others couldn't be included?

JOSH MURRAY: As I said, I think the accelerated sites—to have seven of eight being metro-related development sites shows the enormous capacity that we do see around the metro, both in its current form in the north-west and also the proposed sites to the west that will come online. That's why those stations have been selected through the accelerated process.

The Hon. NATALIE WARD: The Property Council commented on the TOD, which is, again, a planning policy. It said there is a need "to leverage the State's catalytic investment in the Sydney Metro program". From a Transport perspective, Minister Haylen, would rezoning development increase the return taxpayers would receive via increased patronage on the State's investment in the metro system?

Ms JO HAYLEN: We obviously have an ambition to move more people to public transport. As I outlined earlier, my ambition is to improve people's confidence in public transport and give them the real option to use public transport as a mode of choice, not a last resort. We know that if you live next to, on top of or close to a public transport hub like a new metro station, you are highly likely to use it. Yes, that does provide an increase in patronage. That is an overall good thing for the State but also a good thing for those residents.

The Hon. NATALIE WARD: Rezoning on Metro West and Metro Southwest could support those ambitions.

Ms JO HAYLEN: There are a number of TODs that are located along the Southwest metro line, as there are on the North West and other heavy rail locations. Of course, it is our ambition through the recommendations of the Department of Planning recommendations to align housing development with quality and reliable public transport.

The Hon. NATALIE WARD: Rezoning on those would be a good thing. You said you have an ambition for better transport. I've understood that; I've heard that. Would you support further precinct development along the Metro Southwest in the future?

Ms JO HAYLEN: The fact is that we have a housing crisis in New South Wales. There are young people leaving our State in droves. The dream of owning a home is gone for many people. In fact, they dream of renting a home—

The Hon. NATALIE WARD: I've got one minute, so I'm going to redirect you. We've heard about ambitions and dreams and I hear that. But would you support further precinct development along—

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Ms JO HAYLEN: I'm not answering hypothetical questions. As I have outlined—

The Hon. NATALIE WARD: But you've talked about your ambition. It's very specific about the rezoning. It's not a hypothetical. Would you support further precinct development along Metro Southwest to meet that ambition of further housing?

Ms JO HAYLEN: I think that question is a hypothetical question.

The Hon. NATALIE WARD: Is that a no?

Ms JO HAYLEN: But, as I have said, our Government will be guided—

The Hon. NATALIE WARD: Why wouldn't you support that?

Ms JO HAYLEN: Our Government will be guided by ensuring that we are locating quality, density, new housing that is desperately needed—

The Hon. NATALIE WARD: You've talked about your ambition.

Ms JO HAYLEN: —close to public transport.

The Hon. NATALIE WARD: You've talked about your dreams of young people. Why don't you support it?

Ms JO HAYLEN: I support the Government's policies to deal with the housing crisis. The fact is that we cannot miss an opportunity to deliver housing across Sydney.

The Hon. NATALIE WARD: I agree with all of that. No-one is disagreeing with any of that, Minister Haylen. We're asking if you would support that precinct development.

Ms JO HAYLEN: As I've said, I support the Government's current policies to address the housing crisis.

The Hon. NATALIE WARD: So that's a no?

Ms JO HAYLEN: That includes a range of policy measures, including the TOD.

The Hon. CAMERON MURPHY: Point of order—

The CHAIR: A point of order has been taken, Minister. I do need to hear the point of order.

The Hon. NATALIE WARD: I can only assume that's a no.

The CHAIR: Ms Ward, I do need to hear the point of order.

The Hon. CAMERON MURPHY: As a matter of courtesy, the Minister is a witness, who is entitled to be treated with respect. When a question is being asked, it's only a matter of seconds before there is an interjection, with commentary, trying to recharacterise or rephrase what the Minister has said.

The Hon. DAMIEN TUDEHOPE: To the point of order—

The Hon. NATALIE WARD: To that point of order—

The Hon. CAMERON MURPHY: It's just disorderly.

The Hon. DAMIEN TUDEHOPE: It's disrespectful to this Committee for the Minister—

The Hon. Dr SARAH KAINÉ: Mr Tudehope, we don't need a lecture, thank you.

The Hon. DAMIEN TUDEHOPE: —not to answer the questions as put.

The CHAIR: Ms Ward, did you want to also address that point of order?

The Hon. NATALIE WARD: To the point of order: It is incumbent on the Minister to also be courteous. I think that in this situation I have attempted to redirect, politely, and I ask the Minister to answer a very—

The Hon. Dr SARAH KAINÉ: Redirect is not to interfere.

The Hon. NATALIE WARD: And I don't need your commentary.

The CHAIR: I think there's a common theme here, with both the witness and the member, Ms Ward, speaking over each other. I think the next couple of hours are going to run a lot more smoothly if the members could ask their questions and the Minister could respond without interjections, as much as possible—recognising,

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Minister, that there is not much patience for long-winded responses that look like an attempt to use up time. That's why, I think, people do get frustrated and members come back with questions sooner than they ordinarily would.

The Hon. CAMERON MURPHY: Thank you, Chair.

The CHAIR: It's my time now. Let's go to the issue of bus shelters in Western Sydney, if we can. There's another inquiry that this Committee is undertaking into the transport needs of Western Sydney, and we have heard quite a bit of evidence during that inquiry about the dire situation of the bus stops in Western Sydney—so many without bus shelters, for example, Penrith. A mapping exercise was done. Sweltering Cities mapped 500 bus stops in Penrith; 70 per cent of those stops had no shelter, no shade, no seats. I understand that Penrith council has a budget to install four new shelters every year. That will take that out to after all of us are long gone. Minister, what support will your Government provide for councils to fast-track ensuring that bus stops, particularly in Western Sydney, have shade?

Ms JO HAYLEN: Thank you for your interest in a critical mode of public transport. As you rightly identify, there are large parts of Western Sydney and south-western Sydney that rely on bus services. Only yesterday we released the second report from the Bus Industry Taskforce that makes very clear the neglect of this critical mode—a mode that transports 40 per cent of people but has received only 2 per cent of the capital investment. Things like bus shelters are critical to people's ability to choose public transport. It's not just the frequency or reliability; it is also the environment. The Government is acutely aware of all of the different elements that mean that public transport is not an option for people. Our ambition is that it becomes the first mode of choice. I would—

The CHAIR: Thank you, Minister. I have given you a lot of time. You know my question was quite specific. I heard you—I think it was on ABC Sydney—this week essentially saying that it's up to councils to fund those shelters. Somebody phoned in about that; that's what you said. Is it really just up to councils? There are stories of mothers having to wait in 45-degree heat, with a baby strapped to their chest, with no shelter in the middle of the day; people over 80 having to do the same thing. It's unacceptable to just say it's up to councils, isn't it? It's a policy decision. Are you looking at it? Can you guarantee that councils can get more support from the State Government for this?

Ms JO HAYLEN: At this stage I can't guarantee this because we're working through the neglect that we have inherited in relation to the bus industry. The fact is that the former Government did not invest as they should. In fact, governments over time have not allocated the money that's required.

The CHAIR: So what are you going to do, Minister?

Ms JO HAYLEN: As I outlined earlier, we have initiated the Bus Industry Taskforce. That is doing an incredible amount of work to understand all facets of the system. I completely agree and sympathise; it's not acceptable to have to wait in 40-degree heat for a bus because the reality is you just won't catch it. That's where everybody loses. I completely appreciate that. Yes, it is the responsibility of councils to provide shelters, but I agree this is a very complex area whereby I am forced, as the Minister for Transport, to write back to councils to say it is their responsibility. I appreciate in the long term—

The CHAIR: Sure. Minister, we've identified the problem, okay? You're now the Minister for Transport. I am acutely aware of the challenges relating to what you spend that money on. Maybe fewer senior executive salaries could pay for a few bus shelters in Western Sydney. That could be a good avenue of funding. But it's up to you to—

Ms JO HAYLEN: Can I say to that, Chair, that as I identified earlier, our Government's priority is frontline services and we are discussing essential frontline services for the people of Western Sydney.

The CHAIR: Yes, but the issue with the bus shelters is not complex. This one's not complex. This one is just putting some funding into a bucket of money for councils to access to be able to fast-track their shelters. We know that the heat in Western Sydney is becoming literally a life-and-death issue. As you said, people aren't catching buses because the infrastructure just isn't there for them to catch buses. Surely this is such low-hanging fruit, Minister, for you to commit to putting money into some bucket so that councils can do this work?

Ms JO HAYLEN: I appreciate that councils are in charge of those shelters and that those residents deserve a sheltered place to wait. The fact is they are waiting too long because—

The CHAIR: Yes, that's the problem. We know there's a problem.

Ms JO HAYLEN: —there is no frequency of service. The fact is, if your bus only comes once an hour, you're just not going to catch it, let alone whether there's nowhere for you to wait in the boiling heat or pouring rain. I completely appreciate that, but I'm sure you would also appreciate the complexity and significant expense

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of remedying these issues. That's why our Government has instituted the Bus Industry Taskforce to work through them and we're already—

The CHAIR: Can the people of Western Sydney have any hope that this year's budget might provide some relief, and that they can start seeing bus shelters?

Ms JO HAYLEN: Bus shelters are an element of the requirements that these residents need. I completely agree with you on that. However, service frequency and reliability is also something that we are focused on.

The CHAIR: Yes, they go together, though, of course.

Ms JO HAYLEN: Our Government is investing over \$300 million, unlike the former Government, to deliver bus services from Campbelltown, from Penrith and from Liverpool to the new Western Sydney airport—

The CHAIR: Yes, thank you, Minister. You just drew the link—

Ms JO HAYLEN: We are investing.

The CHAIR: But you did just draw the link between people needing comfort when they wait for a bus and the attractiveness and comfort of those facilities for them to even wait for a bus in the first place. If they're not comfortable and if they don't feel safe—

Ms JO HAYLEN: Yes, absolutely.

The CHAIR: —that's where the patronage numbers decline and the bus services are saying, "It's not worth us running the bus." The bus shelters have to come with it.

Ms JO HAYLEN: It's a balance between these two things, isn't it? It's a comfortable and safe place to wait but also how long are you going to have to actually wait? The Government's prime obligation is to ensure that there is a reliability and frequency of service that meets the needs of that community, and to work with our local government partners to provide the environment—

The CHAIR: And support your local government partners.

Ms JO HAYLEN: —that is safe and accessible.

The CHAIR: Four shelters a year—Penrith. That's what they can afford.

Ms JO HAYLEN: And many councils across the State—

The CHAIR: Yes, Penrith is not alone.

Ms JO HAYLEN: —face that same challenge. I appreciate the scope and scale of the problem.

The CHAIR: Minister, will you guarantee that there won't be any budget cuts to Sydney Trains?

Ms JO HAYLEN: In relation to metro and the delivery of essential services, yes, I can make that guarantee.

The CHAIR: To Sydney Trains?

Ms JO HAYLEN: Yes.

The CHAIR: Mr Longland, is that your understanding as well?

MATT LONGLAND: That's correct. We're obviously working through the budget process each year and allocating funding to all the critical deliverables that we do each year. But yes, there are no plans to reduce the Sydney Trains budget around service delivery.

The CHAIR: Minister, I wanted to turn to the airport access fee issue. How much does your Government get from that airport station access fee that commuters have to pay?

Ms JO HAYLEN: I'm sorry, I don't have that figure in front of me. I'd happily refer it to the secretary for further information.

The CHAIR: Sure.

JOSH MURRAY: I will seek that number, and hopefully we can come back to you during the course of the hearing.

The CHAIR: My understanding is that it's \$80 million to \$100 million per year. Minister, have any discussions taken place within your Government about looking at removing or subsidising that fee? Of course, it's

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a contract, but it is a significant barrier to people taking the train to both the domestic and international airport. It's a \$17 access fee. We know the terrible congestion that occurred, particularly around Christmas, travelling to the airport. What discussions have you had? I think it was a commitment of your party to remove that access fee at one point.

Ms JO HAYLEN: Firstly, I would say that I completely agree. We want people to be choosing public transport over other modes and that will help us to alleviate congestion. We know that if we get the whole transport network—roads and public transport—to work together, everybody wins. I do agree that it is a barrier in some instances, particularly if you are travelling on your own rather than with a group. I think that price point does mean that people end up choosing a private vehicle or an Uber to get to the airport and that does result in congestion. As you highlight, it is a contract that we inherited, and we would have to work through the details of that contract. That has not been dealt with as a whole-of-government issue. I have not put a proposal in relation to that, but I have received briefings about it. Also about the maintenance and arrangements that we have on that line—it has been a part of our discussions in relation to the Rail Repair Plan and the different arrangements we have on that line in comparison to other lines. I'm happy to hand to the executive of Sydney Trains to add further detail around that.

The CHAIR: I don't need further detail around that part, but thank you. Minister, in relation to that, there's a weekly cap in terms of the access fee. For full-time airport workers, for example, there's a cap in terms of how much they pay. But that still means that they pay over \$1,600 in access fees per year. I understand that we're the only State in Australia to not offer a discount to airport employees. Has your Government looked at ways to ease the burden on airport employees as a result of that station access fee?

Ms JO HAYLEN: I have had conversations with KSA about a range of their transport requirements, both for passengers or freight and for the workforce at Sydney airport. We appreciate that's one of the priorities to ensure that the workforce have reliable public transport options to the airport. As I identified earlier, the station access fee is a barrier for a range of people under a range of different circumstances. That contract is in place until 2030, but it is something that I will continue to take advice on and the different options that may be before Government.

The CHAIR: What about Western Sydney airport? Can you guarantee that Western Sydney airport stations—those two metro stations—won't be able to charge an access fee as well?

Ms JO HAYLEN: The Sydney Metro connection is being delivered in conjunction with the Federal Government. We would be the operator of that service and the Government has no plans to introduce a station access fee on that critical public transport link from St Marys.

The CHAIR: So that's you as State Government. Is it possible for Western Sydney airport to impose a fee, do you think?

Ms JO HAYLEN: Not that I'm aware of, but I'd happily pass to the CEO of Sydney Metro.

PETER REGAN: Certainly there's been no discussion of that, no plans. The station is the Sydney Metro station, and the fares are set as part of the public transport network. So that is not something that is contemplated, no.

The CHAIR: At this stage, what we know with Sydney airport is that the station access fee really is there to discourage people from catching that train—or to make a profit off that service, if you like, because people coming through the airport—driving—are charged a fee. The parking is exorbitant. Ubers, taxis—everybody has to pay. I was asking the Western Sydney airport witnesses to the Western Sydney inquiry the other day whether they would be charging a fee. They didn't rule it out entirely. That is concerning. I thought I would put it to Government to see if we could get it ruled out.

Ms JO HAYLEN: I've had no discussions about a fee and it's not the New South Wales Government's intention to introduce a fee. My ambition is that people use public transport to travel to the new Western Sydney airport and we are working very hard to make that a possibility.

The CHAIR: Is there a way in which you can ensure or guarantee that there is no fee? Is there a way in which you could speak with the Western Sydney airport company and guarantee that access fees won't be charged?

Ms JO HAYLEN: Firstly, there are no plans from the New South Wales Government to charge a fee.

The CHAIR: Yes, I'm aware of that, but to get something locked in that it won't be.

Ms JO HAYLEN: I don't think there is a mechanism for them to be able to do that. Sorry, Peter, are you able to go further?

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PETER REGAN: The fees are set by the New South Wales Government for that station, along with the rest of the network. I don't think it would be possible.

The CHAIR: Is that what happens with the Sydney airport access fees now?

PETER REGAN: No, that's quite a different arrangement. The access fees were put in place to fund the tunnel originally. In this case the project is fully funded by the State and Federal Government. There is no plan to put in a charge. The charge would only be possible if it was State Government policy to do so, and there has been no discussion or consideration of that.

The CHAIR: I wanted to turn to Parramatta Light Rail stage two now if I can. I understand that there have been a number of stakeholders, including Cumberland council, which have been advocating for some time for the link where it ends at Carter Street to continue to Lidcombe to connect what is an area of Sydney that is desperately in need of more transport. Are you aware of that proposal, Minister?

Ms JO HAYLEN: Not in detail. I have had conversations with representatives and community members about the importance of delivering Parramatta Light Rail obviously well before the election and now as Minister for Transport. I'm not aware of that specific proposal but I'm happy to hand to the secretary for some information if it's available.

JOSH MURRAY: Again, I'm not aware of that particular proposal. It may have come through in terms of some of the stakeholder work that we are doing. I'm happy to take that on notice.

The CHAIR: I understand that this proposal is for an additional three kilometres, which would ensure that the end of the light rail, instead of stopping at Carter Street, I understand—I'm not sure that that is going to connect to anything else such as a hub, but another three kilometres would ensure that it obviously gets to a significant hub at Lidcombe. Isn't that worth considering? What we've heard from Western Sydney residents as well as stakeholders and councils is this lack of connectivity between some of the infrastructure projects that are being built. This is why I thought—it's not simple, I understand, to lay down three kilometres of track—at least we could have a look at that and see where we can finish up stage two of Parramatta Light Rail.

Ms JO HAYLEN: Firstly, I'd say that, as the secretary said, we are happy to take the detail of that on notice. But I would say that communities along this 10-kilometre link have been waiting a very long time. Today the Government has announced planning approval for the second stage. This is a project that the former Government announced 16 times and did nothing with. We are proceeding with the project. I can give the communities that guarantee.

The CHAIR: That is a great thing, but maybe we can extend it a little bit further. Minister, I want to now turn to the issue of air quality within Sydney train stations. I catch the train from platform 24 in Central station, which, unfortunately, is right next to platform 25, which, unfortunately, had the highest reading for poor air quality that was undertaken in investigations of *The Sydney Morning Herald*. Why did Transport for NSW say in that article that it had no significant concerns about the air quality, dust monitoring and that research?

Ms JO HAYLEN: Firstly, I'd say that I take the concerns seriously that were raised in the Herald, and I've taken action in relation to that to ensure that those experiments and the results are scientifically verified. I've asked Sydney Trains and Sydney Metro to look into a variety of options to validate air quality monitoring results and then also, if necessary, commission independent testing of that. But I would say that we have no immediate health concerns for passengers or for workers, as has been made clear by the Chief Executive of Sydney Trains and the coordinator general. Our trains are not diesel-operated; they are electric-operated trains. And also when we undertake maintenance in the underground system, that machinery is also zero- or low-emission machinery and monitoring takes place at that time. I want to make sure there is a reassurance both for passengers and for workers that safety is always our number one priority. But as Minister, I have taken action in relation to the issues that were raised in *The Sydney Morning Herald* article.

The CHAIR: Are you going to undertake any kind of air quality monitoring of those stations and release that information so that the public can know?

Ms JO HAYLEN: Yes.

The CHAIR: If the public have to be told that if they're standing on that station twice a day—Town Hall, Central, wherever it is—for however long, sometimes over the course of many years, that it could be a health risk. If they're told to wear masks, then maybe it would be best that they wear masks, but the public need to know. Are you doing that firstly?

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Ms JO HAYLEN: Firstly, I would say that testing is underway. It could take a number of weeks for those details to be returned, but as soon as we have an update, Sydney Trains and Sydney Metro will make that public.

The CHAIR: Who's undertaking the testing?

Ms JO HAYLEN: I'd have to refer to Sydney Trains for further information.

MATT LONGLAND Just to reiterate, we obviously take the safety of passengers and staff very seriously. The testing, at the moment we're working with the EPA to define a testing methodology, which will roll out across not just the 16 stations that were tested, which was effectively a spot test—so somebody set up a tripod; they checked for a number of minutes about the air quality at that particular time. My understanding is that a longer period is required to understand a baseline air quality test. That's the work we're doing at the moment. We will then use that same methodology for each of the underground stations to understand if we have a problem, and if we do, what we need to do about it. Just to be very clear, we do take these concerns seriously.

The CHAIR: Thank you. I can come back to you in the afternoon as well. I appreciate it.

The Hon. NATALIE WARD: Minister Haylen, how confident are you that Transport can manage the Southwest Metro conversion?

Ms JO HAYLEN: Firstly, I would say that this is a major logistical challenge, a huge undertaking, to move 60,000 passengers that normally catch rail services onto other forms of transport. I do have confidence in the team across Transport for NSW under the coordinator general working with Sydney Trains and Sydney Metro to develop a plan that helps us move those people to alternative forms of transport, but I'm not sugar-coating it. It is going to be inconvenient for passengers. It's going to be difficult. All I can say to those communities is we'll keep talking with you and working with you, but ultimately the pain will be worth it because by mid-25—

The Hon. NATALIE WARD: Mr Murray, are you confident that Transport for NSW can manage that conversion?

JOSH MURRAY: As the Minister has said, we have an effort that extends across metro, Transport, Sydney Trains and our private bus operators. We have let the contract for the private bus transport replacement program that will be in place and we continue to dedicate resources across the organisations to that major task.

The Hon. NATALIE WARD: Minister, will other bus services see a reduction during the shutdown?

Ms JO HAYLEN: No.

The Hon. NATALIE WARD: You can absolutely guarantee that?

Ms JO HAYLEN: There will be no timetable changes to other services as a result of the introduction of the temporary transport plan. What we do want to ensure is that passengers have the information so that they can make the most efficient journey, and that may include moving to other existing transport services, like the light rail, for example, or bus services that might take them north to the T1 Northern line to make a journey east or west.

The CHAIR: Minister, the Sydney Metro review—why were seven of the 14 recommendations redacted in the public summary of the final report?

Ms JO HAYLEN: Firstly, the independent review considered a range of issues, including the commercial and contract arrangements in place. There was due diligence applied to ensure that information that was released was not commercial in nature and didn't reveal individuals' details, for example. That is a usual process to release a summary of a complex report to government.

The CHAIR: Part of the report—this is in relation to some of the recommendations that were redacted—states:

... Government and the community would likely be well-served by better explanations of the agreed budgets, investment parameters, and how each investment complements Government's broader social, environmental, and economic strategies and plans;

The recommendations in relation to those comments were kept secret. I just cannot see how a recommendation like that is commercial in confidence. Surely it's just a broad recommendation to government. Seven of them were kept secret. Are they ever going to be released? It just doesn't make sense that they're not.

Ms JO HAYLEN: Firstly, I don't have the details in front of me. I'm happy to provide a briefing to you about some of those details in relation to the independent report. But I would say that the principle of that recommendation absolutely holds true. It's one of the reasons why we initiated the independent Sydney Metro

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review in the first place. There were big questions about the expenditure of taxpayer money and we wanted to ensure that taxpayers could have confidence in Sydney Metro.

The CHAIR: They can't if most of the recommendations are hidden. Are there questions from the Government?

The Hon. NATALIE WARD: Will you provide a briefing to the Opposition as well, Minister?

The CHAIR: Order! We need to very quickly—

The Hon. NATALIE WARD: She offered to provide you a briefing. I just wanted to clarify.

The CHAIR: Yes, I can come back to it, though. Are there questions from the Government?

The Hon. Dr SARAH KAINE: Minister, could you please provide an update on the inquiry into the Wallan tragedy, which I think was in 2020?

Ms JO HAYLEN: Thank you very much for the question. I did want to take this opportunity to mark this important tragedy across our rail network. Four years ago this week, two people were killed and 61 were injured—eight seriously—when the Melbourne-bound XPT derailed 40 kilometres away from arriving at its destination. It can only have been an absolutely terrifying experience for the 162 passengers and crew on board who had already travelled 12 hours on the XPT. They were within sight of home on their journey.

The investigation found that the train left the tracks at 115 kilometres an hour on a passing loop where it should have been travelling at just 15 kilometres. The Wallan incident has identified a number of safety risks and issues that were documented in the ATSB's report, which was handed down in August last year. I confirm that NSW TrainLink is focused on delivering improvements and working with all parties to improve and implement the safety recommendations.

Today the matter is being heard in the Melbourne Magistrates' Court as we approach sentencing in relation to this incident. I make clear that my thoughts and the thoughts of the Transport family are with those families of TrainLink driver John Kennedy and ARTC pilot Sam Meintanis, who were killed in their jobs on that terrible night. The victim impact statements are expected to be heard in court today. TrainLink CEO Dale Merrick is attending on behalf of the New South Wales Government. I know as a Transport team we will continue to always look for opportunities to do better. I confirm, of course, that safety must always be our number one priority.

The Hon. Dr SARAH KAINE: Thank you, Minister.

The CHAIR: Thank you very much. The Committee will now break. We will be back at 11.15 a.m.

(Short adjournment)

The CHAIR: Welcome back. We will proceed straight to questions from the Opposition.

The Hon. NATALIE WARD: Minister Haylen, is it correct that with Mr Ash resigning from Transport for NSW the investigation into his conduct has concluded?

Ms JO HAYLEN: The investigation that you refer to in relation to the public servant is the responsibility of Transport for NSW as his employer. I will hand to the secretary for further information.

The Hon. NATALIE WARD: Sure. Mr Murray?

JOSH MURRAY: Yes, Ms Ward. Thank you for the question. My briefing has been that the investigation is now concluded.

The Hon. NATALIE WARD: Prior to his resignation, were any findings put to Mr Ash?

JOSH MURRAY: No. Mr Ash was part of that investigation, and before he took part in any of those discussions he indicated that he would resign, and that did, in fact, take place.

The Hon. NATALIE WARD: Sorry, he indicated he would resign and—what did you say? I couldn't hear that last bit.

JOSH MURRAY: Through the discussion the comments were put to Mr Ash and he indicated to the team that was talking to him through that process that he would resign, which came to pass.

The Hon. NATALIE WARD: Can I clarify that there were no findings put to him, or his comments were made, or did they all just disappear when he resigned?

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JOSH MURRAY: As you know, as secretary it's not my role to conduct the investigation, but Mr Britton is here, and Ms Taylor, who can provide any other comment on that matter.

The Hon. NATALIE WARD: What were the comments that were put to him?

DAVID BRITTON: We ran an investigation. We followed a pretty standard process. I don't propose to comment on the details of that process. Mr Ash resigned during the course of the investigation and we finalised the investigation following that resignation.

The Hon. NATALIE WARD: What were the comments that were put to him, or what were the comments that he made?

DAVID BRITTON: I don't think it's appropriate for me to comment on the process of an investigation of a specific employee.

The Hon. NATALIE WARD: I just want to clarify that Mr Ash is no longer an employee of Transport for NSW and the investigation into his actions is concluded.

DAVID BRITTON: Yes.

The Hon. NATALIE WARD: There has been a lot of discussion regarding DLOs and what they can or cannot do as public servants. I just want to clear up some details for the Committee. What is the role of a DLO, Minister?

Ms JO HAYLEN: The role of a DLO is outlined in the DLO circular and also guided by the Transport DLO handbook.

The Hon. NATALIE WARD: Mr Murray or Ms Taylor, the chief people officer, as you're both senior public servants you'd be aware of the Public Service Commission's framework for behaving ethically. That's correct, isn't it?

JOSH MURRAY: Yes.

The Hon. NATALIE WARD: Ms Taylor?

TRACEY TAYLOR: Yes.

The Hon. NATALIE WARD: You both manage a workforce of over 28,000 employees, some of whom are, I'm sure, watching today. Would you agree that engaging in partisan political interests while employed as a public servant during work hours is not acting in the public interest?

JOSH MURRAY: Again, I can turn to my two colleagues, but I would say that an investigation was conducted under the absolute terms of public service protocols.

The Hon. NATALIE WARD: Mr Murray, I'm not asking about Mr Ash, to be clear. I'm asking you. You manage a workforce of 28,000 employees. I want to be clear: Do you agree that engaging in partisan political interests while employed as a public servant during work hours is not acting in the public interest? Is it a policy of Transport for NSW?

JOSH MURRAY: I think, as has been covered and is contained in the Premier's memorandum around DLOs and the Transport DLOs handbook, which has been updated and was discussed at last year's estimates hearings, there are specific signatures required around the conduct of a DLO when positioned in a ministerial office, and that is what Transport will uphold.

The Hon. NATALIE WARD: I'm asking you a very specific question. It's a yes or no whether this work is acceptable or it's not. I'm asking about the policy of Transport for NSW.

JOSH MURRAY: Yes, the policies are clear.

The Hon. NATALIE WARD: Is it acceptable to work, as a public servant at Transport for NSW, and engage in partisan political activity during work hours and on the taxpayer's dime?

JOSH MURRAY: The policies are clear that this is an apolitical positioning in a ministerial office.

The Hon. NATALIE WARD: Thank you. So, for example, certain work that would be partisan would not be acceptable. Is that correct?

JOSH MURRAY: That is covered by the circular.

CORRECTED

The Hon. NATALIE WARD: So preparing pro-Liberal Party or pro-Labor Party material while on the taxpayer's dime, organising meetings or fliers, bagging out political parties in material is not acceptable, because that's partisan political work. Is that correct?

JOSH MURRAY: I'm not going to get into hypotheticals. I've answered the question about—there is a clear guidance. That's what was being looked at in the investigation, which you were alluding back to.

The Hon. NATALIE WARD: Yes, I just want to be very specific and clear about the particular activities so we can be clear for everybody watching and clarify this issue and make it very clear what can and cannot be done. So those activities cannot be done or they can?

JOSH MURRAY: The role of a DLO is very clear: It is a representative—

The Hon. NATALIE WARD: Let's make it clear.

JOSH MURRAY: —an apolitical representative—

The Hon. NATALIE WARD: Let's be very clear.

The CHAIR: Order! With respect, Ms Ward, he is trying to make it clear.

The Hon. NATALIE WARD: Okay. I will move on.

The CHAIR: He said to be "very clear", and then you spoke over him.

The Hon. NATALIE WARD: I apologise.

The CHAIR: I just remind you, once again, to allow the witness to answer the question.

The Hon. NATALIE WARD: Thank you. I had heard that answer three times. I have some documents that I'd just like to circulate. I'm just going to hand you some documents. You referred to the guidelines and the policy. I just want to go to the first document, which is coming to you. These are some talking points from the Public Service Commissioner, which states:

... DLOs must be politically neutral and impartial, and must avoid party political activities.

That's very clear from the talking points. I'm going to put to you that, in principle, under the GSE Act, providing clearly political and partisan advice is against the DLO's employment obligations. As a matter of policy, is that correct or incorrect?

JOSH MURRAY: Ms Ward, I have acknowledged that the Premier's circular, the comments from the Public Service Commissioner and the Transport guidebook for all DLOs are consistent around the guidance. I can't speculate on individual matters that aren't before me.

The Hon. NATALIE WARD: I'm not asking you to. We're not talking about Kieren Ash anymore. We're just being very clear about the policy, and you, as the secretary, set the policy. I want to be clear and understand from you that it's your expectation that, in principle, under the GSE Act, providing clearly political and partisan advice is against a DLO's employment obligations. That's correct, isn't it?

JOSH MURRAY: That's correct.

The Hon. NATALIE WARD: Thank you. Mr Murray, acknowledging that there are exceptions for department staff seconded for the purposes of media support—and I acknowledge that I had a media support person in my office when I was a Minister—I want to put to you a draft document of the DLO handbook, returned under a Standing Order 52 call for papers in the upper House, that was distributed around Transport for NSW in late August 2023. That's document No. 2 in the bundle before you. Can you turn to that document No. 2? This is an SO 52 document that was returned to Parliament.

The Hon. Dr SARAH KAINÉ: Point of order, Chair—

The Hon. NATALIE WARD: Sorry, we've got a bundle now for the—

The Hon. Dr SARAH KAINÉ: Yes, we don't have these documents, and we need to have them.

The Hon. NATALIE WARD: Yes, we just had to make another copy; we've got that for you. Secretary, document No. 2.

JOSH MURRAY: Yes.

The Hon. NATALIE WARD: There's a highlighted section there on this document, from the DLO handbook. Can you read out that highlighted section for the benefit of Hansard?

CORRECTED

JOSH MURRAY: I might need a larger print version.

The Hon. NATALIE WARD: I acknowledge it's small, but that's the document that was produced to the House.

JOSH MURRAY: Perhaps you could read it out for us. I'm not sure I can make that out, in this light.

The Hon. NATALIE WARD: Certainly. I'm happy to read it out. The document says, "A DLO should not", and there are dot points, and I will go through them:

- Carry out policy development or research work.
- Prepare speeches, media releases, ministerial statements, parliamentary questions and answers or other similar documents.
- Organise meetings or events with external stakeholders on behalf of the Minister or their office.
- Initiate communication with external parties, including Members of Parliament or other MOs—

except liaising with other DLOs. Importantly, the last dot point, number five:

- Be involved in electorate office matters or any other ... political activities.

Can you see that in front of you?

JOSH MURRAY: I can, yes.

The Hon. NATALIE WARD: That's the document produced by your department to this House. Do you have anything to say about that?

JOSH MURRAY: No, I don't have any—is there a question?

The Hon. NATALIE WARD: Sure. I'm going to put to you that that is an accurate statement, with the exception of media staff, from a document inside your department. Do you agree with that?

JOSH MURRAY: I would contest that I don't believe there is a distinction between media staff. I believe all matters have to be covered under the same Premier's circular and the Transport guidebook. I'm not sure of the currency of this document, as it's marked "draft", so I'd want to check that again.

The Hon. NATALIE WARD: I acknowledge it is a draft. It's produced by your department. It's dated 18 September 2023. You produced it to the House under a Standing Order 52 call for papers and that paragraph was included in that document on that date. That's accurate, isn't it?

JOSH MURRAY: Yes, but is that in the final version of the document?

The Hon. NATALIE WARD: I'll get to that. But my question is: Do you agree or disagree that that's an accurate statement about what a DLO should or should not do?

JOSH MURRAY: I would need to compare that against the Premier's circular because, as has been the subject of the inquiries, there has been debate about the roles of a DLO in, for example, dealing with stakeholders that are common to the Minister and the department.

The Hon. NATALIE WARD: Mr Murray, that's exactly the point. We're trying to clarify what a DLO can or cannot do. This is a document from your department with an explicit paragraph in there stating what a DLO should not do, including being involved in other party political activities. It's very clear from the document that your department produced. Is it accurate?

JOSH MURRAY: All our departmental documents cover the fact that there is not party political work in the DLO framework. I'm just saying that I haven't seen this document in this context before. It's just been provided today. I'm happy to review it—

The Hon. NATALIE WARD: It was produced by your department under a Standing Order 52 under your watch.

JOSH MURRAY: That's correct, but it has "draft" printed across the entire text.

The Hon. NATALIE WARD: I don't disagree with you. I acknowledge that it's on the document; that's very clear. Do you agree with that paragraph?

The Hon. Dr SARAH KAINE: Point of order—

JOSH MURRAY: I'd be more than happy to look at the final published version of the handbook.

The CHAIR: A point of order has been taken.

CORRECTED

The Hon. Dr SARAH KAINE: The witness has clearly indicated that he's prepared to consider the material in the appropriate context and take it away, yet Ms Ward continues to ask the same question. I think it's very reasonable when presented with a document to check the provenance and see where it's from.

The CHAIR: There is no point of order. I'll allow the member to continue, recognising that the witness was getting to the point in terms of responding. Please continue, Ms Ward.

The Hon. NATALIE WARD: Mr Murray, I just want it to be clear that that's in a document returned to the Parliament by your department.

JOSH MURRAY: I have no doubt about that.

The Hon. NATALIE WARD: Sure. That is an accurate statement, isn't it, that they are the things that a DLO should not do—given that's a draft.

JOSH MURRAY: All of our DLOs are required to be impartial.

The Hon. NATALIE WARD: Thank you. Can I ask you to turn to document number three? That is the current departmental liaison officer handbook dated August 2023, a week later.

JOSH MURRAY: This one—my document three—is also marked "draft".

The Hon. NATALIE WARD: Yes, but I will put to you that that was the final document produced by your department, if you don't recognise it. It was a draft that was produced under your papers to the Parliament, and then this was produced as a later document—we understand, the final document, unless there's a third one or another one clarifying. But I put it to you, and there's no trick to it, that there was a draft and then there was this document produced later. If you turn to document two, the final version is behind the draft on document two. Do you see that document?

JOSH MURRAY: Yes.

The Hon. NATALIE WARD: On the front you've got a draft, dated 18 September 2023, with a highlighted paragraph about things that DLOs cannot do. You have a document behind that, which is the final version, "Transport for NSW"—that paragraph has been taken out. Roughly a week later that language was removed. I put to you, Mr Murray, that, according to the return, on 18 August that paragraph was included and that in the final DLO handbook, distributed roughly a week later, that language was removed. Why was that paragraph removed?

JOSH MURRAY: I was not involved in the drafting of this handbook. I wouldn't know—

The Hon. NATALIE WARD: You're the secretary of the department. Did you sign-off on the final DLO handbook for your department?

JOSH MURRAY: I believe I saw the final as it went live, and I've committed before in this Committee that we would update the DLO handbook after the discussions of last year. The Transport chief of staff is present in the room and her team would have been involved in the drafting. I could ask Ms Carroll to perhaps comment.

The Hon. NATALIE WARD: Can I just be clear: Who managed the DLO handbook?

JOSH MURRAY: That's through the chief of staff.

The Hon. NATALIE WARD: Certainly. Can you have a look at those documents? There's a copy there for you, thank you, Ms Carroll. You manage the DLO handbook?

SUSAN CARROLL: Yes, that's done through the office of the secretary.

The Hon. NATALIE WARD: Why was that language removed?

SUSAN CARROLL: Through the course of last year we undertook a holistic review of the handbook. The handbook was a document that we had inherited from years past. It had a number of strict and conservative parameters in there around the role that a DLO could perform. We did a whole lot of reviewing of processes, some of the settings in there as well. One of the things that that paragraph said was that a DLO cannot undertake policy work. That's inconsistent with practises of DLOs generally across the public service, so we updated the terms of that to reflect our expectations of DLOs. There is a new paragraph that has been included in substitution of that paragraph which still carries the same tenor of intent, and it makes very clear that party political activities are not to be conducted by DLOs. There's no negotiation on that.

The Hon. NATALIE WARD: I just wanted to be clear on that aspect as well. They can do policy work but they can't do political work. Can they do partisan political work? For example, can they write political speeches for Ministers?

CORRECTED

SUSAN CARROLL: We are guided by the DPC circular which says that DLOs must be impartial, so there is no partisan work to be carried out, regardless of the activity being undertaken by a DLO.

The Hon. NATALIE WARD: They can't write party political speeches?

SUSAN CARROLL: Anything that is not impartial is not allowed under the work of a DLO.

The Hon. NATALIE WARD: You'd be clear—it's absolutely clear—regardless of what draft or what version we're looking at, that a DLO's employment obligations to conduct any activities cannot be done in a partisan political way?

SUSAN CARROLL: That's correct. Our handbook is a reflection of the DPC circular, and that makes clear that all DLOs across the public service must be impartial and nonpartisan.

The Hon. NATALIE WARD: I just want to be clear about what's included then. I turn to document 4—a speech prepared for a McKell lunch. I ask you to turn to the first page and to the paragraph headed "The Department". In that paragraph there's a sentence. This is a draft speech for the Minister prepared by the DLO, and it states:

I will begin by observing that 12 years is a long time for any government. You can certainly leave a mark on a department — shape the way it thinks and operates to suit your political will. So Transport has found it a little strange and confusing to serve a Minister that wasn't some type of Liberal.

Do you see that sentence?

SUSAN CARROLL: I do.

The Hon. NATALIE WARD: Would you consider that to be party political?

The Hon. Dr SARAH KAINE: Point of order: We're asking a public servant about their opinion that they're not required to give.

The Hon. NATALIE WARD: I'm happy for the Minister to answer.

The CHAIR: Just to be clear, when talking about opinion, we're talking about a guide, an internal Transport for NSW guide, that defines "party political". These are the public servants that wrote the guide and are answering questions about that guide. I do not uphold the point of order but I remind the member to be very careful when it comes to opinions of public servants.

The Hon. NATALIE WARD: I'll rephrase, Chair. As the policy lead and person responsible for the DLO handbook, if you were considering what would be contained and acceptable under the terms of that DLO handbook and the work to be carried out, would drafting a sentence such as this one before you fall within the acceptable work of a DLO or unacceptable partisan political work?

SUSAN CARROLL: This is the first time that I've seen this document.

The Hon. STEPHEN LAWRENCE: Point of order: I'm not sure exactly who the DLO concerned was, it wasn't clear from the question.

The Hon. NATALIE WARD: I'm not asking about Kieran Ash.

The Hon. STEPHEN LAWRENCE: I'm just a little bit concerned about the issue of adverse reflection on third parties in circumstances where the evidence has been that Mr Ash has left the department, that an investigation into any impropriety was concluded and now we're delving into, it seems, what may have been the subject of that investigation. But I'm not sure on the question if he was the DLO concerned.

The Hon. NATALIE WARD: I'm not seeking to name anyone. I haven't named anyone at all in this. There's a document here that's been produced to the House, and I'm seeking simply to clarify so we can all be clear—

The Hon. CAMERON MURPHY: To the point of order—

The Hon. NATALIE WARD: I haven't finished.

The CHAIR: Finish to the point and then we will go to Mr Murphy.

The Hon. NATALIE WARD: So we can all be very clear and just get an answer on where it falls within. You're just taking up my time. It's a matter of policy

The Hon. CAMERON MURPHY: The honourable member has named a particular individual—

The Hon. NATALIE WARD: No, it's not.

CORRECTED

The Hon. CAMERON MURPHY: —at least twice and then asked a series of questions that, taken together, provide an adverse reflection on an individual who's not here to give evidence or defend themselves before this Committee.

The CHAIR: I don't uphold the point of order. The member has documentation before her that has been released to the House. I think she is asking the question very carefully, so I will allow her to continue.

SUSAN CARROLL: Sorry, can you repeat the question?

The Hon. NATALIE WARD: Certainly. As the policy person administering the DLO handbook with the various iterations, is it in a DLO's employment obligations to conduct activities like this with the words in front of you, writing political lines such as this? Yes or no?

SUSAN CARROLL: I don't want to comment on the specific document. What I will reiterate is that DLOs must be politically neutral and impartial whilst assisting Ministers. So any activity—and I don't know who the author of this is or what contribution has been made—any work that is party political is not within the remit of a DLO.

The Hon. NATALIE WARD: I'm not asking about any individual. I'm just asking is this sentence within the guidelines or not?

The Hon. STEPHEN LAWRENCE: Point of order: I'm pretty sure that that question was asked after time expired.

The CHAIR: It is up to me, as Chair, if I wish to allow the member to go into crossbench time, which I have done.

The Hon. STEPHEN LAWRENCE: If you've done that, Chair, it's all good.

The CHAIR: Thank you. I think we've gone a bit of lax in relation to this. One last question, Ms Ward.

The Hon. NATALIE WARD: Is this sentence acceptable or not?

The CHAIR: You've done it, sorry. You've asked the question.

SUSAN CARROLL: That sentence doesn't make any logical sense, so if it's intended to be party political that's not consistent with the DLO handbook or the DLO guidelines.

Ms ABIGAIL BOYD: As fascinating as all of that was, I'm going to turn to something very different. Good morning, by the way.

Ms JO HAYLEN: Good morning.

Ms ABIGAIL BOYD: I wanted to talk to you—and this is something that I mentioned at the last estimates as well—in relation to the accessibility of our transport system. Minister, you inherited well over a decade of delays when it came to being able to make our transport system accessible. Back in 2019 we had an Audit Office report into the Transport Access Program reveal that the then Government, or the department under the then Government, had not even done an audit of what was required to meet the current standards, let alone begun that work and got a time line. Knowing very well that there's a Federal process updating those guidelines, what is the current Government doing to meet the current guidelines?

Ms JO HAYLEN: Firstly, I'm acutely aware of the fact that deadlines have been missed. Our number one priority is making sure that our public transport network is accessible to more people. That is what our Safe Accessible Transport program is focused on. That's what our additional \$300 million is being spent on. I would say that our engagement with the Federal Government has been constructive. However, the fact is that, while they would like progress to occur faster, they have not supplied any funding to support States or Territories to do that.

Ms ABIGAIL BOYD: Given that this was an existing responsibility of the New South Wales Government—again, accepting that you have not been the transport Minister for the entirety of that time—the obligations to make our transport system fully accessible is something that the States and Territories agreed to back in the early 2000s. So we are now 22 years after those initial standards were put in place and we knew about them. Accepting that we might be tight on finances, it is still the New South Wales Government's obligation, is it not, to make our system accessible under those current guidelines?

Ms JO HAYLEN: That is correct. It is a priority of our Government to make as many points of access accessible as quickly as possible. But, as you highlight, that does require significant funding.

Ms ABIGAIL BOYD: What is the time line for New South Wales's compliance with the current standards?

CORRECTED

Ms JO HAYLEN: We have inherited a situation where there are still over 100 stations across the network that are not compliant. We recently announced further stations that will be upgraded under the current budget allocation and planning work underway for a further nine regional stations and eight metropolitan and intercity stations. In relation to the long-term trajectory of full compliance, I'd have to refer you to the secretary for further information.

Ms ABIGAIL BOYD: Secretary, is there a time line for full compliance under the current standards?

JOSH MURRAY: That's a discussion that we are currently having with our interstate and national counterparts in terms of the commitments that are made and the best way that, nationally, we can coordinate efforts and uplift disability access in the fastest possible way.

Ms ABIGAIL BOYD: Secretary, the current negotiations with your Federal colleagues and with the other States and Territories are in relation to new, hopefully better guidelines. My question is: What are we doing to meet the current standards, which we've failed to meet for 20-odd years? Is there a time line for that?

JOSH MURRAY: The relativity to the national discussion is that the Federal Government is also asking the States to take part in an auditing process against the current guidelines. We are working through the benefits of that, because obviously that would take up time and resources that may be better applied to new disability services. In terms of the exact time line, I'd have to clarify our latest agreements. I'm happy to provide that on notice.

Ms ABIGAIL BOYD: From the perspective of the disability community—and, as you know, we're looking at 15 per cent to 20 per cent of our entire population are people with disability—they have been waiting a really long time. What they're saying to me and my office is that this Federal review, even though no doubt well meaning, is just another excuse for delay and another reason that they're not going to get full accessibility in time. Are you taking those concerns seriously, Minister?

Ms JO HAYLEN: Yes. I have heard those concerns very clearly from disability advocates as well. It was a view reflected back to the Commonwealth in our discussions at the most recent ITMM meeting. While I don't speak for other transport Ministers around the country, there was concern, as the secretary has outlined, from other States and Territories that a wideranging, lengthy audit process would potentially distract States and Territories from meeting their current obligations and moving forward as quickly as possible with their disability upgrades.

Ms ABIGAIL BOYD: The Auditor-General, in 2019, pointed out that there had not been that audit done in New South Wales and that she would have expected it to have been done at least a decade earlier, you would think, given that we knew about these standards in 2002. Again, acknowledging that you're a new Minister, but given that failure of the previous Government to do the audit work, which we're now pushing back on again, is there not a case for prioritising funding in the budget to finally do the work required to not only audit but then to actually bring all of our transport system up to scratch?

Ms JO HAYLEN: I would say that this is an absolute priority of the Government. We have, as you rightly point out, inherited a situation that sees us behind on a range of fronts. I appreciate that for many people this is unfair. It's not equitable. They want to be able to access public transport, particularly at their local station, bus stop, light rail stop. That's what we want to see. The Government has made an investment, a significant investment, to bring forward some of the long-awaited upgrades in places that have been on a priority list for a long time but were overlooked by the former Government. That matrix of decision-making around which station or access point goes next is the same matrix that was used by the former Government to inform our program, but we won't be subverting it in the same way.

Ms ABIGAIL BOYD: Let's look at an issue of accessibility that you are responsible for and which has arisen during your tenure as transport Minister. The bus replacements for the closure between Marrickville and Sydenham for that conversion—I understand that not only have we had full buses and people are unable to get on those buses, but the buses have been marked by poor signage and been inaccessible. Particularly, people with intellectual disability have found the current situation to be something stopping them from actually going about their daily lives. When will all those buses be made fully accessible?

Ms JO HAYLEN: Firstly, it's absolutely my expectation that the buses that are part of the temporary transport plan for the conversion of the T3 Bankstown line be accessible, air conditioned, Opal enabled and very clearly signposted. That is my clear expectation and I've had multiple conversations with the coordinator general of Transport for NSW, Sydney Trains and Sydney Metro about that.

I also appreciate that the current series of closures of the line—in fact, there have been 60 closures of the Sydenham to Bankstown line since 2019 for the conversion. The fact is that people of those communities find that

CORRECTED

their trains are operating rarely on weekends or for school holidays. We appreciate that this is a significant disturbance. The fact is that over that period there has been a range of buses used, including under the former Government, that were not disability compliant. My expectation is that both for planned and unplanned works we want to, wherever possible, ensure that there are buses that meet those—

Ms ABIGAIL BOYD: Okay—

Ms JO HAYLEN: Sorry, just on the signage and access for passengers with intellectual disability, I have had conversations with those advocates around those issues. I acknowledge that, particularly around signage, there are barriers not just in terms of temporary situations like at Marrickville, for example—the one you highlight—but also across our network. I have asked in relation to the development and continued rollout of our new program that consideration be given to looking at a trial, a way to overcome some of the signage and other arrangements that have created a barrier for those passengers.

Ms ABIGAIL BOYD: One of the problems with people with disability encountering inaccessible transport is that, especially if maybe it'll be accessible one day and maybe it won't the other, they just no longer use that transport. Can you give certainty about when those buses will be fully accessible?

Ms JO HAYLEN: For the temporary transport plan, as distinct from the current trackwork, my expectation is that all of those buses will be disability compliant. The Government has signed the initial contract with Transit Systems for one component of the temporary transport plan. I have had confirmation that it is a requirement of that contract that those buses be disability compliant. I will hand to the coordinator general for further confirmation of that.

HOWARD COLLINS: Yes, that is true. Sixty brand-new buses will be part of that very highly visible branding. The pink that we used between Epping and Chatswood certainly resonated with our customers and certainly for groups. We do expect that all those buses will be compliant. We'll also have a lot of marshals, a lot of people. The best help you can get is by someone else helping you. We'll have a lot of volunteers in that area as well to assist customers while we operate that plan.

Ms ABIGAIL BOYD: I have two quick additional questions, if I may. In relation to the Transport-approved zero emission buses, I understand consultation on the acoustic vehicle alerting system sound was going to commence with the disability sector in 2024. Because they're so silent, people are a bit concerned for blind and vision-impaired people. Has that commenced, and who are you consulting with?

Ms JO HAYLEN: I understand that those discussions are occurring. Again, I'll hand to the coordinator general.

HOWARD COLLINS: Yes, thanks very much for the question. Certainly we're working with industry. We have a new bus panel 4, which is the latest requirement for vehicles, and the industry is working to ensure that we can give that balance between the beautiful, quiet buses but also giving people audible warning in certain circumstances. I note that travelling on a Custom Denning bus the other day, there were certainly useful audio sounds to help us understand, at low speed particularly.

Ms ABIGAIL BOYD: Have we started consulting?

HOWARD COLLINS: I believe the industry has started consulting. It is a global problem. There isn't a global standard. We're trying to ensure that it's fit for Australian purposes.

Ms ABIGAIL BOYD: Could you take on notice which stakeholders you're consulting with?

HOWARD COLLINS: We'll certainly share with you what industries we're doing so far.

Ms ABIGAIL BOYD: The Accessible Transport Advisory Committee of Transport for NSW has a large number of advocates who have been providing free advice to the New South Wales Government. Will that committee be granted, for example, the status of a paid board or given some other way of being compensated for their work?

Ms JO HAYLEN: This issue has been brought to my attention. In my view, it is completely unacceptable. I'm moving to rectify it and I'll provide you further information when that has occurred.

Ms ABIGAIL BOYD: Fabulous.

The CHAIR: Minister, I see that you've given bus drivers free use of their Opal card. What discussions have taken place or what consideration is being given to expanding that to all public transport drivers?

Ms JO HAYLEN: Firstly, the provision of Opal cards to bus drivers was a recommendation of the bus taskforce report, the first report. I'm pleased that we are progressing that and that bus drivers will receive their

CORRECTED

Opal cards from mid-March and then through April. I have been frustrated with the progress of the rollout; however, we did confront some tax issues and we wanted to make sure that bus drivers were not worse off by providing them with the concession. But my expectation is that all workers across our public transport system should be entitled to and will receive an Opal card in the same way as we are providing to bus drivers.

The CHAIR: What's the time line for that, did you say?

Ms JO HAYLEN: The bus drivers will start receiving their cards between March and April. And then Transport for NSW will continue that rollout. I'll hand to the secretary for further information.

JOSH MURRAY: Yes, Chair, we anticipate that the former STA drivers, who do have some card at the moment, some access to an Opal card, would be the first conversions, as the Minister has said. That would be during March. In April, pending final stock purchases and configuration, we would anticipate rolling out in conjunction with the Transport unions and the private bus operators.

The CHAIR: There's no completion date here for public transport drivers to be able to use their own—

JOSH MURRAY: I'll just answer for the bus drivers first. We anticipate that could take a couple of tranches in both production and ensuring data integrity with the private bus operators. Once we have done that, we will look at other modes of transport, but I should note that obviously our Sydney Trains and our New South Wales trains staff already have that access. We would then look at all of the other modes under the Government's industrial process.

The CHAIR: Light rail drivers in particular, I understand, are quite concerned about that. While it's great for bus drivers, a number of them have contacted our office with concerns. Is that being considered as well?

JOSH MURRAY: Yes, it is. Obviously, our light rail drivers will have counterparts of the same employer, the same umbrella company, who will then receive it because their parent company is a private bus operator as well as a light rail operator. We are obviously conscious of that equity across the transport workforce. We do need to build that out in conjunction with the operators and also under the Government's industrial framework.

The CHAIR: I want to go back to the issue of high salaries. Mr Murray, you gave the statistic of the 3 per cent of executives that had either taken up an offer or left. What is the process to reduce the number of senior executives? What are they being offered in exit packages? How are you going about that? Because 3 per cent doesn't seem that much. I know it's 15 per cent ultimately, but it seems to be going quite slowly. Would you agree?

JOSH MURRAY: That's right. But we've only just unveiled the top line restructure, which will help us then to reset the organisation. I would like to just pick up the comments that I made earlier. You asked about salary banding and Transport's appropriateness of salaries as opposed to the rest of the public sector. I would say that, in terms of our senior executives, that banding starts at \$201,000 total remuneration package, which is in line with band 1 of the rest of the public sector. In terms of us—

The CHAIR: Do you know how many people are on that one and above within the agency?

JOSH MURRAY: What I would say is that we only have a small number of executives that sit outside the GSE framework, with the Transport specialist network. In fact, it is 73 across the entire executive population that sit outside of normal government remuneration bands.

The CHAIR: Minister, I'll go to the Sydney Metro independent review again, which I was asking about before the break. I understand that you received a presentation of the final report of that Sydney Metro independent review on 14 December. That public summary I was talking about, which is quite light on, I have to say, was published on the Sydney Metro website on 7 December. So what was the reason for that three-month delay between you receiving the report and the report being made public?

Ms JO HAYLEN: The independent Sydney Metro review team briefed me, as the Minister, on their findings and that then goes through the Cabinet process before government then subsequently releases the summary of the report. As Minister, I have to take it through the Cabinet process.

The CHAIR: That was three months, and what kind of came out the other end of whatever that three-month process was was a very, very reduced—there really isn't that much in there for the public to understand how things are going and, as I said before, seven of the 14 recommendations are actually redacted. So is there any expectation that there will be any further release, any more information provided publicly about that independent review into Sydney Metro?

Ms JO HAYLEN: An assessment was made of what information should and shouldn't be released on the basis of what I said earlier in response to your question. What I would say, however, is that we wanted to be

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clear about what we had inherited and the best path forward. That has informed Government's announcements in relation to Sydney Metro since then, and I hope you would see a different approach when it comes to being upfront and clear and transparent—

The CHAIR: Thank you. I've got two seconds. It does seem to imply that there are a lot of problems associated with Sydney Metro, keeping so much of it from the public, doesn't it?

Ms JO HAYLEN: The very purpose of our review was to ensure that we understood everything about the project and that we had that assurance through the review process. You would see that Government continues to make clear to the public our intentions. While I appreciate there are elements redacted within the summary of the report, it does not preclude Government sharing critical information with the public about the project as it proceeds.

The Hon. NATALIE WARD: Mr Murray, is the Transition Office still operational?

JOSH MURRAY: Yes, it is.

The Hon. NATALIE WARD: What's the total cost of the Transition Office? Documents revealed to Parliament show an expected total cost of nearly \$1.8 million in staff costs. Is that correct?

JOSH MURRAY: Yes, but they are staff seconded in from substantive roles across the organisation. There was no additional employment into the ranks of the Transition Office. In fact, I understand five of the roles—I think there are 17 roles in total; five of them are vacant.

The Hon. NATALIE WARD: For any of those staff seconded in, have replacements had to be paid to fill their roles from where they were seconded?

JOSH MURRAY: I'd have to have a look at that and take it on notice.

The Hon. NATALIE WARD: Can you take that on notice and provide that to the Committee, please? When will it cease to operate or will it remain a permanent fixture of Transport for NSW?

JOSH MURRAY: No, the Transition Office is tied to the Government reviews that are underway. So obviously the metro review, which has just been discussed, is complete. The bus review is continuing on for a number of months, and the Transition Office provides the support to the bus review, and the Carolyn Walsh rail review is continuing. The Transition Office is also the secretariat for the TAHE review.

The Hon. NATALIE WARD: So when will it finish?

JOSH MURRAY: At this stage, we had looked at around a midyear time frame, but it will now be looked at in regards to the organisational restructure that I announced last week.

The Hon. NATALIE WARD: Ms Taylor, I have some questions for you. If you can turn to the documents. It's correct that you've been the chief people officer since September 2021. That's correct, isn't it?

TRACEY TAYLOR: Yes, I think so. That's right.

The Hon. NATALIE WARD: So it's fair to say you're familiar with the relevant recruitment legislation and policies. You're familiar with the legislation within the public service obviously, given your time?

TRACEY TAYLOR: Yes, I am.

The Hon. NATALIE WARD: Can I ask what prompted you to ask—

The Hon. Dr SARAH KAINE: Point of order, Chair.

The CHAIR: A point of order has been taken.

The Hon. NATALIE WARD: Seriously, you're just running down my time. It's a fair question.

The Hon. Dr SARAH KAINE: We still don't have copies of—well, we've got one copy here.

The Hon. NATALIE WARD: You will have to speak to the secretariat. I have provided a bundle for you.

The CHAIR: Yes, it's not a requirement to provide copies. There is one copy. I don't have a copy right now—you've got my copy. Let's continue.

The Hon. NATALIE WARD: Ms Taylor, what prompted you to ask the Public Service Commissioner for advice about whether a person from the transport Minister's office could be on a selection panel for an executive director position?

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TRACEY TAYLOR: I was asked by the then secretary, as well as the chief of staff, on a range of matters in relation to the establishment of the transition office, including what the role would look like, how we would go about placement and also potential candidates. As you would know, Ms Ward, there were changes to the Government Sector Employment Act at the end of last year. To ensure that I could provide fulsome advice, I reached out to the Public Service Commissioner to test that legislation through a range of scenarios to ensure that I could provide fulsome advice to the secretary at the time.

The Hon. NATALIE WARD: What prompted you to ask, following the interviews, if two candidates could be put forward to the Minister to make a choice on a public service role?

TRACEY TAYLOR: What I was doing in the conversation with Ms Lo was, really, just testing the boundaries of the changes to the legislation so I could determine how to best advise the secretary on how to go about the placement approach. I used a range of questions to do just that.

The Hon. NATALIE WARD: Thank you. Just to be clear, it was the former secretary and chief of staff's idea?

TRACEY TAYLOR: They asked me for some advice, and I made a decision to talk to Kathrina—sorry, Ms Lo, which is not abnormal for me to do, especially when there have been changes in legislation and that legislation change was quite recent.

The Hon. NATALIE WARD: Why did you need to test? You said you needed to test the boundaries of that. Why did you feel that? Could you just expand on that evidence?

TRACEY TAYLOR: I wanted to make sure it was fulsome advice. I wanted to ensure that I could provide the then secretary the appropriate advice on how to actually go about doing that placement approach.

The Hon. NATALIE WARD: Okay. Ms Carroll, I'm not naming anybody, but documents show that the public servant who was originally appointed to lead the transition office was originally picked—was the ministerial office suggestion, or their pick, to be the second in charge of the office. Is that your understanding of the original intention?

SUSAN CARROLL: Yes, that's correct.

The Hon. NATALIE WARD: Thank you. If you can go to document seven in the bundle, that's your evidence from last estimates hearing, just to be fair. Turning back to your evidence last time, the conversations you had with the former secretary on the head of the transition office position, you acknowledged that he passed on information to you after his conversations with the former chief of staff. During those conversations, did he ever provide names of people for you to look into?

SUSAN CARROLL: No.

The Hon. NATALIE WARD: Just to clarify, your evidence is that the former secretary never asked you or provided you with names of people from Transport for NSW? So neither he nor Transport for NSW provided you with a list of possible names from the former chief of staff to be considered for the transition office?

SUSAN CARROLL: That's correct.

The Hon. NATALIE WARD: No—one provided you with those names—the former chief of staff didn't provide them and the former secretary didn't provide them?

SUSAN CARROLL: No. The name that was referred to in the email that you've just referred to was put to me as a suggestion from the Minister's office at the time.

The Hon. NATALIE WARD: From the Minister? The Minister's chief of staff?

SUSAN CARROLL: Deputy chief of staff at the time.

The Hon. NATALIE WARD: The deputy chief of staff—

SUSAN CARROLL: That's correct.

The Hon. NATALIE WARD: —put forward a name for you to consider for the transition office?

SUSAN CARROLL: For Transport to consider, not for me specifically.

The Hon. NATALIE WARD: For Transport to consider. So the suggestion was, "Can you put this person into that role? Will you consider this person for that role?"

SUSAN CARROLL: That's correct.

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The Hon. NATALIE WARD: Thank you. I just wanted to be clear. What did you or the office of the secretary do with those names? Was there further dialogue at all on those names? Did you have a discussion about them? What action was taken inside the department as a result of the suggestion from the Minister's office, "Hey, can you put this person in as 2IC?"

SUSAN CARROLL: That information was shared with the secretary at the time. The secretary asked for some inquiries to be made. Inquiries were made. The secretary then made a decision to appoint that individual as acting executive director until recruitment was conducted to fill the executive director role.

The Hon. NATALIE WARD: So that was done afterwards? The suggestion was made from the ministerial office, "Put this person in as 2IC"; that name was considered; they were put in temporarily; and then a recruitment process occurred after the temporary appointment?

SUSAN CARROLL: That's correct.

The Hon. NATALIE WARD: And then that person was appointed?

SUSAN CARROLL: That's correct.

The Hon. NATALIE WARD: I will put to you that the legal advice you referenced in previous estimates was connected to this process. Is that correct?

SUSAN CARROLL: Yes, that's correct.

The Hon. NATALIE WARD: Thank you. Is it correct that one of the individuals raised by the former chief of staff, or the secretary or the deputy chief of staff, was working for or had previously been working for the Premier when he was Leader of the Opposition?

SUSAN CARROLL: I'm not aware of that.

The Hon. NATALIE WARD: Are you aware of where that person, without naming them, was employed at the time they were suggested?

SUSAN CARROLL: Are you referring to, just to be clear, the individual who was suggested as 2IC?

The Hon. NATALIE WARD: Yes.

SUSAN CARROLL: Are you suggesting that was the background of that individual?

The Hon. NATALIE WARD: Correct.

SUSAN CARROLL: I'm not aware of those details. I can't answer that question.

The Hon. NATALIE WARD: Is it correct that that individual is currently employed in an office that the transport department reports to?

SUSAN CARROLL: Can you repeat the question? I'm not sure I understand.

The Hon. NATALIE WARD: Is it correct that the individual I'm referring to—the name that was put forward—is currently employed in an office the transport department reports to?

SUSAN CARROLL: The individual whose name was put forward as the 2IC is the individual that is leading the transition office in Transport.

The Hon. NATALIE WARD: Okay.

SUSAN CARROLL: That was appointed following the recruitment process.

The Hon. NATALIE WARD: In relation to the head of the transition office, not the 2IC position, the ministerial office wanted someone to lead that transition office. That's correct, isn't it?

SUSAN CARROLL: That was the representation that was made to the former secretary and myself at a meeting. That's correct.

The Hon. NATALIE WARD: In relation to that person, was that person employed formally by the Premier when he was Leader of the Opposition?

SUSAN CARROLL: That name was never provided to us so I don't know what—I can't answer anything more specific in relation to that.

The Hon. NATALIE WARD: Minister Haylen, who was the original person your former chief of staff requested the former secretary to appoint or hire that required legal advice to stop?

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Ms JO HAYLEN: I'm sorry, I don't follow your line of questioning, Natalie.

The Hon. NATALIE WARD: Sure. I'll break it down.

Ms JO HAYLEN: What I would say—

The Hon. NATALIE WARD: Your former chief of staff—

Ms JO HAYLEN: What I would say is that—

The Hon. NATALIE WARD: I'll clarify the question.

The CHAIR: Order! Let the Minister finish.

The Hon. NATALIE WARD: I'm happy to clarify.

Ms JO HAYLEN: What I would say is that what you have just heard is an explanation of public servants doing their job of due diligence in relation to a series of appointments. I have full confidence that they sought the relevant advice, the appropriate processes were followed and the appointments were subsequently made.

The Hon. NATALIE WARD: I will clarify the question. Your former chief of staff requested the former secretary to appoint or hire a person and legal advice was required to stop that appointment. There was legal advice about a request from your chief of staff to the former secretary to employ a person. Who was that person?

The Hon. CAMERON MURPHY: That's a mischaracterisation of what was just said.

Ms JO HAYLEN: I don't agree with that assertion—

The CHAIR: She's putting the question.

The Hon. NATALIE WARD: I'm just putting the question.

Ms JO HAYLEN: I don't agree with that assertion and I'm not aware of what you are speaking of. I reject the premise of your question.

The Hon. NATALIE WARD: Sure. A person was suggested by your office to the department for employment in the transition office, which prompted the public servant to obtain legal advice about it to stop that appointment. That's correct; that's what we've heard today.

The Hon. CAMERON MURPHY: That's completely wrong.

Ms JO HAYLEN: I disagree with—

The CHAIR: Order! The Minister is being asked the question, not the gaggle on my right.

Ms JO HAYLEN: Firstly, I disagree with the assertion in relation to the question. In relation to the transition office, as we've just heard, public servants were doing their job. They sought advice about the operation of a new Act, which is entirely appropriate. I think that we would all expect that that's exactly what they would do. Subsequently, an appointment process was run and an appointment was made by the now coordinator general.

The Hon. NATALIE WARD: The transcript shows that legal advice was obtained in relation to the suggestion of a name from your office for employment in the public service, which prompted them to obtain that legal advice. That's not normal practice; otherwise, it wouldn't prompt the person to seek legal advice. Ms Carroll, did the former chief of staff ever provide a request to the former secretary about hiring someone to lead the transition office?

SUSAN CARROLL: As I said on the last occasion, there were two meetings. I was not present at the first meeting with the secretary. I was present at the second meeting with the secretary and the Minister's chief of staff, and no names were provided.

The Hon. NATALIE WARD: Did you have any awareness of it?

SUSAN CARROLL: Of a name?

The Hon. NATALIE WARD: Being put forward.

SUSAN CARROLL: No. No name was provided to me.

The Hon. NATALIE WARD: Sorry, I'll clarify that: Did you have any awareness of a name being put forward by the Minister's office to the secretary to lead the transition office?

SUSAN CARROLL: No.

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The Hon. NATALIE WARD: Then why was legal advice required?

SUSAN CARROLL: Because it went to the issue of the employer functions. The appointment decisions under the amended legislation are a matter for the secretary. When the request was made to make an appointment—albeit no details of a name were provided—that prompted the secretary to request legal advice.

The Hon. NATALIE WARD: Yes. The Minister's office can't suggest a person for a public sector role when it is the secretary's decision to make. That's correct, isn't it?

DAVID BRITTON: If I may, Ms Ward. Can I clarify the legal advice that was given? Under section 3B of the Transport Administration Act, the secretary exercises control of the agency under the control and direction of the Minister. There was this relatively recent legislation, as Ms Boyd said last time, which prohibited directions in relation to the employer function. Suggestions and requests are all entirely appropriate. The secretary at the time clarified that a direction could not be given and with the way the new legislation operated the employer function sat with him. Having given that advice, no directions were provided to the agency. The secretary appointed an acting executive director to the transition office and then ran a merit-based recruitment process.

The Hon. NATALIE WARD: Ms Carroll, why was legal advice required on the suggestion from the Minister's office to employ somebody to head up the transition office or to be employed in the transition office, which was suggested to the former secretary? Why would legal advice be needed if it was all perfectly kosher?

SUSAN CARROLL: I gave evidence on this on the last occasion. The Minister's then chief of staff put a statement to the former secretary. The former secretary was mindful of the changes in legislation and saw that going to his employer functions and requested legal advice.

The Hon. NATALIE WARD: Going back to the DLO handbook, document No. 8, Ms Carroll—administering the DLO handbook. Is this partisan political activity—"Why do we need to do this?" and "Jihad Dib MP delivering the Southwest Metro"? Would that be within a DLO's work to prepare Labor Party material on the metro?

SUSAN CARROLL: This is the first time I've seen this document. I'd like to take it in, but I will also make the point that if it is in relation to the officer that has been the subject of the investigation—

The Hon. NATALIE WARD: I'm not asking about specifics. I'm saying that if the DLO prepared this—"Jihad Dib will deliver the Southwest Metro"—is that within a DLO's nonpartisan, non-political work?

SUSAN CARROLL: As I have said previously, no political partisan work is permitted by a DLO.

The Hon. NATALIE WARD: This is not permitted—promoting Jihad Dib delivering the metro. I'll ask Mr Murray. Mr Murray, is this nonpartisan work—"Why do we need to do this?" and "Jihad Dib delivering the metro for you"?

JOSH MURRAY: I'm also not aware of the document.

The Hon. NATALIE WARD: It's in front of you. It's document No. 8.

JOSH MURRAY: Again, I know these have been produced in the extensive Standing Order 52s.

The Hon. NATALIE WARD: It's a public document. They're in the House.

JOSH MURRAY: That's fine. I'm not familiar with it, that's all.

The Hon. NATALIE WARD: I'll redirect. You've got the document in front of you. They've been produced by the department to the Parliament. They are there for anyone to look at. Is this partisan political work?

JOSH MURRAY: All I can reiterate is that our processes are clear around DLOs, our guidebook is clear and, in fact, we've made it clearer in the last year.

The Hon. NATALIE WARD: But, Mr Murray, you're the secretary of the department.

The CHAIR: Order! Please allow the witness to respond.

JOSH MURRAY: I'm very clear with our DLOs as to what is expected of them.

The Hon. NATALIE WARD: If this was produced by a DLO today, you would say this is not okay. This is partisan political work.

JOSH MURRAY: That is a hypothetical question, Ms Ward.

The Hon. NATALIE WARD: "Jihad Dib delivering the metro for you."

JOSH MURRAY: That's a hypothetical question. I am not familiar—

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The Hon. NATALIE WARD: It is right in front of you, this document.

JOSH MURRAY: Ms Ward, I don't know the history of this document.

The Hon. NATALIE WARD: This is okay? It's a yes or no, isn't it? Is this work okay for a public servant to do on the taxpayer dime? Is it all right or not?

The Hon. STEPHEN LAWRENCE: Point of order—

The Hon. NATALIE WARD: It's very simple. You could clarify it right now.

The CHAIR: Order! A point of order has been taken. We will hear the point of order from Mr Lawrence.

The Hon. NATALIE WARD: You're running cover. This is political work.

The Hon. STEPHEN LAWRENCE: It is not affording procedural fairness to a witness to throw a five-page document at them and then bark questions at them in relation to it. He hasn't even had the chance to read it. How is he meant to answer?

The CHAIR: I was chair of the John Barilaro inquiry, and I think that is standard practice, I have to say—putting documents like this in front of people and asking them their views. This questioning is absolutely in order. I have tried to ensure that it's being undertaken in a respectful manner, which will continue in that way.

The Hon. NATALIE WARD: You've got the document in front of you. You produced it to the House; it's a public document. Is this partisan political work? I would have thought it's a yes or no. You are the secretary of the department; you've got 28,000 employees. Are they allowed to do this work? Can they produce a brochure?

JOSH MURRAY: I would reiterate to the Committee that we've been clear on what DLOs are allowed to do. What I would say is the Minister's office provided a tranche of documents to the department to investigate, and they were handed on to the correct people within the organisation to do that work—

The Hon. NATALIE WARD: I'm asking about this document, not about the general tranche of documents.

JOSH MURRAY: —and that work was done.

The Hon. NATALIE WARD: Can this document be done by any DLO—yes or no?

JOSH MURRAY: A DLO's work is very clear: It must be non-partisan.

The Hon. NATALIE WARD: So this is partisan, clearly—"Jihad Dib delivering for you". That's not neutral, is it?

The Hon. Dr SARAH KAINE: It is still hypothetical.

The Hon. NATALIE WARD: It is not a hypothetical. Stop running cover—yes or no?

The Hon. Dr SARAH KAINE: Are you saying someone produced it?

The CHAIR: Order!

The Hon. NATALIE WARD: So the secretary can't tell—why can't you answer the question, Secretary?

JOSH MURRAY: I've answered the question. We are very clear with our DLOs, and we have increased the understanding of the requirements of our DLOs. In fact, further to the recent cases, we are increasing again the way that we will supervise and monitor our DLOs to make sure they have confidence, and the Government and the Opposition have confidence, in how they're administered.

The Hon. NATALIE WARD: I'd like to have confidence right now that this document is not okay for a DLO to produce. I would like absolute clarity and confidence, given all the things that we've had to go through. You've got public servants watching right now; is it okay for them to produce a brochure for Jihad Dib about the metro?

JOSH MURRAY: I'm unwilling to comment on the document because I don't know its history. I don't know where it's come from.

The Hon. NATALIE WARD: It is in front of you. It was produced by a DLO.

JOSH MURRAY: But it could be through any process.

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The Hon. CAMERON MURPHY: Point of order: This document is becoming a prop rather than a bit of reference material, Chair.

The Hon. NATALIE WARD: Stop running cover. You have a DLO that didn't face any sort of investigation; they were able to resign and move on with their lives. There was no consequence for that. You can't provide clarity on whether a DLO can do political work. What are you running here, Mr Murray? There are 28,000 people and apparently they can do political work for you now.

JOSH MURRAY: Ms Ward, there are not just 28,000, there are 30,000. There are also a large number of our staff involved in DLO work for this Government and for previous governments. They are hardworking—

The Hon. NATALIE WARD: There's no dispute with that.

JOSH MURRAY: —mostly young public servants. We have instigated an investigation into the matters that were raised and we are improving our processes.

The Hon. NATALIE WARD: Apparently not. We can't even get clarity on a document in front of you. It's apparently entirely unclear and people can do political work and those paragraphs are taken out of the handbook.

JOSH MURRAY: People cannot do political work.

The Hon. NATALIE WARD: Not only is it unclear, you can't even answer it here. I would have thought you would welcome the opportunity to clear this up and—

The Hon. Dr SARAH KAINE: This isn't questioning; this is badgering.

The Hon. NATALIE WARD: —you would want today to say, "That is not okay. We don't do political work because we're politically neutral. That's what the public service does and I make that very clear." But, apparently, you can't do that today.

JOSH MURRAY: As soon as the material was received from the Minister's office, we began an investigation the very next morning. The Public Service Commission was kept apprised all the way through—and the Premier's Department.

The Hon. NATALIE WARD: Has the Minister increased her understanding of what DLOs can and cannot do?

Ms JO HAYLEN: I've given evidence to this Committee before, and I'm happy to reiterate it now, that there are clear rules and functions in relation to the role of DLOs. I expect DLOs in my office to abide by the code of conduct and by the ministerial circular.

The Hon. NATALIE WARD: But my question was—

The CHAIR: Order! That's it. Your question—

The Hon. NATALIE WARD: It was just have you increased your understanding?

The CHAIR: Order! Order! I gave it last time, not this time, Ms Ward. Done.

The Hon. NATALIE WARD: The system that you rorted.

The CHAIR: It's my turn now. Ms Taylor, the latest People Matter Employee Survey found, as I understand, that 11 per cent of the people who responded—Transport for NSW staff—reported harassment, bullying and discrimination. Is there an issue within Transport for NSW? Eleven per cent—it's not just unsatisfied; it's not just unhappy—reported harassment, bullying and discrimination. What's going on within Transport for NSW? That sounds like a toxic work culture to me.

TRACEY TAYLOR: Thank you for your question. Yes, it is disappointing that our people are still exposed to what we classify as unacceptable behaviour. We are constantly working on addressing our culture. We have a range of things in place. We've recently announced and launched our discrimination and harassment prevention strategy. We are rolling out a range of training and education, which we classify as Respect at Transport, so that we can help our people understand what is acceptable and unacceptable behaviour, as well as help them understand, when they see something, how they say something—so providing them with the visibility of the reporting mechanisms. There's also ongoing leadership training that we do to ensure that our leaders are observing when these behaviours may be happening and are actually stepping in and intervening.

The CHAIR: I have quite a few Transport for NSW staff that do contact my office. You could call them whistleblowers actually. They talk to me about the culture and about what's going on within Transport for NSW. One of those is that people who do speak up or make complaints are often bullied out or treated very badly as a

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result—including within Sydney Metro, I will say, Mr Regan, which I'll get to later. Are you aware of people making complaints and then suddenly finding that they're out of a job?

TRACEY TAYLOR: I don't have any particular examples that have been brought to my attention. What I would tell you, Ms Faehrmann—in the last calendar year, we had 1,165 substantive matters brought to the professional standards unit; 156 of those went into disciplinary investigations.

The CHAIR: What was the first figure, sorry?

TRACEY TAYLOR: It was 1,165. Those substantive matters could be a range of conduct. It could be a range of performance and grievance matters. We, of course, take any report of any unacceptable behaviour seriously and we ensure that we assess that properly. If there are individuals being subject to reprisal as a result of speaking up, then that is something we would want them to talk to us about, because that's not acceptable in our culture.

The CHAIR: With the people matter survey, do you break it down within individual units? Because I've also had feedback about the people and culture division itself—that the culture within that division is not healthy. Have you had feedback about that within those surveys?

TRACEY TAYLOR: We do break it down by division and we provide those divisional reports to all of the divisional leaders and we work with them to put in place appropriate action plans that can address what we are seeing as areas that we need to focus on. That would include in the people and culture division. I would have my own action plan that I look at for detailed analysis and be able to put appropriate actions in place. The other thing that we do look at is our verbatim comments. In addition to the data that we receive, we also have thousands and thousands of verbatim comments that come through based on questions we put through the PMES. We do analysis on that as well so that we can understand what the colour of the data is telling us. That will include sensitive data and I see all of that sensitive data. So where people are calling out particular behaviours or particular leaders, we act on those as well.

The CHAIR: What was the latest survey in relation to the people and culture division? Was it worse or better than other units within Transport for NSW? What was the overall statistic around, say, bullying and harassment? Talk us through some of the statistics.

TRACEY TAYLOR: Ms Faehrmann, I don't have that in front of me. I'm happy to take it on notice and I can talk to you later this afternoon about the particulars. What I do know is at the total engagement level we did actually go up.

The CHAIR: We will talk through those. That would be useful. When you're saying that you take action against some of the senior leaders or figures, in what way?

TRACEY TAYLOR: Each division we partner—my P and C business partners partner with the deputy secretaries to look at what the data is telling them and we put a people action plan in place. Now, that could be a range of interventions that include rolling out respect at Transport. It could be focusing on leadership development. It could be, in addition to that, doing more surveying, so we do other surveying outside of our PMES so we can stay on top of what is happening across the course of the year. We use a pulse survey to do that, so it could be a range of interventions that we use.

The CHAIR: What is the Transport shared services division? What does that do?

JOSH MURRAY: The unit is a general shared services division. Obviously with the scale of Transport's operational needs but also the administrative needs behind that, we do operate our own shared services division for the processing of HR information, regulatory information. They are largely regional-based positions that have been decentralised to provide that service across Transport.

The CHAIR: I understand there is something like 1,000 or so people within that division?

JOSH MURRAY: I don't believe it's as high as that now but, yes, it is a large unit because of the scale of Transport's operations. Obviously they link in very closely with groups like Service NSW.

The CHAIR: Minister, going back to the Opal card, I have a question around the gold seniors Opal card. I understand that anyone who works for more than 20 hours isn't eligible for that gold seniors Opal card and was wondering what the rationale was for that from your Government.

Ms JO HAYLEN: That is an existing policy in relation to concessions that you point to. I will hand to the secretary for further information on that, or perhaps Howard.

The CHAIR: It is government policy—that's right—which is why I'm asking for it from a policy perspective and you as Minister. I can ask the public servants later about the detail. But in terms of policy, we've

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been approached again by seniors wanting to know why they can't access that. Obviously it is also an additional barrier to older people getting back into the workforce. I'm just wondering what the policy rationale is from your Government.

Ms JO HAYLEN: The current settings around concessions are the ones that we have inherited. I appreciate people's concerns around a particular barrier that they might see to them using public transport. We want as many people using public transport as possible. We have, of course, retained the \$2.50 travel arrangements for seniors. The expectations are that we are seeing people work longer and we want as many people as possible participating in our economy, so I appreciate where the advocates are coming from. I think the secretary has endeavoured to provide some further information about the statistics in that space. But I'm also happy to take it on notice and provide some further information.

The CHAIR: I've got another issue here that a constituent has raised, about disability access and jetty wharfs, particularly the wharves at La Perouse and Kurnell. The particular constituent is concerned about not having access for disabled fishers. I will say at this point that I prefer Botany Bay to be closed to fishing and for it to be a sanctuary, but I will ask this question anyway. If people can fish there right now, then people with a disability should be able to fish as well, but I did need to put that on the record.

There have been, for some time, quite a few people who have wanted to have access. I've got a Fishcare volunteer who has said to me they do rock pool walks with children and they want to do fishing workshops for children with disabilities. I believe they've lobbied your office about it, but there is no jetty or platform since the removal in 2008 of what I understand was a jetty, Penrhyn jetty, for the port expansion. Firstly, are you aware of this issue—just general access to wharves? Let's stick with Botany Bay to begin with.

Ms JO HAYLEN: In relation to the Kamay wharf project, as I have provided in evidence to this Committee before, it was a project that we inherited with escalating costs and difficulties around it. We have taken the most responsible approach to continue the construction of that wharf. I'm also aware that advocacy groups have in fact just now raised this issue with me. I'm happy to look into it and provide further information to the Committee as a result of those inquiries.

As a broader principle, however, as we've discussed earlier, of course we want to see more people be able to access our waterways—and through those public interfaces is the right approach. We do know that senior members of our community, for example, are often big users of boat ramps, marinas, and maritime is acutely aware of that. We have inherited some issues around the maintenance and provision of access across those assets. But putting that aside, in relation to Cammeray, the coordinator general might be able to add further information but I have also endeavoured to get back to those particular advocates as well.

The CHAIR: Okay, great.

HOWARD COLLINS: Yes. It has been raised with me as well. Just for information, obviously, both those wharfs will be fully accessible but I do fully understand that as a disabled fisher there may be additional facilities which would be required. We'll take that away and understand that request, which has come to me today. It is a fairly large wharf. There may be opportunities. The design, though, is really about accessibility for people in the future using that wharf for other purposes, accessing the water in effect. Let us take that away.

The CHAIR: That's great. I appreciate that. I wanted to turn to the issue of Western Sydney transport now again more broadly. During the inquiry that this Committee is undertaking into Western Sydney transport, a lot of the witnesses and experts have raised the issue of the dire need for connection between the north-west, if you like, and the south-west of Sydney—the Hawkesbury and Schofields area down to Campbelltown, Macarthur and what have you. In your vision for the next four, five, 10 years, what are you committing to for the community there? There's what has been announced for Western Sydney Airport Metro. Is there anything else that the community can have some assurance about that you'll be connecting them? I'm specifically meaning metro and rail, if you can. Obviously if there are amazing B-line buses and stuff that you're planning as well, that would be great too.

Ms JO HAYLEN: Sure. I was at Warwick Farm only yesterday meeting with Business Western Sydney and a range of mayors, businesses, community members, council planners and representatives about the very issues that you raise and that your Committee has heard about because the fact is, in particular in the south-west, we have growing populations facing large travel distances to reach services, jobs, schools. That problem is real and has been real for a very long time.

Our Government is committed to do the planning work now to ensure that we can make the investments we need to make, and you rightly point to the long-term ambitions, which, of course, are rail connections. It has been a long-held view of the Federal Government, for example, that the North-South Rail link is a critical piece of infrastructure that Sydney needs. As you heard in earlier evidence, our Government is proceeding with the

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business cases for the connections between Tallawong and St Marys as well as south of the aerotropolis. I would hope that we can move as a Government towards an investment decision following those business cases in conjunction with the Federal Government. The current Western Sydney Airport Metro is a fifty-fifty project with the Federal Government.

The fact is, though, the bulk of the workforce for the new Western Sydney Airport is likely to come from the suburbs north of St Marys and south of the aerotropolis and, in particular, the Campbelltown-Macarthur area. For the long-term viability of that airport and its success and the future job and training opportunities that those families want and deserve, we do need to provide a rail connection. That's why our Government is committed to doing the business cases for those rail connections. I briefly say that the business case being undertaken for the south-west connections in conjunction with the Federal Government is mode agnostic and so we will need to provide an interface with our heavy-rail network, and that is part of our consideration as well.

The CHAIR: Wharf services in Balmain—shortly before the State election last year Labor vowed to reopen the Elliot Street wharf in west Balmain, create two new ferry stops at Rozelle Bay in Annandale and at Pirrama Park wharf in Pyrmont, and review the frequency of services to Drummoyne. What work has been undertaken? Let's start with reopening Elliot Street wharf.

Ms JO HAYLEN: Firstly, these are critical election commitments and we will meet our election commitments. Providing additional public transport services for densely populated areas close to our city means it also frees up more space on our road network and other public transport services. We will meet our election commitments. Work is underway to implement these. In relation to Elliot Street, Transport for NSW has been working with the local council and, indeed, Transdev Sydney Ferries to work out what would be required to provide that service. There are a number of elements to that. Obviously the existing wharf infrastructure hasn't been used for quite some time so there will need to be investment in the infrastructure to also meet various compliance and other issues for access.

The CHAIR: With the Elliot Street wharf reopening, if indeed it does, with the absolute disaster that the opening of Rozelle Interchange has been, particularly for the residents of Balmain, have there been discussions to fast-track that since then? Clearly the residents of Balmain feel stuck in their suburb in the morning. I assume you've been exploring all avenues to open Elliot Street wharf at this point?

Ms JO HAYLEN: Firstly, in relation to the Rozelle Interchange, I understand the difficulty that the residents of that area have been experiencing. I've obviously been talking to the Mayor of Inner West Council and to the member for Balmain, as well as community members impacted. In fact, the coordinator general and the secretary have been working closely with the Minister for Roads to make changes that will improve that situation. But my focus is on making sure there are public transport options available. Those are not directly connected to Elliot Street. My concern is that existing services have capacity, and I can confirm that they do. The good news is we have seen an uptick in the use of public transport services.

The CHAIR: Just referring to Elliot Street—I have 1½ minutes left—that hasn't been part of your request to see ferry access, ferry services and upgrades. There's been no urgency as a result of the congestion created by Rozelle Interchange opening?

Ms JO HAYLEN: My focus in relation to the residents of Balmain and Rozelle for public transport was to ensure that the services that are currently in place have capacity, they are running to timetable and not impacted by congestion, and that those options are available to people. We do have urgency about delivering our election commitments and the work is underway when it comes to Elliot Street and the other ferry commitments that you raise. Both infrastructure and fleet are considerations as well.

The CHAIR: Thank you. That was my next question. You've said there is urgency in relation to that to deliver your election commitments. Are you committing to having that work done before the next election?

Ms JO HAYLEN: Absolutely. Our Government will meet our election commitments.

The CHAIR: Now that I've said that, I've completely forgotten my last question. I have 33 seconds left. Air quality monitoring: Is it fair to say that there has been no ongoing air quality monitoring in any of the stations on the Sydney Trains network historically? You haven't monitored air quality—only when there are maintenance workers there. Is that correct?

Ms JO HAYLEN: That's incorrect. In fact, air quality monitoring does occur. I will hand to the chief executive of Sydney Trains to provide that information.

MATT LONGLAND: Thank you. The answer is we don't undertake regular air quality monitoring at the Sydney Trains underground stations. I'm not sure about Mr Regan with Sydney Metro.

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The CHAIR: Okay, we will come back to that because of time. We will now go to the Opposition.

The Hon. NATALIE WARD: Minister Haylen, the communities in the Hawkesbury relying on wire-drawn ferries at Webbs Creek, Wisemans Ferry and Sackville are having their lives completely disrupted by strikes instigated by the Maritime Union of Australia. Never before has this community experienced such chaos, which has been inflicted by the unions. When are you going to step in and resolve this conflict so that residents don't have to spend up to an additional five hours per trip to get to medical appointments, get kids to school and get to work? You were able to pick up the phone to 2GB radio yet you would not pick up the phone to the MUA. Why not?

Ms JO HAYLEN: Firstly, I agree that this action is severely inconveniencing these communities. They rely on this connection for jobs, for schools. We want to make sure that that connection is available to them. I have made very clear that this dispute needs to be resolved as quickly as possible. I have implored both the private operator, Birdon, as the employer, and the representative of the workforce, the Maritime Union of Australia, to sit down at the negotiating table and work it out as quickly as possible.

The Hon. NATALIE WARD: But you wouldn't ring them.

Ms JO HAYLEN: I can inform the Committee that the private operator, Birdon, has taken this issue to Fair Work, and that matter will be heard on 1 March. That's appropriate. Ultimately, we want this issue resolved as quickly as possible.

The Hon. SAM FARRAWAY: Minister, I quote from your contribution in the Legislative Assembly on 8 February:

... as I have said, I was disappointed that there was a delay in sending out the panel 4 deeds. I asked Transport to issue them before Christmas, and they failed to do so. That is unacceptable. I have advised the House that I asked Transport to accelerate the rollout of panel 4. It will be ready on schedule in March.

Why was there a delay from your commitment that you gave to myself and to the member for Oxley in November last year that those deeds would be issued by Christmas?

Ms JO HAYLEN: Firstly, I want to thank yourself and the member for Oxley for engaging constructively in relation to this issue. Of course, we want to see local domestic manufacturing businesses, like Express coaches, continue and employ locals and help us deliver the buses that we need. As I explained to the House, I was disappointed that that deadline was not met, and I have expressed that to the secretary directly. I am pleased, however, that those directions were subsequently made—that orders, in fact, have been placed now with Express coaches.

The Hon. SAM FARRAWAY: Minister, just to redirect, by next month, do you believe that Transport will be in a position and you can guarantee to the Committee today that panel 4 will be fully rolled out?

Ms JO HAYLEN: Yes, panel 4 will be in operation by 1 March.

The Hon. SAM FARRAWAY: Quickly, how many buses have been ordered since deeds have been issued?

Ms JO HAYLEN: I think I have that information. I can confirm that eight—I believe that eight buses—yes, I understand that Express coaches has received an order for eight buses under panel 3.

The Hon. SAM FARRAWAY: So how many—

The CHAIR: Order! That's the end of your questions, I'm sorry. Minister, I just wanted to ask some questions about taxi drivers now, if I can. For the 12 months up until December 2023, which was the period of the first year of the point to point commission's complaint hotline, 536 individual drivers had disciplinary action imposed as a result of more than 2,000 complaints. They range from not using their meters, overcharging customers, the attempting to negotiate up-front fares, refusing shorter trips. Of those 536 drivers, more than 40 per cent were disciplined more than once due to multiple complaints. Of the 536 drivers, there were 99 occasions where companies forced drivers into retraining; 53 temporary suspensions; 33 dismissals. I understand that NSW Taxi Council's chief executive has written to you, asking for the return of a centralised accreditation process. Are you doing that? Where is that up to? If you're not, why aren't you?

Ms JO HAYLEN: Firstly, I would reiterate that the reason why the Government has taken the action that it has in terms of increasing fines, the provision of and the compulsory application of stickers with the taxi hotline is because of these drivers that are not doing the right thing. I appreciate that most drivers do the right thing—

The CHAIR: Sure, I agree.

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Ms JO HAYLEN: —but there are those that are not, and it's appropriate that they are disciplined and that they receive those penalties. I have been in discussions about the fact that there is a loophole whereby drivers who have been disciplined by one company could subsequently then move to another for employment. I have been in discussions about how we can ensure that that is no longer the case. I'm happy to provide information about that as we progress through those discussions.

The CHAIR: Just to be clear, though, we've got the chief executive of the NSW Taxi Council directly asking for an accreditation system to try to weed out the drivers that are making it extremely difficult for the rest of the drivers. People are reluctant to take taxis because of those experiences, so it's bad for everybody. Why aren't you considering an accreditation system?

Ms JO HAYLEN: I'm not ruling that out. I recognise that there is a loophole. I recognise that we want people to have confidence in the point to point industry, in particular that taxi drivers are doing the right thing and that those who don't somehow can avoid ramifications for that action. I am working through a variety of options and am not ruling out an accreditation system.

The CHAIR: What's the time line for that? I feel like it's life and death for taxi drivers at the moment. They really need all the help they can get. Weeding out, potentially, the offenders that are doing this multiple times could be useful.

Ms JO HAYLEN: I recognise the issue. I appreciate that it is the number one priority of the Taxi Council. I have received that correspondence and I have asked for advice about how to progress it and remedy it.

The CHAIR: I note there are no questions from the Government. Thank you very much, Minister. We appreciate your time this morning in appearing before this Committee. The Committee will now break. We will be back at 2.00 p.m. with the rest of the public servants.

(The Minister withdrew.)

(Luncheon adjournment)

The CHAIR: Welcome back, everybody. We will kick off our afternoon session, starting with questions from the Opposition.

The Hon. DAMIEN TUDEHOPE: Mr Collins, can I ask you some questions in relation to the Bankstown to Sydenham line? I think your evidence was that there were an additional 100 buses that—

HOWARD COLLINS: Let me explain that a bit. Thank you very much for your question. Sixty buses will be brand new.

The Hon. DAMIEN TUDEHOPE: Where are they coming from?

HOWARD COLLINS: To get a rapid manufacturing of buses, they are coming from China. They are vehicles from China. As you know, they make almost hundreds a day, like they do their cars. They are coming from China. All the vehicles which will be operated by Transit will be accessible vehicles. We expect the first of those new buses to start before the contract commences, when we finally close the line and put in a temporary transport service. They won't all be available but they will come pretty quickly. There are over 100 or 150 vehicles involved in the total product. As you'd imagine, 60,000 people—let's be clear, it's not going to be easy to move those people by bus. Matt's train carries 1,000 people, which is 20 buses. But we are doing everything possible, as we did with the Epping-Chatswood shuttle and the closure with our wonderful pink buses and marshals.

The Hon. DAMIEN TUDEHOPE: You may recall, Mr Collins, I was the member for Epping at the time. I thought I was going to lose my seat over that issue. To your credit, it was a seamless operation.

HOWARD COLLINS: Certainly to many of my colleagues' credit. At the time I think I was responsible for Sydney Trains and we were certainly very grateful for the efforts people put in. We do think that model works quite well and we'll be setting that up obviously very soon. The employees are being recruited as we speak.

The Hon. DAMIEN TUDEHOPE: Let me ask you about that. Bus drivers, of course, would be a particular area of concern, I would have thought, for you. Where are you up to in relation to the recruitment of bus drivers?

HOWARD COLLINS: Again, thanks for the question. I do have some really good information. At one time—this time last year—we were probably in the region of 700 bus drivers short on the network for Sydney contracted bus services. As of last week we were under 250—249—as of 11 February and there are many people

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in recruitment. We have worked very hard with industry. There was a forum this week with all of the senior players, but we are not letting up. We know this industry. It's easy to get a job.

The Hon. DAMIEN TUDEHOPE: You are confident that you will have the additional drivers you need to be able to start on the day. What's the date, by the way, that this is going to start?

HOWARD COLLINS: We are working, obviously, with Sydney Metro to understand the finalised date. I'm sure Mr Regan can talk about that. But it is obviously around about August or September.

The Hon. DAMIEN TUDEHOPE: You are confident that you will have the bus drivers in place?

HOWARD COLLINS: Absolutely, yes. Barring some terrible thing happening across the State, I think we've got that.

The Hon. DAMIEN TUDEHOPE: In respect of the buses which are the new buses, what are the emissions levels on those buses?

HOWARD COLLINS: They will be the latest Euro 6 standards, which we specified in BP3, and will have the latest features and certainly are a very well-known and regular bus and bus supplier.

The Hon. DAMIEN TUDEHOPE: Mr Murray, can I ask you some questions? Have you seen the memorandum of understanding?

JOSH MURRAY: Which memorandum of understanding?

The Hon. DAMIEN TUDEHOPE: Which was reached between the Government and the Australian Turf Club?

JOSH MURRAY: No, I have not.

The Hon. DAMIEN TUDEHOPE: Have you given some advice in relation to what the Minister should do in relation to her obligations relating to the project?

JOSH MURRAY: No, our understanding in this process is we continue with the development of the western metro. Government will provide further advice in regard to the processes around the above-ground developments.

The Hon. DAMIEN TUDEHOPE: I think the Minister's evidence appeared to be that—and you can correct me if I'm wrong on this—the total project relating to Rosehill involved reaching an agreement with the ATC and the delivery of the Rosehill metro would depend upon that agreement being reached. Is that right?

JOSH MURRAY: I think the evidence of the last few days has been that central Government is leading on that process. As we've discussed earlier, our role is to continue the development of the metro line.

The Hon. DAMIEN TUDEHOPE: That's cute, but I have to say this, though. Sydney Metro is delivering a metro system and a key consideration in delivering that metro system is a decision relating to the delivery of the Rosehill metro station. Will that metro station be delivered if an agreement is not reached with the ATC?

JOSH MURRAY: That's not something I can comment on.

The Hon. DAMIEN TUDEHOPE: Mr Regan, do you know?

PETER REGAN: Well, that's not my decision.

The Hon. DAMIEN TUDEHOPE: Sorry?

PETER REGAN: That's not something I can comment on either. It's not our decision.

The Hon. DAMIEN TUDEHOPE: Well, whose is it?

PETER REGAN: To be very clear, it's a government decision. There are two processes which are effectively running in parallel. What Sydney Metro has been asked to do is to give the Government options around the station and the potential design and timing of the station.

The Hon. DAMIEN TUDEHOPE: But wouldn't you want to know in terms of the costing of the metro whether it includes the delivery of the Rosehill station?

PETER REGAN: Yes, we're working at the moment to give the Government the options to include it. There will be a decision in the future which will no doubt be influenced by that parallel process, but we're not involved in those negotiations with the ATC.

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The Hon. DAMIEN TUDEHOPE: Mr Murray, would you agree with me that if, in fact, we do deliver a metro station, that increases the value and the return to the ATC?

JOSH MURRAY: I'm not in a position to comment on the return to the ATC, but certainly it is an ambitious proposal which has great potential for the housing challenge that the Government has identified and the transport challenge for Western Sydney.

The Hon. DAMIEN TUDEHOPE: That's true, and wouldn't you expect that a proper probity process be adopted in relation to ensuring the integrity of delivering that outcome?

JOSH MURRAY: Again, I'm advised by the Premier's office and the Cabinet Office that central Government will monitor this process as per standard practice in these USPs.

The Hon. DAMIEN TUDEHOPE: Well, you're aware of the provisions of the unsolicited proposals, are you not?

JOSH MURRAY: Yes, I am.

The Hon. DAMIEN TUDEHOPE: And you're aware, are you, of the various stages that have got to go through in relation to the actual approval of an unsolicited proposal?

JOSH MURRAY: Yes.

The Hon. DAMIEN TUDEHOPE: Is there a potential then for delaying a decision relating to the delivery of the Rosehill station because of the number of stages that this has got to go through for the purposes of getting a decision relating to an unsolicited proposal?

JOSH MURRAY: I appreciate the question but I think, as Mr Regan and I have said, they are not the processes that we're currently involved in. That is being handled by central Government. We are providing the optioneering around what will be required under the Government's metro review, which was to make capacity for up to an additional two stations in the west, and that's what we're doing.

The Hon. DAMIEN TUDEHOPE: When you're giving advice to the Minister to whom you're answerable—you tell me you're aware of the provisions relating to unsolicited proposals. You're aware, of course, of the probity provisions contained in that document, are you not?

JOSH MURRAY: Yes, I am.

The Hon. DAMIEN TUDEHOPE: One of those is in relation to an impartial treatment of unsolicited proposals.

JOSH MURRAY: That's correct.

The Hon. DAMIEN TUDEHOPE: Did you give advice to the Minister that she should be not making any public comments in relation to this unsolicited proposal?

JOSH MURRAY: No, because we're not party to the proposal at the moment.

The Hon. DAMIEN TUDEHOPE: She was present at a media event to announce it.

JOSH MURRAY: I can't speak to the media event. I wasn't there, but we have a process that we are going through. Central Government is then assessing this proposal to join those up at the appropriate time.

The Hon. DAMIEN TUDEHOPE: Would you agree with me that potentially a breach of an unsolicited proposal arrangement, certainly in relation to maintaining impartiality, taints the whole process?

JOSH MURRAY: I'm not sure of the question there.

The Hon. DAMIEN TUDEHOPE: The whole notion of unsolicited proposals is to ensure that in the public's mind, when someone comes to the Government with a proposal, the Government isn't being seen as a cheerleader for the proposal. Isn't that, in fact, the whole rationale which exists behind the guidelines which relate to unsolicited proposals?

JOSH MURRAY: Absolutely. The guidelines have to be—the hurdle rate for an unsolicited proposal is very high. The uniqueness test, the probity—of course all of those elements have to be first class because of the scale of these projects.

The Hon. DAMIEN TUDEHOPE: And the potential, is it not, for the delivery of windfall outcomes to the proponent of the proposal?

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JOSH MURRAY: That's right, but I can't comment on the status of the proposal. It's not within my remit.

The Hon. DAMIEN TUDEHOPE: And the windfall outcome, of course, might be the delivery of a railway station?

JOSH MURRAY: Again, not related to the scope that we have in front of us.

The Hon. NATALIE WARD: Mr Murray, are you confident that the transport network will be reliable tonight?

JOSH MURRAY: My colleagues and I have been deeply involved in preparations for tonight. We know that our rail network and our bus network have a number of challenges in terms of its age and its resilience. We know that we have been hit over recent weeks by some unavoidable incidents, and it has taken the network some time to recover from those.

The Hon. NATALIE WARD: But talking about tonight—I'll just redirect you. Are you confident about tonight, that it will be reliable?

JOSH MURRAY: We have stood up staff across the board. We have stood up all available train and bus services to support. We understand the importance of tonight to the people of Sydney, and we really are hopeful to show all of our passengers a great time as they experience the event.

The Hon. NATALIE WARD: So it won't be a *Blank Space*, will it?

JOSH MURRAY: That's was very good. You beat me to it.

The Hon. NATALIE WARD: And if it does go wrong, you won't say *Don't Blame Me*? I'll move on to Parramatta Light Rail.

JOSH MURRAY: I'm sorry, Ms Ward. You'll have to refer to Mr Collins for the proper Taylor puns.

The Hon. DAMIEN TUDEHOPE: So blame him.

The Hon. NATALIE WARD: Blame him—it will be a blank space. Parramatta rail stage two—what's the rough cost of that?

JOSH MURRAY: I'm going to refer to Ms Drover at this point for project development.

CAMILLA DROVER: You will be aware that we achieved planning approval for stage two of Parramatta Light Rail, and that's the whole project, but you'll also be aware that we are proceeding with the tendering phase for the stage one of Parramatta Light Rail stage two, which is the enabling bridge. The budget for that is just over \$600 million. The Government also allocated an additional \$200 million to develop and do early works towards the larger PLR 2 project.

The Hon. NATALIE WARD: Thank you, that's helpful. What's the forecast for the whole of the project for stage two? I'm not asking about the early works, but what's the forecast?

CAMILLA DROVER: We haven't confirmed the overall project budget for stage two. We're doing that work now and finalising the revised final business case for the project.

The Hon. NATALIE WARD: How much money has been allocated to it? Are you aware of that? Stage one was \$2.6 billion. How much are we looking at? Is it around the same, or is it five? What's the ballpark?

CAMILLA DROVER: As I said, at the moment we have the just over \$600 million for the enabling bridge and \$200 million towards the further development of the balance of the project. They're the committed funding for the project at the moment. The balance of the project will still be subject to investment decision.

The Hon. NATALIE WARD: Does Transport know the cost of Parramatta Light Rail stage two, which was announced today?

CAMILLA DROVER: The announcement today was that we had received planning approval for the whole project. That was the announcement.

The Hon. NATALIE WARD: Yes, I understand the announcement. I'm asking if Transport knows the cost for that stage two project.

CAMILLA DROVER: When we've revised the updated final business case, the overall cost will be confirmed.

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The Hon. NATALIE WARD: Is the work currently contracted for PLR stage two considered a major work contract? The enabling works is costed, but it's a major project, isn't it?

CAMILLA DROVER: The overall program is a major project, yes. But the first stage is the enabling bridge.

The Hon. NATALIE WARD: So the major works are not funded. Is that how I should understand it?

CAMILLA DROVER: Yes, we haven't received investment decision on the full project yet because we're still finalising the final business case and what government would take forward in terms of the options that are considered in that final business case.

The Hon. NATALIE WARD: So we've got early works, there will be a business case, but we don't know an overall envelope for the project.

CAMILLA DROVER: That's because we're finalising or updating that final business case.

The Hon. NATALIE WARD: When will the investment decision occur or be ready?

CAMILLA DROVER: When we've done the work, we'll approach government for an investment decision.

The Hon. NATALIE WARD: When do you anticipate that might be?

CAMILLA DROVER: We'll have to complete the work first. Our focus at the moment is, we're in the tender phase for the enabling bridge. That's going very well. That's our focus at the moment, as well as—

The Hon. NATALIE WARD: But what's the ballpark—sorry, I don't mean to speak over you. What's the ballpark for timing on knowing that investment decision? It's a large project; it has been announced. We know early works is funded, planning is ticked off, but the next stage is obviously the large decision about the capital investment. What's the sort of timing around that?

CAMILLA DROVER: We're pleased that we've got the planning approval. That gives us some degree of certainty about what the conditions are associated with the project. That will inform and assist us to complete the final business case, and then we'll approach government for consideration of the balance of the project.

The Hon. NATALIE WARD: When do you anticipate the final business case will be completed?

CAMILLA DROVER: I just have to check the exact timing of that. I'll take that on notice.

The Hon. NATALIE WARD: Are you able to come back to us today on that and check that number?

CAMILLA DROVER: Yes.

The Hon. NATALIE WARD: Thank you. Surely Transport has an internal timetable for such a large project as this. What's the sort of ballpark on the internal timetable?

CAMILLA DROVER: I'll come back, as I said, with a more definitive time frame, but at the moment we are updating that final business case.

The Hon. NATALIE WARD: That would be helpful if you could come back today. It's obviously a large announcement, which we welcome, but we'd like to see some understanding of the time line around it. We work very closely, so I know that you're very organised and there is usually an internal timetable of some sort. What's the forecast cost of the whole project?

CAMILLA DROVER: As I said in my prior answer, the updated final business case will confirm the options associated with that and therefore the final cost of the balance of the project. It's helpful now that we have got the planning approval with the planning conditions because that obviously goes to the cost of the project.

The Hon. NATALIE WARD: From that investment decision, once that's taken, how long does it take to tender, assess and award a project of this size?

CAMILLA DROVER: If I can use the enabling bridge as a guide, we're in tender for that. We hope to award that contract this year and have work starting onsite in 2025. There will be early works enabling mobilisation later this year.

The Hon. NATALIE WARD: Award the contract 2024, have the work started and get it underway. Over a year before work will start, or before the decision.

CAMILLA DROVER: As I say, we're in tender for the bridge at the moment. Works will actually start towards the end of this year, but material works will start onsite early next year.

CORRECTED

The Hon. NATALIE WARD: When does government need to award Parramatta light rail stage two as a major contract? To have the work underway, say, before 2027, when would it need to award that contract?

CAMILLA DROVER: It would depend on the option that the Government selects, and that's why we're updating that final business case so that we're providing options to government for their decision-making.

The Hon. NATALIE WARD: How many options are there?

CAMILLA DROVER: Like any major project, there will be a range of options for government to consider. I can't enumerate how many exactly there are, but there are always options of timing when government wants to proceed with projects. That, as I said, is in the final updated business case.

The Hon. NATALIE WARD: To have the work started for the project by March 2027—the major works started—when would government need to make an investment decision by? In your experience, rolling out these projects with those stages, early works, contract award, when does that decision need to be made to have the major works started by March 2027?

CAMILLA DROVER: What I can say, it takes roughly about a year to run a procurement process, award et cetera. Roughly a year.

The Hon. NATALIE WARD: One year?

CAMILLA DROVER: It depends on the nature and the scale of the project, but roughly a year. It sometimes can take longer depending on the complexity of the project and the structuring, but all of those considerations will be in that final business case for government to make a decision on.

The Hon. NATALIE WARD: Just a final question: Will the Parramatta light rail stage two be going to one contract or will there be separate contracts?

CAMILLA DROVER: Once again, the packaging strategy for the balance of the project will be part of those considerations of government.

The Hon. NATALIE WARD: It's one of the options.

CAMILLA DROVER: Yes.

The Hon. NATALIE WARD: Will you do it as the existing contract or will you tender it out to someone else?

CAMILLA DROVER: Certainly we'll be tendering the civil components. There are options for the balance of the project. But, as I said, our focus at the moment is: We're really pleased that we've got that planning approval—that takes us a step further forward—and we're getting on with the tendering for the enabling bridge.

The Hon. NATALIE WARD: Okay. Can I just ask about the trams on the project? Is the intention of the Government to build the trams that are required for the project in New South Wales?

CAMILLA DROVER: We did a lot of engagement last year—and, in fact, even in 2022—with industry on the capability and capacity of industry to locally procure the trams. Those considerations are in that final updated business case. Obviously, it's a very small fleet of additional trams that we need for PLR 2. I think it's of the order of about a dozen extra trams that we need for PLR 2. That will be a decision of Government, but those options will certainly be put forward for Government.

The Hon. NATALIE WARD: So you haven't been told by the Government that it must be built in New South Wales or it must be built in Australia? We can't rule out Tasmania. I just want to be clear.

CAMILLA DROVER: There is an overall Government commitment for local manufacturing of fleet. We're certainly pursuing that for the replacement of the Tangara fleet and the overall future fleet program that we're developing for the balance of the fleet, because it won't just be the Tangara fleet that will need replacing, with time; it will be a rolling program. That's the intent to not just look at individual fleets of trains but a more programmatic, systemic decades-long approach so that we can actually build an industry and maintain that industry over the longer term. We're looking at that so that all rolling stock in New South Wales certainly will have options for at least 50 per cent local content.

The Hon. NATALIE WARD: Not Tasmania. Thank you.

The CHAIR: Mr Egan, now that we've got some time to just get into the detail a bit more, I just want to be very clear around the investigations that did happen in relation to the Elara issues that were investigated with Elara and when those investigations took place. If I've got this correct, it was in November 2022 that Sydney Metro received multiple anonymous complaints—this is from a fact-finding investigation plan for Interview

CORRECTED

Management Solutions to undertake their investigation. The plan summarises what the Sydney Metro fraud and corruption prevention and investigations team looked into. They did this, as I understand, as a result of these complaints that were received in November 2022 that current members of the senior leadership team of the health and safety branch, Sydney Metro, were allegedly—and these are the anonymous complaints, which suggested corrupt conduct and/or maladministration in the areas of procurement, business management and recruitment. They were the anonymous complaints that were received in November 2022. The Sydney Metro fraud and corruption prevention and investigations team then undertook a review into that. Is that your understanding?

PETER REGAN: I think that's right. I don't have to hand all of the specific details there, but, yes, there were a number of complaints that were made, which triggered a process, as it should do, to investigate those complaints. I think the time frames that you described, I recall, to be correct.

The CHAIR: So we've got that unit—let's call it the fraud and corruption prevention unit—that looked into those complaints. This says that they finalised a review of the complaints and conducted a series of initial fact-finding activities, the results of which are set out within its Elara preliminary assessment—or it's called the Elara assessment—provided on 10 May 2023. Is that correct—Sydney Metro had obtained this initial fact-finding report called the Elara assessment on 10 May 2023? Were you aware of that report?

PETER REGAN: Yes, I was aware of that report. Again, I would have to confirm the exact dates, but, yes, it is correct. The initial investigation was undertaken by the Sydney Metro fraud and corruption prevention team in response to a number of allegations that we had received around potential inappropriate conduct in the health and safety area of metro. That's correct.

The CHAIR: That initial Elara assessment, what was its initial findings? Where it says "the results of which are set out within its Elara preliminary assessment", did they suggest that any of those allegations were substantiated? What was the premise of that report?

PETER REGAN: I don't have the exact details of what was in that but, certainly, what I do recall—I'll try to be as helpful as I can on this—is that that initial investigation raised for us sufficient concern that there needed to be further investigation. I think it's at or about that time—it may have been a little earlier—that that was emerging that we also took the step to refer the matter to ICAC for consideration as well, because it did appear that there was a risk of there being potential actual corruption allegations that we needed to pass over, which we did.

The CHAIR: This is actually a fact-finding investigation plan for a private investigation company to undertake another investigation. That is what I'm deducing from this document. Interview Management Solutions were then contracted to undertake their investigation—an external investigation. Would that be correct?

PETER REGAN: I'd have to come back and confirm that because the next level of investigation was then undertaken within Transport for NSW. They undertake some of those internally or some of them they contract out to third-party investigators.

The CHAIR: I will get to the Transport for NSW one as well. I'm trying to get the chronological order of what was happening when. The first one was the Sydney Metro fraud and investigation squad team. They reported their findings on 10 May 2023. Then on 15 May 2023 it looks like they have produced this document for Interview Management Solutions, who then, on 15 May, provide a quote to the person who was the senior manager of corruption prevention and investigation within People and Culture at Transport for NSW, and that quote was \$10,147.50—probably the cheapest quote ever given to Transport for NSW and Sydney Metro about anything, actually. That actually is \$10,000. I don't have my glasses on, but it is. They have quoted undertaking this second investigation. Did that happen, the second investigation by Interview Management Solutions, or is that the internal Transport for NSW investigation?

PETER REGAN: I'd probably have to ask either on notice or Transport may have further detail. I don't have that in front of me at the moment, but we can definitely revert on that.

The CHAIR: Who can answer that question?

DAVID BRITTON: Yes.

The CHAIR: Thank you, Mr Britton.

DAVID BRITTON: What you're describing, Ms Faehrmann, is a series in a staged process. The metro team did the preliminary assessment, which is within our process determining whether we proceed further. That's the document you're describing in May.

The CHAIR: The Elara assessment document?

CORRECTED

DAVID BRITTON: They then referred the Elara matter to the workplace conduct and investigations unit, which is a Transport unit, who commissioned Interview Management Solutions, who prepared an investigation report.

The CHAIR: The investigation report, which I have in front of me—was that the end of Transport for NSW's investigation? Or was the investigation report—that's what it was. That's the report that you're referring to, Mr Regan, in terms of what Transport for NSW did? I'm getting confused by the internal bit. They are genuine questions.

DAVID BRITTON: Again, we don't necessarily want to talk in too much detail about internal investigations, but our process is that an initial assessment is conducted, based on facts, to determine whether further investigation is required. If further investigation is required, that can either be performed internally—we have internal investigators—or, from time to time, the investigations unit will engage an external investigator to support the investigation. In this case, Interview Management Solutions was engaged to conduct that next stage investigation.

The CHAIR: Interview Management Solutions was engaged to conduct the next stage of that investigation. What happened when they handed their report in? Was that it? Do you know, Mr Murray, what happened?

DAVID BRITTON: Based on that report—and I think this is in the papers we submitted yesterday—Transport made some decisions about some remedial action in respect of an employee. The other two employees who were subject to that investigation had left Transport at that point.

The CHAIR: So the other two had left. This was reported—

DAVID BRITTON: Sorry, excuse me: One of the other two was an employee; one was a fixed-term contractor. But they had both left the organisation at that point.

PETER REGAN: That's correct.

The CHAIR: When was this internal investigation—let's call it the IMS investigation at this point, just for my ease of reference. This was given to you roughly when, or do you have an exact date?

DAVID BRITTON: There were two stages. There was a fact-finding investigation, which was completed in July, and then a disciplinary investigation was completed in August.

The CHAIR: Completed?

DAVID BRITTON: In August 2023.

The CHAIR: The disciplinary investigation—is that separate to the IMS investigation, or they both did the same?

DAVID BRITTON: No, this is all part of the IMS engagement. They're just stages in the process.

The CHAIR: Sure, just worth checking. So the disciplinary investigation, what was the outcome of those?

DAVID BRITTON: Some findings were made and that then fed into an internal process, which resulted in some remedial action.

The CHAIR: I think I asked this earlier, in terms of Mr Parker. Mr Parker was still with Sydney Metro as an employee until, I was told, January this year?

PETER REGAN: It was through December, early January this year.

The CHAIR: I'm confused now. Going back to this investigation report, which did find—let's just go to the complaint here. The investigation report undertaken by IMS, which is the Transport for NSW report, found that the complaint—we've got Mr Tim Parker, for example; there are other people named, different complaints, breaches of the Transport Code of Conduct, and the breaches of the Sydney Metro competition limits. That's because Mr Parker approved a labour hire spend of \$459,055 in respect of a director health and safety strategy and program. Evidence indicated that this appointment was made in breach of that. The outcome was that the complaint was supported. The investigation subject was Mr Timothy Parker; another person is named, who I won't name at this point. It goes on:

Between 1 July and 31 August 2021, Ms Cole is alleged to have described that Mr Parker instructed her to create a role for herself.

It states:

CORRECTED

Policy breaches: Transport *Code of Conduct*; Sydney Metro *Competition Limits*, Transport *Conflicts of Interest Policy – Personal Interests, Secondary Employment, Gifts and Benefits*.

Fact Finding Outcome: Complaint supported.

At the end of this, it states the recommendation is the matter is reviewed by the Transport for NSW and Sydney Metro authorities. You've said that disciplinary action or action was taken and two people left and one person was—what? But Mr Parker was still in Sydney Metro and—

DAVID BRITTON: Just to be clear, two of the individuals involved had left before the investigation was complete, so no further action. The employee who remained employed, there was some remedial action that was taken in response to the report and it was concluded on that basis.

The CHAIR: What was the remedial action, Mr Regan? What did you do when you got this report that showed you that a very senior person within your organisation had breached so many policies? Serious consequences can arise for public servants that do breach these policies. I have the Transport Conflicts of Interest Policy in front of me. The document states:

5. Breaches of this policy

Transport agencies may commence disciplinary action if a person to whom this Policy applies breaches this Policy ... including termination of employment, or contract.

It does say yes, referring to the ICAC as something that should happen—and you've said that that happened. You did say that you reported it to the ICAC, but did you do anything else?

PETER REGAN: Yes, absolutely. As I mentioned earlier today, the process has a number of steps, as Mr Britton just described. When there are then findings, it is then back to the senior management—in this case very senior management of Transport and Sydney Metro—to make a decision off the back of that report on what the appropriate course of action is. That course of action can include warnings, remedial action, disciplinary action or termination. It depends on the particular allegations that were substantiated and the broader circumstances as to which course of action is then next put in place.

As Mr Britton said, there was remedial action put in place. These types of issues can be quite complex, especially around the definitions of things like competition limits and processes that do take some time to work through. There is a part of that process where, when the findings of investigations and then decisions around next steps—there is another procedural step where, of course, that has to be put to the person against whom the allegation has been made. So these things happen in sequence. When those findings are put to the person whom they're made against, they are given the opportunity to respond. That can often provide then additional information that then needs to be—

The CHAIR: Of course.

PETER REGAN: There is a process that takes some time.

The CHAIR: Of course there is, Mr Regan. That's what an investigation is about. But that's what this is—the fact-finding investigation report. Isn't it?

PETER REGAN: No, that's a lot earlier in the piece. The allegations that are then put at the conclusion of those processes—then you have a further opportunity.

The CHAIR: What is that further opportunity? Just to take a step back, that's what I was just trying to get to the bottom of with my questions. Let's rewind what that other opportunity is then. We've got the initial fraud squad within Sydney Metro getting those anonymous complaints that are reasonably serious allegations. They pull this together. They got the IMS—there were two investigations that you said IMS did that came up with this. Then, as I understand it—my question to you, Mr Britton, is: There was no further investigation? If there was, please tell me what that was, in which Mr Parker, because I understand he has been able to put forward—I've seen them. I've seen his responses, as I have the other people involved. Where does that fit in?

DAVID BRITTON: The role of an investigator, or IMS, is to form a view on the allegations. It then is a matter for the organisation and the relevant decision-makers to decide what, if any, action should be taken. Following the work done by IMS, there was—and I think this is clear on the papers—a lot of internal discussion and decisions about what steps should be taken and ultimately some remedial action was taken in respect to this employee.

The CHAIR: Let's be clear, the initial Elara assessment found that there were issues. They did look into it. In terms of that assessment, they did suggest that there were issues that needed to be explored further. They were sufficiently concerned.

CORRECTED

PETER REGAN: That's correct.

The CHAIR: This second one—this external investigator that was able to look at, as I understand it, people's emails, personal messages, a lot of detail and a lot of information substantiated quite a few of the complaints. They also dismissed a number of the complaints.

PETER REGAN: That's also correct.

The CHAIR: But they substantiated those complaints to the point that they went and outlined the specific public sector codes that were breached. There were quite a few of them.

PETER REGAN: To be clear, they didn't all apply to all the people—just to be clear.

The CHAIR: Sure. But I did read out what did apply to, for example—and I'm just using one example here, because he is in a very senior position now with the national High Speed Rail Authority. There were all of those codes breached. Then the outcome of that was for Transport for NSW and Sydney Metro to review—is reviewed by the authorities. It sounds like the review then basically said, "Nothing to see here." What was the disciplinary action taken if two people had left? Firstly, where are they? I mean, have they left—I assume they're not in the public service any more. I'd hope not.

PETER REGAN: They have left Sydney Metro. They're not employed by Sydney Metro.

The CHAIR: Then the disciplinary action, because Mr Parker stayed in the position until December—so there wasn't disciplinary action?

PETER REGAN: To be clear, there was remedial action, which is not disciplinary action.

The CHAIR: What does that mean, Mr Egan?

PETER REGAN: It's "Mr Regan", actually.

The CHAIR: Sorry, Mr Regan. There is a different Mr Egan.

PETER REGAN: There is. There's a Mr Egan who—

The CHAIR: Yes, there is. I do get it confused a fair bit, I must admit.

PETER REGAN: I've been surprised previously when we've been mistaken. The process that was followed is some of those earlier steps—just for absolute clarity, the person being investigated is not aware or being brought into that.

The CHAIR: I will reframe the question. We've got this investigation. This report finds that a very, very senior person within Sydney Metro, after a lot of investigation, had breached the Transport code of conduct, the conflict-of-interest policy, the gifts—what disciplinary action was taken against Mr Parker at that time after that was found out?

PETER REGAN: The issue particularly around the application of what's called competition limits, which goes to a point that was raised earlier around the thresholds at which financial approvals are provided, becomes a key factor in this—

The CHAIR: That doesn't sound—so "remedial" is, within the organisation, you changed it so someone like Mr Parker couldn't do what he did again for 495,000.

PETER REGAN: No, no, they are—

The CHAIR: They can do it for 249,000 now.

PETER REGAN: No, they are separate issues. We did put—

The CHAIR: But is that what you mean by "remedial"?

PETER REGAN: No, the issue I'm raising around the thresholds is that there are clearly gift—

The CHAIR: Did anything happen to Mr Parker? Was there any disciplinary action whatsoever after this fact-finding investigation? One of the most senior people in your team—what did you do about it?

PETER REGAN: That's a matter that was dealt with internally. There was—

The CHAIR: It doesn't sound like it, Mr Regan.

PETER REGAN: I'm sorry, I'm not—this is not a process that we would normally be discussing in a public forum.

CORRECTED

The CHAIR: Well, it's because it's a blatant misuse of public money. Mr Tudehope.

The Hon. DAMIEN TUDEHOPE: Ms Punch, perhaps I can ask you some questions in relation to TAHE. When do you expect the formal changes to TAHE's status from a for-profit State-owned corporation to a non-commercial public non-financial corporation to be completed?

LYNDAL PUNCH: I'm happy to take that question, but I will refer to the Transport secretary for anything to do with the operating model, which includes the changes of TAHE from a State-owned corporation to a non-commercial PNFC.

JOSH MURRAY: Thank you, Ms Punch. We are underway with the process, as you're aware. A series of legislation was passed towards the end of last year, which enabled the first steps in changing the status of TAHE and its PNFC status to become apparent. We are now in a process with Carolyn Walsh, where we have set up a number of working groups to deal with the governance first and also the financial status of TAHE in terms of the remaking of its objectives and how it will be structured within the Transport portfolio.

The Hon. DAMIEN TUDEHOPE: And the answer to my question was?

JOSH MURRAY: Sorry, could you repeat the question?

The Hon. DAMIEN TUDEHOPE: When do you expect it to be completed?

JOSH MURRAY: We're working through that at the moment. The Treasurer has indicated that he expects further legislation before the House in the first half of this year. That's what we're working to achieve.

The Hon. DAMIEN TUDEHOPE: That probably goes to this next question—which I will ask you, Ms Punch. What do you see as the implications of the direction to TAHE to use its cash reserves?

LYNDAL PUNCH: I think any questions in relation to TAHE's cash and the future of TAHE's cash is actually a matter for NSW Treasury.

The Hon. NATALIE WARD: You're the head of TAHE.

The Hon. DAMIEN TUDEHOPE: Sorry? Why is it a matter for Treasury? It's currently—

LYNDAL PUNCH: Could I clarify the question? Is it in regard to our current cash position?

The Hon. DAMIEN TUDEHOPE: Correct.

LYNDAL PUNCH: Or is it in regard to our future cash position?

The Hon. DAMIEN TUDEHOPE: And the direction to use your current cash reserves.

LYNDAL PUNCH: In terms of our current cash position, TAHE is still a State-owned corporation—

The Hon. DAMIEN TUDEHOPE: Correct.

LYNDAL PUNCH: —that is governed by the TAHE board. The TAHE board makes the decisions on the use of its cash position. However, there has been a letter of direction given to the TAHE board, on the directions of which it can use some of its cash or changes to some of its projects. TAHE is working collaboratively and cooperatively in relation to those directions, and the changes to the PNFC, as part of the Carolyn Walsh review, will see further changes in terms of the financial construct of TAHE.

The Hon. DAMIEN TUDEHOPE: The question I asked you: What are the implications for actually having to use your cash reserves? As a working, operating model.

LYNDAL PUNCH: In terms of using our cash reserves, there's obviously—well, I will go back. As part of the directions and the changes by the New South Wales Government, is that TAHE is no longer going to be a commercial organisation. As part of that, we are then no longer having to require to recover the holding losses or to create commercial returns on our various operations. Subsequently, there was a decision of government to use our cash reserves on the safety and the maintenance, and to ensure the reliability of the network. We are working with NSW Treasury and Transport for NSW in terms of the future cash positioning of TAHE as it moves towards a PNFC of which there will need to be a review of the cash positioning and the future of how the new PNFC will be funded.

The Hon. DAMIEN TUDEHOPE: Correct, and that does require, if you are continuing to do the work relating to maintaining of safety and the rail assets, an injection of funds.

LYNDAL PUNCH: I don't necessarily disagree with you.

CORRECTED

The Hon. DAMIEN TUDEHOPE: Indeed. What further changes do you see in relation to TAHE's asset valuation? Do you anticipate a change in the status when this process is complete?

LYNDAL PUNCH: You would be aware that our annual report, which includes our financial statements, has recently been tabled.

The Hon. DAMIEN TUDEHOPE: When was it tabled? Can you tell me?

LYNDAL PUNCH: Yes, it was tabled on 15 December 2023.

The Hon. DAMIEN TUDEHOPE: Is that correct, Mr Murray?

JOSH MURRAY: That's my understanding.

The Hon. DAMIEN TUDEHOPE: Can you check that, please?

JOSH MURRAY: Happy to.

LYNDAL PUNCH: I might just do a correction on that. I do apologise. The Audit Office published the Auditor-General's report *Transport 2023* on 15 December 2023. The annual report, I will confirm. I will take that on notice and just confirm the date for you. But going back to your original question, due to the changes of the TAHE status and the New South Wales Government direction of changing TAHE from a SOC to a non-commercial PNFC, there are likely to be changes to the valuation methodology of TAHE's assets.

The Hon. DAMIEN TUDEHOPE: What will that change be?

LYNDAL PUNCH: While it is not confirmed as we still continue to work on the Walsh review and the finance stream particularly in terms of the changes, we are likely to see changes into the methodology from the use of the discounted cash flow methodology to a DORC methodology, which is the depreciated optimised replacement cost valuation. What that would mean is that our asset base is likely to actually be larger than what's currently reported in our annual report.

The Hon. DAMIEN TUDEHOPE: Will the changes to TAHE's status have any impact on TAHE's role of developing the best use of its assets? I think this is in terms of reducing your cash reserves, including for affordable and social housing. Has its status as a for-profit State-owned corporation hampered TAHE in this or any other way?

LYNDAL PUNCH: There were quite a few things in that question.

The Hon. DAMIEN TUDEHOPE: Perhaps I can break it up.

LYNDAL PUNCH: That would be great.

The Hon. DAMIEN TUDEHOPE: Will the changes of TAHE's status have any impact on TAHE's role in developing the best use of assets, including affordable and social housing? One of the projects you were engaged in of course was utilisation of transport assets for the delivery of social and affordable housing.

LYNDAL PUNCH: Absolutely, and at TAHE we strongly support the Government's remit to deliver more affordable housing. We currently have—and it's in our annual report—the Affordable Housing Pilot Project, which is a key example of that commitment. The changes to TAHE's structure do not negate nor have an impact on us pursuing affordable housing initiatives, which include, as I said, the Affordable Housing Pilot Project. As part of that project, we've identified three suitable sites in metro Sydney, which will form the first tranche and there are various tranches which will then go into regional. There are other projects that are also in flight, which are also in our annual report, working with Camilla Drover and the team at Transport for NSW on areas such as Redfern North Eveleigh, which includes projects such as the clothing store.

The Hon. DAMIEN TUDEHOPE: This is the question I want you to answer for me: Will the change in TAHE's status save the State \$4.3 billion in net debt?

LYNDAL PUNCH: NSW Treasury is in the best position to answer that question.

The Hon. DAMIEN TUDEHOPE: From your perspective?

LYNDAL PUNCH: I don't think my opinion matters in this.

The Hon. DAMIEN TUDEHOPE: You're the current CEO of TAHE. How do we reduce net debt by this change of status?

LYNDAL PUNCH: What I would say is that the details of the change in the status and the future operations of TAHE as it converts to a public non-financial corporation, the financial details are yet to be confirmed, which we'll also need to review—

CORRECTED

The Hon. DAMIEN TUDEHOPE: Also, the claim that it will reduce 4.3 debt is speculative, is it?

LYNDAL PUNCH: I didn't make the claim, sir.

The Hon. DAMIEN TUDEHOPE: I know you didn't. I'm not surprised you didn't. So is it speculative?

LYNDAL PUNCH: I won't comment on whether it's speculative.

The Hon. CAMERON MURPHY: Point of order—

LYNDAL PUNCH: But what I would say—

The CHAIR: Sorry, a point of order has been taken.

The Hon. CAMERON MURPHY: This is clearly asking for an opinion about a matter of government policy.

The CHAIR: I uphold the point of order. I do think we were veering a bit into asking the witness for their opinion.

The Hon. DAMIEN TUDEHOPE: Anyway, you were continuing.

LYNDAL PUNCH: Was I? Just going back to your question, we are working very closely, as I said, with relevant stakeholders across the New South Wales Government on the changes as part of the Walsh steering committee, which the secretary has previously referred to. There are working streams established, of which the finance will be a critical stream. Part of that will be looking at the funding of the new entity, the debt construct and the capital of the new entity going forward.

The Hon. DAMIEN TUDEHOPE: So that hasn't been worked through yet?

LYNDAL PUNCH: That is in flight at the moment and still being progressed.

JOSH MURRAY: Mr Tudehope, perhaps if I could add, the work streams of both asset management, finances and then precinct and commercial development, which you've just raised, are critical to the future shape of the TAHE works. The TAHE annual report was tabled with Parliament on 13 February. I apologise for the misquoted date before. There were some delays in tabling the final version of that.

The Hon. DAMIEN TUDEHOPE: Thank you for that clarification. Last time we were told that it had been tabled. We went to check and it hadn't been tabled.

The Hon. NATALIE WARD: Can I turn to the bus taskforce and the review—whoever is dealing with that—through you, Mr Murray? Pleasingly, the report was delivered yesterday—four months late—just in time for estimates, which is terrific. Turning to the recommendations of it, does Transport for NSW's capital budget have the \$909 million spare to fund the recommendations of the taskforce or will it require new funding?

JOSH MURRAY: Ms Ward, thank you for the question. The next step is to take the recommendations that were unveiled in the report yesterday and to develop a medium-term bus plan. That will be a factor in future investment for Sydney bus services. They will be done in regards to the planning for the other services—obviously with metro and heavy rail development—but we are committed to improving those bus services, particularly in infill corridors where there have been no services to link with the major service—

The Hon. NATALIE WARD: I understand that. When did you personally receive the bus review?

JOSH MURRAY: I'd have to check the date that I received the—

The Hon. NATALIE WARD: Could you check that and come back to us?

JOSH MURRAY: Yes, I can.

The Hon. NATALIE WARD: Today, if possible?

JOSH MURRAY: If possible, yes.

The Hon. NATALIE WARD: Why does it say October on your website?

JOSH MURRAY: The report? I would have to check.

The Hon. NATALIE WARD: If you could today, that would be very helpful. The file says the report is October 2023.

JOSH MURRAY: Again, I'd have to check that. It was provided, obviously, by the taskforce that works through those processes and provides it up to the department for consideration.

CORRECTED

The Hon. NATALIE WARD: Did the Government receive the report in October 2023?

JOSH MURRAY: Again, I'd have to check the dates.

The Hon. NATALIE WARD: If you could clarify that for the record, please? It would appear that is what is in your publications, so it would be good to clarify that.

JOSH MURRAY: It certainly didn't receive the report in October in its final version because I know there was work proceeding through recent months on the elements that are considered within. I had met with Mr Collins and also members of the bus taskforce during that period while the report was being compiled.

The Hon. NATALIE WARD: Did Government receive it last year?

JOSH MURRAY: Not in final version. That work was continuing through that period.

The Hon. NATALIE WARD: So Government received a draft last year?

JOSH MURRAY: I think the Government would have received elements of that process. Mr Collins, do you have any other time line?

HOWARD COLLINS: To clarify, I think the date of the final report should be October, but there was an early draft I saw and we've been working with the taskforce since that time on various elements of it. As announced yesterday, my role as coordinator general—part of the taskforce recommendation is to work with my Transport planning colleagues and my contracts team to prepare that medium-term bus plan. As we know, certainly, everyone is clear. If you get out on the streets, you will see pretty old buses and shonky old bus stops.

The Hon. NATALIE WARD: I might redirect, Mr Collins. I appreciate that very much, and the work. Can I clarify on that then: Have you started work on the recommendations?

HOWARD COLLINS: We have certainly received the report, as the Minister announced yesterday.

The Hon. NATALIE WARD: Yes, but have you started work on those recommendations?

HOWARD COLLINS: We have started work on those recommendations.

The Hon. NATALIE WARD: What work has been started on the recommendations?

HOWARD COLLINS: Initially—obviously working with our colleagues in the transport planning area—we are looking to gather all the information regarding growth areas and areas where we feel that further work could be done, and obviously working with my contracts colleagues as well because of the practical extent of how you implement those changes.

The Hon. NATALIE WARD: Isn't that work part of the review, though? That's not work on the recommendations from the review; that's part of what's already taking place. Am I to understand that the Government has had the report for some time and hasn't started work on the recommendations, or it has had it in draft and hasn't started on the recommendations? What has happened?

HOWARD COLLINS: No, the final announceable report, which was this week—

The Hon. NATALIE WARD: Yesterday, yes.

HOWARD COLLINS: —from that announcement we, in Transport for NSW, as the required bodies who do the transport planning and the bus routes—

The Hon. NATALIE WARD: I understand that.

HOWARD COLLINS: —actually then take that information and the recommendations and the taskforce—and there is a lot of detail in it, which you may have seen already—and then we obviously work through how to implement that medium-term bus plan.

The Hon. NATALIE WARD: When did you see those final recommendations, Mr Collins?

HOWARD COLLINS: The final copy of that has only recently been given to us, but I saw the early drafts from October last year. We've been working through a number of those recommendations and facts, and some changes were made.

The Hon. NATALIE WARD: I'm not sure that that's entirely clear. I may come back to that. In the funding recommendation—and I know, Mr Murray, you have addressed that generally in the capital budget—the specific recommendation about \$909 million which is needed, do you have that spare? Will that be taken from other areas or will you require new funding?

CORRECTED

JOSH MURRAY: We will definitely require new funding for the scale of the recommendations that are contained throughout that extensive report. We are looking at the medium-term bus plan now and exactly what capital envelope would be required. We don't have that picture or that staging yet to be able to put that to Government, but that is what we will be doing now that we have the final version. As Mr Collins has said, we have looked at things like corridor development and strategic corridors where an uplift could be provided. This has been done in conjunction with the taskforce. Rather than providing a new service, where could we bring something up to standard with a different level of investment? Obviously the zero emission buses strategy, in terms of getting more ZEBs to Western Sydney, has been something that not just the taskforce has been looking at but that the coordinator general has then brought back into general business for Transport so we can accelerate that work.

The Hon. NATALIE WARD: When will the medium-term work be completed?

JOSH MURRAY: That's underway at the moment. I couldn't give you a time frame just yet. That's our commitment coming out of the—

The Hon. NATALIE WARD: We don't have a time frame on anything, we don't know what has been started that wasn't already in the review and we don't know where the funding is coming from.

JOSH MURRAY: To be clear, the review has given us a lot more detail about our stakeholders' demands and where tactical and strategic elements could be uplifted across Sydney. We now have to put that into an operational context and then a financial context. That work has begun and we are very committed to developing that so the Government can make some clear funding decisions.

The Hon. NATALIE WARD: When will the Government be provided with that advice to make that funding decision or that investment decision?

JOSH MURRAY: As I said, I can't give you a time frame just yet. We have only just received that final report. Mr Lee and the taskforce are continuing work on the next round to deliver more recommendations, which we will factor into that work.

The Hon. NATALIE WARD: Mr Murray, will it be this year or will it be the next financial year? What is your time line? You have clearly been planning ahead for this, I hope. Is there a time frame in mind? You can't say you're just waiting to receive the report and then you will have a think about it.

JOSH MURRAY: No, but I would say, as with the bus taskforce report one, we moved immediately to implement. A number—I don't have it in front of me—of the recommendations of that work have already been put in place, in particular around governance and our approach to the bus sector. Elements like the Opal card are currently in delivery. That will be our expectation as well with the second report, that there will be some things that we can jump on.

The Hon. NATALIE WARD: I will come back to that, if I may. I have one final thing in the two minutes I have left. According to the eTender website, the bus taskforce chair, Mr Lee—who you mentioned—his company has had two contracts worth in excess of \$700,000 awarded to him. Why is the chair of the bus taskforce being paid more than the Secretary of Transport for a part-time job?

JOSH MURRAY: That is an incorrect assumption based on the eTender website. I'm advised that the initial contract—

The Hon. NATALIE WARD: It's your website.

JOSH MURRAY: No, the detail is correct in terms of two specific charging codes, but the first one relates to the entire contract. The second one only relates to the amount of the first one that hadn't been paid out. Mr Lee and his company had changed contract terms, changed ABN or something similar to that and so it was reissued for the amount that was still owing. The original figure is the correct figure.

The Hon. NATALIE WARD: How much has he been paid?

JOSH MURRAY: The original figure that was disclosed on the website.

The Hon. NATALIE WARD: That is \$442,200?

JOSH MURRAY: That's the envelope. I don't know how much he's actually charged against that but that is the potential charge.

The Hon. NATALIE WARD: Can you take that on notice and clarify for us?

JOSH MURRAY: Yes.

CORRECTED

The Hon. NATALIE WARD: Because the eTender website, I shouldn't have to make assumptions about what is on there. There are clearly two contract ID numbers, two contracts, total contract value, weeks in the contract and amounts paid. If that's not the case, would you not want to urgently fix up the website and also clarify for this Committee how much Mr Lee is being paid?

JOSH MURRAY: No, Ms Ward, I understand the question. But the eTender website should show all new contracts. A new contract was issued to Mr Lee, is my understanding, and it was for less than the value of the first contract because he'd only just begun the first contract. We renewed contract terms and payment details and that had to be disclosed on the website. The overall value—

The Hon. NATALIE WARD: Ms Hoang, you've been patiently waiting all day so I might even afford you a question. Do you know how much Mr Lee has been paid under the contracts?

BRENDA HOANG: I'll have to take that on notice.

The Hon. NATALIE WARD: Can you get that back to us today?

JOSH MURRAY: We're happy to do that.

The Hon. NATALIE WARD: Thank you, I appreciate that. In the 17 seconds I have left, are there any other contracts that are of a similar nature where they're combined, in terms of Transport?

JOSH MURRAY: I wouldn't be able to rule that out. As I say, if a vendor changes—

The Hon. NATALIE WARD: It's very unclear.

JOSH MURRAY: —details then we would issue a new contract.

The Hon. NATALIE WARD: It's very unclear, but thank you.

The CHAIR: Mr Modrouvanos, how are you?

JIM MODROUVANOS: I'm well. How are you?

The CHAIR: I'm sure it can be very exciting sitting there all this time without getting asked a question. I understand that the Office of Transport Safety Investigations is investigating the derailment that occurred in early December in Bylong, the coal train. Are you aware of that investigation?

JIM MODROUVANOS: Not Murrumbo on the Ulan line?

The CHAIR: Yes.

JIM MODROUVANOS: No, we're not investigating that.

The CHAIR: There have been reports that you're investigating it along with the Australian Rail Track Corporation. Actually, this report states it was derailed 80 kilometres west of Muswellbrook in the Bylong Valley.

JIM MODROUVANOS: Where have you—

The CHAIR: I thought I did see that on your website.

JIM MODROUVANOS: Okay.

The CHAIR: Do you investigate coal train derailments, then, in terms of safety in New South Wales, just broadly?

JIM MODROUVANOS: Yes.

The CHAIR: Why would you not be investigating that, then?

JIM MODROUVANOS: We don't necessarily investigate every incident.

The CHAIR: Of course.

JIM MODROUVANOS: It would depend on what the nature of that particular incident was. That is one where I think you'll find that we deployed. We went out and had a look at that incident. We made a determination following that not to further investigate.

The CHAIR: Because I understand that was one where it derailed but there was a grassfire during a very hot day in December that was caused by that derailment. Did that occur?

CORRECTED

JIM MODROUVANOS: That's correct, yes. There was a wildfire that resulted from the derailment. It was a very hot day and the track buckled because of the heat on that particular day, which led to the derailment—that's right—and then the fire spread into the adjacent national park.

The CHAIR: That's right. Is it your understanding, then, that during those very hot days with coal trains going, they're starting to cause or are causing grassfires as a result of the braking? Is that an occurrence that happens, or was it the derailment that caused the fire?

JIM MODROUVANOS: Our understanding was that it was the derailment that actually caused the fire.

The CHAIR: Are there instances of coal trains themselves braking and the sparks causing fires on very hot days, especially in that kind of grassland country? Is that also an issue?

JIM MODROUVANOS: Not that I'm aware of. The major factors around that one was how ARTC was managing the traffic on that day because of the heat. So they could reasonably anticipate that there might be some track buckling because of just how hot it was and how hot it had been for a number of days.

The CHAIR: By the sounds of it, though, if you're saying that that was being managed because the rail lines were buckling, that the train went over rail lines that had buckled anyway, that's what caused the derailment.

JIM MODROUVANOS: Yes.

The CHAIR: What's the difference between the ARTC investigating that and you investigating that? Why did the Office of Transport Safety Investigations—you went out there but chose not to investigate?

JIM MODROUVANOS: There are a number of different acronyms. The ARTC is the network operator, so ARTC is the Australian Rail Track Corporation, so they're operating the network. As a chief investigator, I have a number of different avenues. One avenue would be to investigate. Another avenue would be to call upon the operator's report and assess how the operator has responded to the incident and form a view on that. Following assessment of that, we formed a view that a safety alert would be appropriate, so we put an alert out to all operators specifically around managing hot temperature conditions.¹ These sorts of derailments do occur and it's just a question of whether systemically—we look for more systemic recommendations which are more applicable to the broader industry. In that particular case, we formed the view that factually there was enough there to make a conclusion around the management of hot temperature conditions, so we didn't proceed to further investigate.

The CHAIR: So the management of hot temperature conditions and those kind of systemic issues, is there a temperature at which the current tracks as they're built now are likely to buckle? Is it that clear in terms of, is it 42 degrees, 38 degrees?

JIM MODROUVANOS: Generally there is a figure and it's based on a forecast figure. So in the metropolitan area there's a thing called a Wolo. It's a telegraphic code. Once the forecast figure is above a certain temperature, then automatically speed is reduced. If line speeds are 100 kilometres an hour, for example, it's reduced to 80 kilometres an hour.

The CHAIR: What temperature is that?

JIM MODROUVANOS: I'll have to take that one on notice. I can't remember that particular standard off the top of my head. I used to head the standards organisation.

The CHAIR: And it's just temperature?

JIM MODROUVANOS: Temperature, and it also depends on the nature of the structure of the rail, whether it's concrete sleepered, timber sleepered, the weight of the rail et cetera, so it varies. ARTC would have their own code, so it would be within ARTC's safety system whatever that number is.

The CHAIR: Okay, and so they're slowed down but is there a particular point then as well—and I've been approached by the community out near Bylong actually with concerns about the potential for these trains to cause fires on these very, very, very hot days where you're almost not allowed, understandably, to do anything that would cause a spark. Is there a point at which the coal trains don't or should not travel if the lines are buckling, or is going a certain pace safe enough? Do you know what I'm saying?

JIM MODROUVANOS: Yes.

¹ In [correspondence](#) to the committee received 26 February 2024, Mr Jim Modrouvanos requested a clarification to their evidence.

CORRECTED

The CHAIR: The days are getting hotter and the number of very hot days is going to increase. I am wondering, from your perspective as the Acting Chief Investigator for the Office of Transport Safety Investigations, is there a point or a heat level where we should just say, "It's too unsafe for this to occur"?

JIM MODROUVANOS: It's not really a judgement I can make because of the variables involved. The operator is accountable for their safety management system. It's for them to make the appropriate assessments and determine what the safe operating profile is of that network and to manage to that profile. We were concerned that they had lost some focus and they weren't managing to that profile, and that's why we put the alert out to remind people that you have these provisions within your safety management system and you need to adhere to these, particularly in remote areas such as on the Ulan line there. They would have something in their system to manage that and it could comprise all the factors that you've described.

The CHAIR: Was that the day that you issued that alert you were just mentioning? Or was it that week?

JIM MODROUVANOS: We would've issued the alert some days later, because it's quite a remote area.

The CHAIR: After the derailment?

JIM MODROUVANOS: Yes, after the derailment. Because it's a remote area, my staff took some time to get up there. The fire was ongoing so we couldn't approach the site for a little while. Following that, we released some safety information to the industry.

The CHAIR: By releasing safety information to the industry, that included the—was it an instruction, direction? Or is that the ARTC—the instruction or direction to travel at a lower speed?

JIM MODROUVANOS: I'm the investigator. I can offer recommendations. I don't have the power to issue directions. That would be—the ARTC as a network owner would have to implement their own risk controls. Failing that, the National Rail Safety Regulator is the regulatory authority that could issue directions if they saw fit.

The CHAIR: Your recommendations in relation to this derailment—are they public? Who did you give them to?

JIM MODROUVANOS: They'd be on our website.

The CHAIR: So they are public. That's good. You're not used to hearing that in budget estimates these days. Mr Modrouvanos, the number of derailments as a result of the heat and rail lines buckling—is it relatively common? Do you have figures on that?

JIM MODROUVANOS: We would have figures in terms of what has been reported to us. These types of incidents are reported to the National Rail Safety Regulator and then we're notified following those reports. So we would have some of those figures. Certainly, I've only been there a relatively short time and that is the only one I've seen in that period. But we have had other derailments for other causes that have occurred as well.

The CHAIR: Mr Regan, I want to go back to you. Going back to the Elara investigation, if I can, what were the remedial measures? Could you talk me through those—what you called remedial measures?

PETER REGAN: Ms Faehrmann, I am keen to answer the question as appropriately as possible. I think to do that I'm going to take that on notice. I need to get some further legal advice on what I can say.

The CHAIR: Let's go into probity measures broadly in terms of awarding the contracts. I mean, I thought maybe some of that remedial would be this as well. Has there been any additional probity measures put in place? You've spoken about reducing the level at which you need to sign off on things from \$500,000 to \$250,000.

PETER REGAN: I absolutely can talk about that. In September, October last year, we introduced a range of new measures. We announced we would do a detailed review of all of our professional service contractor and labour hire arrangements. But we also put in place additional measures to ensure that, while we were doing that review and then going forward, we had greater comfort and assurance that processes were being properly adhered to. What that has involved—there is still the normal process that existed previously. But in order to be able to initiate a process or to conclude a process for bringing on board any new professional service contractor or a labour hire arrangement, there is an additional approval required separately from the part of business that is requesting the role.

That needs to go to our head of people and culture and our chief financial and commercial officer if it is up to \$250,000. Anything above \$250,000 comes to the chief executive for a further layer of approval. At the same time we then also brought in an independent legal firm to do a detailed review of our processes for the whole chain that Mr Britton and I were talking about before—of looking at what happens from when allegations are

CORRECTED

received through the different steps at the investigation processes and right through that sequence of tasks that happens. That law firm has completed its work and they've given us the report and we've given that to the Minister.

It does confirm, pleasingly, that we do have very robust processes in place around the management of investigations and also particularly around the appointment or changes to contracts. But it does, helpfully, also make some recommendations for how we can further improve those arrangements. Some of the things that it recommends, we were already doing; others, we will be accepting all those recommendations to do that. Some of those go to an issue—and I think this additional independent report was quite useful in that it identified, yes, you can have all sorts of procedures and controls, but there are some things that you can never actually remove the perception of there being a conflict of interest risk.

In those circumstances, you'll probably need to change the processes so that you remove that aspect altogether. That is something that we are going to do, and that relates to evidence I've given to the Committee last year around processes around the engagement of contractors, particularly contractors who are shareholders or directors of their own company. So we can phase that process completely out of our operating model to avoid any ongoing concern around perception of conflict of interest, even if the actual conflicts were being managed.

The CHAIR: With the change, for example, from the \$500,000 down to the \$250,000 fee contract, have you put in there that that is specifically for a 12-month contract, for example? From what I see—I have seen quite a few of the contracts now; there are boxes that I can't talk about because they are still not released—it does seem like there's quite a few now that have been signed off for \$248,000 or two hundred and they are avoiding that. Are you concerned about that?

PETER REGAN: Yes. I think there are rules and there are procedures in there for good reason. When I look at it—

The CHAIR: For six months.

PETER REGAN: When you look at it in—

The CHAIR: Instead of signing the person for 12, we will do it for six and re-sign.

PETER REGAN: I think what we are trying to ensure is that there's following the letter of the rules, but there's also following the broader cumulative spirit of what is trying to be achieved. I don't want things structured to avoid sign-offs. Look, there have been suggestions that that has happened. I haven't seen directly evidence that people are doing that. Certainly, when something buffers up against the level, just below the level, of an approval you wouldn't want that happening all the time, no.

The CHAIR: There certainly was evidence in the Elara investigation that that was happening with \$495,000.

PETER REGAN: I think the challenge in some of these situations as well has been that—and we are following rules that are set not within metro; we're following sort of whole-of-government procurement rules, and then we've overlaid additional steps to give ourselves additional comfort. Speaking generally, where we have seen some challenges is that there are different approval levels, depending on the level of competition for the role, whether it's a full open tender or what's called a select tender, where people are invited to tender, or whether it's a direct procurement. In some cases, people have signed off, appropriately, at their delegation on a financial approval on the assumption it's going to a competitive process, and then there has been a suggestion later that the process hasn't been competitive, which would have meant that you needed a different sign-off in the first place.

We're just working through how we would remove that uncertainty, because I want—and I expect—that everyone follows all of the rules. They're there for a good reason. But also, inadvertently, sometimes people could make a mistake, thinking that they have done the right thing. We need to make it really, really clear what the rules and procedures are. We are in a big transition from the historical structure that a lot of growth project organisations find themselves in, where they beef up very quickly their capabilities using contractors. What we're trying to do is transition it to an employee base.

The CHAIR: Can I check? With the allegations that were substantiated in the Elara investigation, have there been other investigations or other allegations against other people within Sydney Metro of a similar vein?

PETER REGAN: There have been other allegations, but they haven't been substantiated.

The CHAIR: So they have been undertaken again by external investigators?

PETER REGAN: Yes, multiple investigations. They have been looked at also by this independent review that I just flagged, to look at the robustness. They haven't been substantiated, and the ones that were of a more serious nature were, of course, also referred to ICAC for consideration.

CORRECTED

The CHAIR: Who is undertaking the independent review that you just referred to?

PETER REGAN: It's a legal firm called Mills Oakley.

The CHAIR: Mr Regan, when you were interviewed by 7.30 for the recent story into the contractors, you said at that time that the individuals who were specifically mentioned there—Paul Rogers, who was director of PRO Consultants, and Barry McGratton, director of Bellgrove Advisory, the two individuals who were benefiting from their recruitment companies' senior executives—had moved on. You said—these are your words—"We agreed with both those parties that those two individuals who were named would be replaced by other people until those contracts were concluded." Is that what happened?

PETER REGAN: Yes, that's correct.

The CHAIR: They were replaced by people from Bellgrove Advisory?

PETER REGAN: From other people in their company, that's correct. Just until the completion of the work that was being undertaken on that contract. Those contracts are rolling off.

The CHAIR: Nothing else happened? They have been replaced just because of the perception, I think you said, it created.

PETER REGAN: The perception and also it was agreed with them that that was the best course of action for them as well. There was a lot of publicity. The work that we had contracted we still needed to get completed, but they were able to supply other people to do that.

The CHAIR: They've supplied other people. They still have a bunch of people working, Bellgrove Advisory and PRO Consultants, with Sydney Metro—

PETER REGAN: But a significantly decreasing number. The challenge—

The CHAIR: Can I just check: With the significantly decreasing number, are those contractors just moving over to full-time employment with Sydney Metro and being paid the same rates?

PETER REGAN: No.

The CHAIR: How much less are they being paid roughly?

PETER REGAN: It's not easy to give a direct comparison because when we procure contractors to provide work there is a cost to metro but the employment cost is met by the private company that supplies them—all of their leave, their superannuation and everything else—and they don't compare. But no, what we are trying to do is actually move to having a much greater focus on roles being filled by employees wherever possible, unless we can't find someone to do that role either because of a specialist skills requirement or the market isn't there. I think in that interview I made the point that there is a long history and a legacy approach that we are moving to a different system, and there is a transition time to do that. As we commission and complete the construction of the city metro, that is a really significant opportunity for us to reset the way we go forward. That's the process that we are working through.

The Hon. NATALIE WARD: Mr Regan, it seems like it's your day today. Just on Metro West, when will the project stations, linewide trains and systems, and operations and management contract be put out to tender?

PETER REGAN: The tender processes for those contracts that you mentioned actually started originally with an expression of interest process around the end of 2022, and there were submissions of expression of interest in April 2023—April last year. In December last year, when the Government made its announcements around Metro West, at that point we shortlisted tenderers for each of those contracts. That's the linewide systems contract, stations package west and the trains, systems, operations and maintenance contracts. We have also already been in procurement for the Hunter Street station contract. In December last year we shortlisted down to a smaller number of parties. We are now engaging with those parties on further technical discussions and commercial discussions as we go through the process of finalising the details of the contractual and delivery models and the rebaselining process on the budget. We would expect that the next round then with those shortlisted parties of detailed requests for proposals would follow that budget rebaselining in the middle of this year.

The Hon. NATALIE WARD: Thank you. I don't mean to be rude but I've got two minutes.

PETER REGAN: That's okay.

The Hon. NATALIE WARD: I just wanted to be clear.

PETER REGAN: I just wanted to make sure I gave the answer correctly.

CORRECTED

The Hon. NATALIE WARD: No, you did. Terrific. Understanding all of that, when do you expect to award the contract?

PETER REGAN: Progressively we would be awarding contracts next year, and through to the completion of all of the remaining packages will probably take two to 2½ years to award all the contracts for stations and the other systems.

The Hon. NATALIE WARD: This is not a trick question; this is from the review. The review states, "Should it not be in the market by early 2024 as originally planned, there will be extensive time and cost pressures on overall delivery." Has the delay to the contract tender placed any cost increases on the project?

PETER REGAN: Being able to shortlist in December has meant that we're dealing with a smaller number of parties and so we've been able to work with them to refine the design. We're going through a detailed process to refine the design and look at the scope. There are trade-offs, clearly. If you do things in the future, they tend to cost more than they would have cost in the past. So when you move things to the right, there is more escalation. But the changes to the delivery model, the other scope changes, we're looking to offset that, but that's part of the process that we're going through around rebaselining the project.

The Hon. NATALIE WARD: But it has had a cost impact?

PETER REGAN: It could have a cost impact, but we haven't finalised that yet and it depends what other changes we make to the model and the form of contract and the level of risk that we need to hold. So we're going through a pretty detailed process to rebaseline that.

The Hon. NATALIE WARD: I'm sure you are. What is the quantum of the cost escalation?

PETER REGAN: It's not a number I can put an actual dollar figure on at the moment because we're going through that process of rebaselining and resequencing when the works will be done, and then the escalation number changes depending on the sequence of those works.

The Hon. NATALIE WARD: Surely, with your management experience of these projects, you would have a ballpark. Is that in the tens of millions, the hundreds of millions?

PETER REGAN: Absolutely, but with that management experience I don't speculate on costs until we've gone through the detailed work.

The Hon. NATALIE WARD: I'm not asking for an exact dollar figure, but is it \$10 million, \$100 million? What is the ballpark?

PETER REGAN: It's a \$25 billion project so the numbers are big. But there are plenty of offsets that we're looking at as well. We've got to work through scope, contract form, design issues before we can really land that, and that's the process we're doing at the moment.

The CHAIR: I have a quick few questions in a few minutes just about the Government's passenger vehicle fleet procurement strategy in terms of electrifying that. I understand the previous Government had set an interim target of 50 per cent EV procurement by 2026, whole vehicle procurement I think by 2030. I'm just wondering if there is an update on that. Is that current government policy?

JOSH MURRAY: Yes, it is, and we've updated our sustainability targets. I'm happy to provide that update and give you the status of the commitment. I don't have it with me at the moment.

The CHAIR: I was going to say the floor is yours, Mr Murray. At least I've got that. Do you think in terms of the 50 per cent procurement by 2026, that does seem a bit impossible at this point?

JOSH MURRAY: No, we have—pardon the pun—accelerated through that proposal. We are making good progress against it. I will get the exact nature of the commitments before we finish the hearing today. But we have made good progress because that's our passenger fleet through Transport, which we have good control over.

The CHAIR: To save me putting these in as supplementary questions after this, I'm interested in terms of how large the government's passenger vehicle fleet is now, how many are fully electric now, how many are plug-in hybrids and how many are hybrids. That would be very useful if that's possible to get.

JOSH MURRAY: Okay.

The Hon. DAMIEN TUDEHOPE: I have a small question to Mr Britton. Mr Britton, you may be aware that Sydney Trains commenced action against the RTBU in relation to illegal interference with their ticketing system in 2022. What's the update in relation to those proceedings in the Federal Court?

CORRECTED

DAVID BRITTON: I'll need to take that on notice, Mr Tudehope.

The Hon. DAMIEN TUDEHOPE: Ms Taylor, do you know?

TRACEY TAYLOR: No, I would also need to take it on notice.

The CHAIR: We will break. Just to let you know, we'll have a quick discussion here in terms of who is needed for the rest of the afternoon. If you wouldn't mind waiting, we will be able to come out and tell you.

(Jim Modrouvanos, Lyndal Punch, Matt Longland, Richard Host and Trudi Mares withdrew.)

(Short adjournment)

The CHAIR: Welcome back for the afternoon session of this hearing of budget estimates. We will go straight to questions from the Opposition.

The Hon. NATALIE WARD: Mr Regan, if we can come back to you. Happy birthday once again, for the record. My gift to you is further questions about metro.

PETER REGAN: Thank you.

The Hon. NATALIE WARD: We were talking about the metro. The metro review stated:

... the specifications of Sydney Metro, given its current scale within the market, have had a sector-wide outcome of 'raising the bar' (especially regarding sustainability, and health & safety).

That is pleasing. It also goes on to say:

Relaxations to these standards may be possible (and fiscally desirable), provided that Government is alert to both direct and indirect consequences.

Are you aware of that?

PETER REGAN: Yes. I am.

The Hon. NATALIE WARD: Does the Government support that part of the review?

PETER REGAN: As part of the rebaselining exercise that I mentioned earlier and the further work that we're doing on design, we are reviewing some of the standards that have been applied—and incrementally applied—on the previous stages of the metro to give Government some options around respective costs for different standards. That could include some of the back-of-house features in the stations—some of the finishings, the levels of air conditioning, for example, right through the stations, as opposed to just the platforms. We are looking at some options that could provide, still, a very high-quality customer outcome and passenger outcome but which might be cheaper.

Also, some of the engineering design, are there ways to use particularly greater "modularisation" and less bespoke station by station, so that we can use more precast manufacturing and have a sort of standard kit of parts approach to construction. There is a great opportunity because of the lessons we can learn from the previous three stages of the metro to then see—particularly for Metro West—whether there is the same ability to provide a very similar level of passenger amenity but find ways to learn from industry and our partners as to how to do it more cheaply.

The Hon. NATALIE WARD: I would be concerned about air-conditioning levels. Is that really on the agenda?

PETER REGAN: It's not the actual temperature of the passenger or platform areas. It's just where you have large cabins whether or not you're air-conditioning all of the air in the cabin or just on the platform levels and things like that. So it wouldn't affect the passenger comfort level. It's just that, clearly, air-conditioning of large spaces uses a lot of energy and we're just looking at whether there is the right balance.

The Hon. NATALIE WARD: Understanding all of that—forgive me, but you would expect me to say this: If there are delays and there are a lot of people stuck in a confined area, obviously that might be of concern.

PETER REGAN: We wouldn't be compromising that, no. It's just more the design of some of the stations—

The Hon. NATALIE WARD: Look and feel.

PETER REGAN: —with the scale of cabins, whether there is a more efficient way to achieve the same outcome.

CORRECTED

The Hon. NATALIE WARD: All right, we may come back to that. It does talk about, regarding sustainability, and health and safety, what specific health and safety standards does Sydney Metro intend to lower in order to achieve a more fiscally desirable position?

PETER REGAN: I don't think that we will be lowering any health and safety standards.

The Hon. NATALIE WARD: None?

PETER REGAN: No, I don't think so.

The Hon. NATALIE WARD: You can rule that out?

PETER REGAN: The railway has to be safe. Our operator has to be accredited through the Office of the National Rail Safety Regulator. Safety is a significant part of the design so I don't expect there will be any material change to that.

The Hon. NATALIE WARD: It's not an unreasonable question; it is not a trick question. It's referred to in the review so it clearly warrants a question.

PETER REGAN: There is nothing that I'm aware of in that space that we are looking to change.

The Hon. NATALIE WARD: If there are any, there would obviously be direct and indirect consequences which may be of a concern. You would agree with that, wouldn't you?

PETER REGAN: Yes, but that's why we work all that through. The safety aspect of the railway is absolutely imperative. I can't see that there'd be any material change to those approaches. But we are looking at whether there are more efficient ways around construction or around the operation of the railway in the long run to achieve the same outcome.

The Hon. NATALIE WARD: Sorry, can you say that again?

PETER REGAN: We're looking across the board on the design at whether there's any ways to improve the efficiency of the construction or changes in the operating period that would achieve the same outcome but would be more efficient to deliver. That's good practice. We do that each time.

The Hon. NATALIE WARD: Can you give a very significant example? That's a very broad statement, which is why I asked to you repeat it.

PETER REGAN: Construction technique, the sequencing works and the order in which the construction is done, and the requirements that we put on our contractors around how works are undertaken. There have been a lot of developments in safety standards and safety approaches, greater automation. I think we're looking at improving—I guess a good example of this kind of work with the benefit of the lessons we've learnt, particularly on the Sydney Metro City and Southwest project, is the sequencing under which contracts are procured and let to avoid the need for potential interface clashes between the contracts and then rework and the like.

It is about trying to be much more disciplined around a set order of the different types of contracts and ensuring that the specifications from one contract that then impact a follow-on contract are locked in at the start and we don't have a need to change the order of works to fit different criteria from different contracts at the back end. It's a big lesson that we've been able to learn off the back of a significant resequencing we had to do after the disruptions from COVID, as a good example. We're just trying to build all that into our structure so that it's more flexible when you're in delivery.

The Hon. NATALIE WARD: Can I ask how much work's been contracted for Sydney Metro West as at today?

PETER REGAN: Yes. We've let the three tunnelling packages—that's the central, eastern and western tunnel package. They build the tunnels and excavate the stations. We've bought the property and we've done various enabling works. The overall level of commitment and spend to date is around \$10 billion. Those three tunnel contracts are all well under construction. We currently have eight tunnel-boring machines in the ground. We have two more to put in the ground in the middle of this year.

The Hon. NATALIE WARD: Can I just ask about another issue in the review? It states:

2. **That Transport for NSW** should provide advice to the Minister for Transport regarding the status of the Parramatta Road Corridor Urban Transformation Strategy and any further opportunities to improve integrated Bus and Active Transport interventions and road access connections in the Homebush to Parramatta region.

Has that occurred, and what are the outcomes of that advice?

CORRECTED

PETER REGAN: That is ongoing. The review also suggested that Sydney Metro, working with Transport for NSW, would look at enhancing in the future the surface transport connections—active transport, bus transport—to maximise the benefit to customers of being able to get to the metro and interchange. That work is ongoing with Transport for NSW.

The Hon. DAMIEN TUDEHOPE: Mr Murray, can you give me an update about when we should expect the new intercity fleet to actually be in operation?

JOSH MURRAY: I might ask Ms Drover to talk to the NIF project update.

CAMILLA DROVER: Yes, we've started the modification of the first trains in the Mariyung fleet, the new fleet. We are expecting the trains to enter service in the second half of this year.

The Hon. DAMIEN TUDEHOPE: What is the current estimated cost of those alterations?

CAMILLA DROVER: We're still within the funding envelope, the budget for the project.

The Hon. NATALIE WARD: How much additional cost was there for the modifications?

CAMILLA DROVER: It's within the budget that was set, the revised budget for the project. We're still within that budget that was set in 2022.

The Hon. NATALIE WARD: Sure, but there must be a cost and a figure. What is the figure for the modifications?

CAMILLA DROVER: There is a cost for the modifications. I don't have that with me here, but I can confirm it's within the budget envelope.

The Hon. DAMIEN TUDEHOPE: Can you take on notice what the final estimated cost for the modifications is?

CAMILLA DROVER: Yes. I just haven't got the exact number with me.

The Hon. NATALIE WARD: Ms Hoang, do you know the cost for the modifications?

BRENDA HOANG: Unfortunately I don't—not at hand at the moment. We do have that information. We'll take that on notice and come back to you.

The Hon. NATALIE WARD: That would be helpful, thank you.

The Hon. DAMIEN TUDEHOPE: Perhaps just one last question, Mr Murray: In respect of recent changes to Federal industrial relations laws, are you intending to include in enterprise agreements non-contact provisions?

JOSH MURRAY: I'd have to take that on notice in terms of the upcoming discussions that we will have with the RTBU. That's not something that we've discussed at all.

The Hon. DAMIEN TUDEHOPE: It would create enormous difficulty, would it not, in relation to rostering?

JOSH MURRAY: Yes, we haven't engaged on any of those matters. With our operational workforce, obviously, they have a different set of criteria. Ms Ward, if you would like, I could come back on the chair of the bus taskforce matter, just to clarify.

The Hon. NATALIE WARD: Thank you. I was going to go back there, so you've anticipated it. I appreciate it.

JOSH MURRAY: In August 2023 a deed of novation was completed in relation for the taskforce chair. Then, as a result of a change in the ABN, that was updated. There was no change to the contract end date, nor to the total value of the contract. But the contract was redisclosed, as I said earlier, via the e-tendering website on 3 October, with the new ABN details. The total dollar value disclosed in October was 339,900, which was the remaining value on the contract and purchase order. I am advised that, to date, no more than 300,000 has been paid against the contract.

The Hon. NATALIE WARD: So you can understand, somewhat, my frustration with an e-contract/e-tender website that lists contracts that doesn't, somewhere on there, have an asterisk or something that says "These are cumulative" or something else.

JOSH MURRAY: It is on there under a different—

The Hon. NATALIE WARD: Do you anticipate, for transparency, that that could be disclosed on there?

CORRECTED

JOSH MURRAY: It is on there under a different ABN, and that is the standard process for any contract that is over the standard for the minimum value.

The Hon. NATALIE WARD: That may be so, but do you not think, for the sake of transparency, that it's helpful—even if only for Mr Lee's sake—to clarify that these are cumulatively costed, not significantly separate contracts?

JOSH MURRAY: Well, I'm sure we would have been happy to clarify that, but we published in terms of the Government's e-tendering requirements. We submit our figures through that process.

The Hon. NATALIE WARD: So he has been paid \$300,000 to date. What is the total contract value, then?

JOSH MURRAY: The total contract value relates to that initial number which you quoted earlier—

The Hon. NATALIE WARD: So 339,900?

JOSH MURRAY: No, the 4 number was the—

The Hon. NATALIE WARD: The 442,200?

JOSH MURRAY: That's correct. That's the initial purchase order. That's the current contract, and he has been paid just under 300,000. That's my advice.

The Hon. NATALIE WARD: So the total amount he will be paid, am I correct in understanding, will be—assuming it's completed—\$442,200?

JOSH MURRAY: If it's completed to that scope, yes.

The Hon. NATALIE WARD: You have no reason to believe it won't be?

JOSH MURRAY: That's right.

The Hon. NATALIE WARD: At this point in time?

JOSH MURRAY: That's right.

The Hon. NATALIE WARD: It may, in fact, be extended?

JOSH MURRAY: Yes, we're authorised to spend to that initial value. That's right.

The Hon. NATALIE WARD: So \$442,200. So there's another 120-odd thousand there available for further recommendations?

JOSH MURRAY: That's right. I'm not sure where the invoicing is up to, obviously, but I can confirm that that's what has been paid and certified so far.

BRENDA HOANG: Could I just confirm also that \$442,000 includes GST as well?

The Hon. NATALIE WARD: Sure. It's all taxpayer dollars, though, isn't it? They're very pricey recommendations. All right. I might move on. I want to go to the Safe Accessible Transport plan. Just regarding the announcement earlier this month for the Safe Accessible Transport plan and the new funding of five stations, what's the total funding allocated from this announcement?

The Hon. CAMERON MURPHY: It's outrageous, isn't it?

The Hon. NATALIE WARD: Did you say that it's outrageous?

The Hon. CAMERON MURPHY: No, no, talking about something else.

The Hon. Dr SARAH KAINE: Sorry. My apologies. That was me.

The Hon. NATALIE WARD: I'm trying to be reasonable. I'm just glad you're awake.

CAMILLA DROVER: The overall funding is about 800 million, including the additional \$300 million allocated by the Government.

The Hon. NATALIE WARD: So that was in the announcement. That's the total, sorry, the 800 plus 300?

CAMILLA DROVER: No, the 300—

The Hon. NATALIE WARD: It includes the 300.

CORRECTED

CAMILLA DROVER: —is within the 800.

The Hon. NATALIE WARD: So 800 total. Okay. That was the announcement of last week, though. What is the total funding from the program?

CAMILLA DROVER: The 800 million covers the—

The Hon. NATALIE WARD: All of them?

CAMILLA DROVER: Yes.

The Hon. NATALIE WARD: So the program is 800 million. What is the allocation for each station?

CAMILLA DROVER: I don't think we've got exact numbers per station yet. Obviously, some are in delivery; some are still in the development phase.

The Hon. NATALIE WARD: When do you anticipate you may have allocations for each of those?

CAMILLA DROVER: As they move through from development towards—

The Hon. NATALIE WARD: They'll fall within that envelope.

CAMILLA DROVER: Yes.

The Hon. NATALIE WARD: So there are no more than the 800?

CAMILLA DROVER: That's right.

The Hon. NATALIE WARD: The release states that Macquarie Fields station will be complete 18 months after late 2024. What are the expected completion dates for each station? We've got Macquarie Fields—18 months after late 2024.

CAMILLA DROVER: Yes, I think we're aiming to deliver all the additional seven within 18 months.

The Hon. NATALIE WARD: So all of them?

CAMILLA DROVER: Yes. All the seven that were announced in the media release.

The Hon. NATALIE WARD: So all to be completed in 18 months after late 2024, all within the \$800 million envelope, but we don't yet have a costing on each one.

CAMILLA DROVER: No, and the scope of each individual station obviously determines its specific costing. So there is no sort of average costing per station. They're quite bespoke.

The Hon. NATALIE WARD: One might get a ramp and one might get CCTV and one is getting overhead—

CAMILLA DROVER: That's right. Sometimes they're a few million dollars; sometimes they're 30. Larger stations can be more than that.

The Hon. NATALIE WARD: What's the process for determining that?

CAMILLA DROVER: Obviously in the development phase for each project, we look at what is required. Then we work out the design and therefore the costing of it.

The Hon. NATALIE WARD: Is there a broadbrush allocation for each station of, for example, "Macquarie Fields is getting these five things. Moss Vale is getting a ramp. Lewisham is getting some lighting"? Is that in train yet?

CAMILLA DROVER: That work is in train, but it depends on what is needed at each individual station.

The Hon. NATALIE WARD: Right, but at some point there has to be a document that sets out for each station, "This is what they're going to get", and a plan and a time line.

CAMILLA DROVER: Yes, that's right.

The Hon. NATALIE WARD: Does that exist now or is that—forgive the pun—in train?

CAMILLA DROVER: A lot of that work is well advanced and that's why we anticipate starting quite a few of those stations this year and why we complete them within 18 months.

The Hon. NATALIE WARD: If the work is advanced, can you help the Committee understand what each station is getting?

CORRECTED

CAMILLA DROVER: I don't have that individual detail for each of the seven stations and there is a whole bundle of other stations that are in development phase, but we can provide some information on notice.

The Hon. NATALIE WARD: That would be helpful, given they are in advanced stage. I would have thought that that would have been determined by now and that the Committee can understand what each station is getting. Could you take on notice for each of the seven stations what particular works are anticipated?

CAMILLA DROVER: Yes, no problem.

The Hon. NATALIE WARD: With specification and not just a general statement of "upgrades for accessibility", but "ramp, lighting, CCTV"—in the same way that it was articulated for Macquarie Fields.

CAMILLA DROVER: Yes, can do.

The Hon. NATALIE WARD: Those seven stations selected, were they the top-ranked stations for this round of funding?

CAMILLA DROVER: You'll be aware there is a criteria for, well, what was the TAP program—now the SAT program. Those criteria are on the Transport for NSW website. They look at, obviously, the demographics around the station, the needs of the community around the station and the specifics of each individual station. Patronage are other factors.

The Hon. NATALIE WARD: Were they ranked?

CAMILLA DROVER: I'm not sure we use a ranking system, but we use a multi-criteria analysis to identify which are the next top priority stations. Sometimes it goes to the ability to actually implement the works as well.

The Hon. NATALIE WARD: To do that, surely there's a recommendation or a scoring or a ranking of each station with a recommendation that, of all of the stations in New South Wales, these are the top ones? Was that the case?

CAMILLA DROVER: The next tranche we look at against those criteria, what are the stations that should go forward? We are getting towards the end of the program. About 75 per cent of stations across New South Wales are now independently accessible, so we are getting down towards the end of the stations that need to be upgraded.

The Hon. NATALIE WARD: Given that we are at the end of that and given there has been a multi-criteria analysis, were these seven stations the top scorers in that multi-criteria analysis?

CAMILLA DROVER: They were certainly in the prioritised tranche of stations to be upgraded. As I said, sometimes we look at how quickly we can actually get the stations into procurement and delivery.

The CHAIR: Going back to the Elara investigation within Sydney Metro—going back to the two investigations that IMS or Transport for NSW undertook—I think you were mentioning, Mr Britton, and this is the contracted-out IMS investigation, that there was a fact-finding investigation that produced a report and then you said, I think, a disciplinary investigation. Is that correct, or is that all part of the same thing?

DAVID BRITTON: It's part of the same engagement, but there are those two stages, yes, that's correct.

The CHAIR: Those two stages happened. There were a number of the complaints that were substantiated. The next step was who did what with that report? Who met and who did what?

DAVID BRITTON: It's worth distinguishing between the investigative process and the processes the employer undertakes to make a decision. We don't outsource the employment process. Yes, IMS was engaged to undertake an investigation. That investigation produced a report. That report comes back to Transport and Transport, as an employer, makes a decision about what to do with those findings.

The CHAIR: Let's just focus on that then. Transport, as an employer, makes a decision. Who within Transport made a decision? Who considered that report? Who got together—if, indeed, a group of people got together? Where did that report go?

DAVID BRITTON: Can I talk, firstly, at a level of generality, which is, for any employer decision, the employer considers both the findings in the investigation, the context, the record of the person involved, the findings—and I think when you read the findings before I would note that the findings related to three individuals. I'm not sure that all the findings you read related to the individual about whom an employment decision was made. But, ultimately, there is a delegated decision-maker who makes a decision on the employment matter. I don't think it's appropriate to go into the confidential employment decisions, but Transport took the report very seriously and action was taken. It was in the nature of remedial action.

CORRECTED

The CHAIR: Who considered that report? Who considered it and decided to take action? Was it within Sydney Metro, Mr Regan, in terms of you considering that report or who decided, once receiving that—with complaints supported and, again, breaches of various codes, conflicts of interest policy, code of conduct and what have you—that report, handed down, goes to who? Who sat down and read it and considered it and made a decision in terms of that remedial action?

PETER REGAN: Sydney Metro doesn't have its own employees; they're Transport's employees. That decision is made by Transport but with appropriate input from senior figures at Sydney Metro. But, ultimately, the employees are Transport's employees.

The CHAIR: Who decided then? Was it a meeting, was it a committee, was it an individual? Was it you, Mr Murray? Was it the People and Culture head?

DAVID BRITTON: There were a number of discussions and a decision was ultimately made. As I said, I don't think it's appropriate to go into the confidential employment decisions about an individual employee, but a decision was made and action taken.

The CHAIR: With respect, Mr Britton, at this point these documents are released about investigations, the reports are out there about senior executives within Sydney Metro and the complaints have been substantiated. The question now is just around transparency in terms of what happened within Transport for NSW, who made the decision, ultimately, who got the fact-finding report and the complaints that have been substantiated. What did they do with it? Who was it who then took action? This is about accountability and the way in which these investigations are handled. I think employees within Transport for NSW also need to know that when they make serious complaints that are substantiated, people will be held to account. I'm not getting that impression, to be honest.

People move on from Transport for NSW. They know they're under investigation. They move on; they're fine. Nothing happens to them. The other person—senior position—hangs around and now heads up the national High Speed Rail Authority. The other two guys that I talked about earlier, they've just gone back to their private company. Their private company is still earning millions of dollars from Sydney Metro contracts. Frankly, I think most of the people who have made these complaints are seeing that there's no ramification for them. That's why I'm asking.

DAVID BRITTON: I can assure the Committee that the report was taken seriously. Action was taken; it was in the nature of remedial action. I don't propose to go into any further details about the confidential employment matter.

The Hon. NATALIE WARD: Why not?

DAVID BRITTON: Because it's a confidential employment matter.

The Hon. NATALIE WARD: It's taxpayer dollars.

The CHAIR: Let's frame it this way: This investigation found the senior figures, as I've read out before— investigation subjects Mr Timothy Parker and Ms Louise Howard; that's what's in this document, it's public—that there were policy breaches. Apparently Mr Parker instructed Ms Cole to create a role for herself under the \$500,000 approval process that would have triggered Mr Regan. I've seen the emails where Ms Howard wanted to check that it went to Mr Parker and was absolutely ecstatic when she—she was very determined to make sure it didn't go to you, Mr Regan. That was how deliberate this seemed to be.

The complaint was supported. The investigation's out there. They're serious matters. In terms of a public agency, these public servants are found to have breached the Transport Code of Conduct, Sydney Metro competition limits and the Transport Conflicts of Interests Policy. You're saying "remedial action" without being able to be clearer than that. You would know, Mr Regan, surely. If there was anything substantial that did happen, you'd be able to say.

PETER REGAN: Ms Faehrmann, to be fair, I took that question on notice to get further legal advice and I said I would come back with what we could provide.

The CHAIR: Yes, you did.

DAVID BRITTON: It's also worth noting, as Mr Regan said, that Sydney Metro's taken a number of steps to improve its processes and ensure these types of things don't happen again. These are employees, they're confidential employment matters and we have duties to our employees.

The CHAIR: You can take legal advice, but who made the decision? Who makes the decision within Transport for NSW with this?

CORRECTED

DAVID BRITTON: I don't propose to go into the confidential employment matters. These reports were considered at very senior levels within the organisation and action was taken.

The CHAIR: At this point it doesn't seem as though action was taken because Mr Parker remained in the position. I'll ask another question in relation to the appointment of the position that we're talking about now, the creation of that role—again, this fact-finding investigation and the Elara assessment did substantiate those claims that this role was created for Kate Cole, just under \$500,000 a year. Mr Regan, did you direct Louise Howard to ensure Kate Cole's services were retained at any point?

PETER REGAN: No, I didn't.

The CHAIR: Are you sure about that?

PETER REGAN: Yes.

The CHAIR: Back in 2022, perhaps, you didn't have any conversation to Louise Howard to ensure that Kate Cole's services were retained?

PETER REGAN: My expectation is that all positions at Sydney Metro, as I'm sure would be the case at Transport for NSW, are filled through proper process—through competitive process, where that's required. I would not direct someone to go outside of that process.

The CHAIR: I want to go to the Noble Shore investigation that was undertaken. This is the other issue now, the Cyllene issue, which is the Paul Rogers, Barry McGrattan, James Hayward—was he part of that, or just the two?

PETER REGAN: The Cyllene investigation you refer to, as I mentioned before, the allegations made in that investigation were not substantiated. The information, as I am required to do at the start of the process, was provided to the Independent Commission Against Corruption, as was the completed investigation report.

The CHAIR: To be clear, Noble Shore was contracted out to undertake that investigation, I understand, towards the end of last year in October. They've reported, have they?

PETER REGAN: I think you're referring to a different investigation.

The CHAIR: What were Noble Shore contracted to do?

PETER REGAN: I think it's a different investigation that you're referring to.

The CHAIR: The same individuals?

PETER REGAN: There is an overlap. That process, I believe, is close to conclusion at the moment, but I don't have the final details of that.

The CHAIR: Okay, so that's still to report. I have an email in front of me which is from 2 June. It's from Transport for NSW. It's the Workplace Conduct Investigations unit. It's from Paul Grech—that name is public now within there—to Grant Marley. This is about Elara. It says:

Grant,

I'm concerned with the pressure to finished being placed on the Investigator. I had no idea that Ben had asked for this update considering I have organised a meeting with Daren for next week. Amy fox called me yesterday or the day before wanting to know how long the investigation was going to take. I told her that it will be finished when all the witnesses have been spoken to and this may take weeks. She was ok and I understand that she is getting pressure from above. She asked When we will be in a position to put allegations to her and I said that there may be no allegations that we put to her we can't pre-empt the integrity of the investigation.

Amy Fox is a Sydney Metro employee; is that correct?

PETER REGAN: Transport employee but she works at Sydney Metro, yes.

The CHAIR: So "pressure from above", do you think that would be within Sydney Metro, Transport for NSW? Why would she be saying she was getting pressure from above?

PETER REGAN: I don't think she did say she's getting pressure from above. I think she inquired, as per that email, to what the time frame was around the investigation.

The CHAIR: But to be clear, this email does say that there was pressure from above to finish the investigation soon. Why would that be the case?

PETER REGAN: I didn't write that email.

The CHAIR: But I'm asking you, would you know why there was pressure?

CORRECTED

PETER REGAN: I can say generally that from time to time, when allegations are made, that as the chief executive I would ask how the process is going or if there's an expected outcome on the process, especially where it does relate to senior employees, and, as we discussed earlier today, a significant amount of time had elapsed since the initial allegations were made. So there's no pressure to reach an outcome. I think the email refers to inquiry as to what the time frame is.

The CHAIR: With investigations like this, when findings are made such as these against pretty senior people within Transport for NSW, what is remedial action? When you're saying that remedial action can be taken when somebody breaches a code of conduct, when they breach a conflict of interest policy, when they breach a competition policy and they're pretty senior within Transport for NSW, what does remedial action look like?

DAVID BRITTON: There are a range of remedial actions that can be taken in circumstances. They can be warnings; they can be counselling, training. I think there are a range of actions that can be taken in response to allegations that are substantiated.

The CHAIR: So warnings, counselling, training. So it's probably one of those three. That's what remedial is?

TRACEY TAYLOR: It can be also a combination of all of them depending on the gravity of the breaches that have been substantiated.

The CHAIR: Did Mr Parker leaving Sydney Metro at the time that he did at the end of December—and we're not sure what the remedial action was that was taken against him. There was, though; I'm assuming that that is the case and that's what I've been told today. The evidence before us today is that there was remedial action. Did this issue, this investigation, have anything to do with Mr Parker leaving the organisation, the agency?

PETER REGAN: I can't comment on behalf of Mr Parker. Mr Parker accepted a different job. He had told me in advance that he was in consideration for that job. Mr Parker had made an incredibly big contribution to Sydney Metro over a number of years as our head of project delivery. We've wished him all the best in his new role. I hope that he can achieve similar progress and outcome with the High Speed Rail Authority. To answer your question, I can't speak for Mr Parker but they're completely separate issues in my mind.

The CHAIR: With the Noble Shore investigation, when are you expecting that report back?

PETER REGAN: I believe it's close to completed, as I said, but I don't have the exact detail.

The CHAIR: Because that was contracted out, I think it was, October. Is that correct?

PETER REGAN: I don't have the exact detail, Ms Faehrmann, but we can confirm.

The Hon. NATALIE WARD: Ms Drover, can I come back to the Safe Accessible Transport Plan?

CAMILLA DROVER: Yes.

The Hon. NATALIE WARD: Can we just clarify: For the program, how are the stations selected?

CAMILLA DROVER: As I say, we look at the ones that align with the criteria for the TAP program and we look at the prioritisation. I can confirm that we recommended those seven—that they were near ready for delivery—and they were the ones that were announced. That's generally how it works. We are developing the next tranche. As they next near the end of the development phase and they're ready for delivery, we advise that, and then those seven were announced.

The Hon. NATALIE WARD: Were they the only seven that were recommended?

CAMILLA DROVER: They're the ones that are ready for delivery. There's a whole bundle of stations we continue to develop, to work out what their needs are, the scope, the costings et cetera, and the business case processes that need to occur for each individual project. As they approach delivery readiness, we advise the Minister's office et cetera that they're ready to go.

The Hon. NATALIE WARD: A briefing note was provided to the Minister's office. Did that only have seven stations on that briefing note as the recommendation?

CAMILLA DROVER: No, we briefed up on a bundle of stations that we think are the next priority. But those, as I said, were the ones that were near ready for delivery, and they're the ones that were announced. But it was our recommendation that those were the ones that were ready for delivery.

The Hon. NATALIE WARD: I understand that; I understand your recommendation. Was the briefing note, however—did it contain more than seven stations on the briefing note?

CORRECTED

CAMILLA DROVER: We regularly brief up on these programs. We do it continuously, but we briefed up on the status of all the stations and their various stages of redevelopment.

The Hon. NATALIE WARD: Every station in New South Wales?

CAMILLA DROVER: No, the next tranche that we're looking at for development.

The Hon. NATALIE WARD: How many are in the tranche?

CAMILLA DROVER: I'd have to take the exact number on notice, but there are more than 20.

The Hon. NATALIE WARD: More than 20 in the next tranche, of which seven are recommended?

CAMILLA DROVER: No, the seven are ready for delivery. We recommend that these ones are near ready for delivery—

The Hon. NATALIE WARD: So they're recommended. You had already said that: They're recommended.

CAMILLA DROVER: —and they were therefore announced as about to be delivered.

The Hon. NATALIE WARD: Twenty-odd on the briefing note and seven—

CAMILLA DROVER: No.

The Hon. NATALIE WARD: More than 20?

CAMILLA DROVER: It's not a briefing note. We say, "These are the next tranche of stations, based on the prioritisation criteria, that we are developing up," and when they're ready for delivery, we advise that.

The Hon. NATALIE WARD: On that briefing note to the Minister's office—

CAMILLA DROVER: It wasn't, per se, a briefing note; it's a presentation on what the status is of that tranche of stations.

The Hon. NATALIE WARD: But at some point, Ms Drover, you're making a recommendation to the Minister's office that has a number of stations—100, 20, seven—surely?

CAMILLA DROVER: Yes. We're also looking at, now that we know we have \$800 million, what's the best and most efficient way to spend that \$800 million, and how much station upgrade can we get for that allocated funding? That's what we're doing. Of course we don't know definitively until we've done the development process to know what each individual station will cost and therefore what's the most appropriate station to take forward next. But we're working on all of them—getting them ready for delivery—because, of course, we know that our main objective is to complete all the station upgrades in New South Wales.

The Hon. NATALIE WARD: Sure, but working from one extreme, which is every station in New South Wales, to the seven that made it through—I'm trying to understand how those seven made it through. Given there were not seven on the recommendation—there were more than seven in the tranche. Am I correct in understanding that?

CAMILLA DROVER: It's not a recommendation per se; it's the fact that, within the ones that we're working on, these ones are now ready for delivery.

The Hon. NATALIE WARD: The Minister would have had to have approved the go-ahead, would she not? There has to be a briefing note that she has to sign to say, "I approve these."

CAMILLA DROVER: It works in that our recommendation is, "These ones are now ready for delivery." We would go off to FIAC and seek funding for those and then we would start to the procurement process and they would be delivered.

The Hon. NATALIE WARD: I understand all of that. I understand all of the process and going and getting money. What I'm interested in is the recommendation to the Minister's office. You said there were prioritised ones, there were ones that could be delivered, and there are ones in the tranche. I would like to understand what was put to the Minister's office. Were there only seven? Were there 20? Was there a tranche?

CAMILLA DROVER: No, what's put to the Minister's office is, "These are the more-than 20"—as I said—"stations that are in development or in the latter stage of development, and those seven are the ones that are ready for procurement and then delivery."

The Hon. NATALIE WARD: Were there others that were included that were not included in the announcement?

CORRECTED

CAMILLA DROVER: There are others in the tranche that are in development that haven't been announced because they're not ready for delivery. We only announce them when we're about to procure and deliver.

The Hon. NATALIE WARD: I understand all of that. But they would need to approve these seven stations to make it onto, if nothing else, the media release. Surely, if it's not only those seven and it's not every station in New South Wales—and you've told me there's a tranche and it's prioritised based on a multi-criteria analysis—there has to be more than seven put forward to the Minister to say, "These are ready for delivery." Is that correct?

CAMILLA DROVER: The Minister's office is aware of the full tranche of stations that we're working on.

The Hon. NATALIE WARD: How many are on the full tranche?

CAMILLA DROVER: I haven't got the exact number. There is 20, perhaps 30 that we're working on. They're in various stages of the development phase.

The Hon. NATALIE WARD: So you put to the Minister's office 20 to 30 that are ready for development in that tranche, give or take—

CAMILLA DROVER: It's more advice that "These are the ones we're working on in alignment with that criteria" and "These ones are ready for delivery."

The Hon. NATALIE WARD: So there were more in that category. Were there only seven that were ready for delivery?

CAMILLA DROVER: That's right. It's more through their development process, we'll be—

The Hon. NATALIE WARD: How do you define "ready for delivery"?

CAMILLA DROVER: We have a mature scope. Therefore they're costed and they're ready for procurement, so we've got certainty on—

The Hon. NATALIE WARD: So those seven are costed?

CAMILLA DROVER: Yes. We've got certainty on scope and cost. Therefore we can go—

The Hon. NATALIE WARD: So we know as at today—sorry, I'm not trying to cut you off. I don't mean to be rude. Apologies. So you know, of those seven, what the scope is and what the cost is for each of them?

CAMILLA DROVER: Yes.

The Hon. NATALIE WARD: Can you provide that to the Committee?

CAMILLA DROVER: Yes, I can bring back what information we can.

The Hon. NATALIE WARD: So the scope and cost of each of those—I just want to be absolutely clear about this. Turning back to your previous evidence, if you only announce them when you're about to procure and deliver them—is that my correct understanding of your evidence? You're announcing them once you're ready to procure and deliver?

CAMILLA DROVER: We announce them when they're in a mature stage and we've got a high degree of certainty as to what the scope is and what the cost is and that we are approaching readiness for procurement and delivery. It would be remiss of us to announce things without knowing what the actual project is.

The Hon. NATALIE WARD: I couldn't imagine you ever doing that, Ms Drover.

CAMILLA DROVER: Yes, so that's why we're working on a larger set of stations, but until we have a high degree of certainty about what it is that we're announcing, we don't announce.

The Hon. NATALIE WARD: Did the Minister's office have input into choosing or selecting those stations that made it through to the final tranche?

CAMILLA DROVER: As I said, the seven that were part of the announcement—

The Hon. NATALIE WARD: The final seven?

CAMILLA DROVER: —were seven that we recommended that were near ready for procurement and delivery. As you'd appreciate, this is an ongoing program that has been going for many years. We're continually developing stations and delivering them. We're also checking how much budget we've got. Sometimes there are cost savings on these stations and actually there have been significant cost savings on the stations, which means

CORRECTED

that we can do a few more stations than we had anticipated in the first place. That's why we're continually developing and, as the funding is there, we go forth and deliver.

The Hon. NATALIE WARD: I understand all of that. Thank you for that. What I want to be clear about, though, is the probity aspect and, from a probity perspective, what the ministerial office had in terms of input to the award of station upgrades and the use of taxpayer money. That's why I was trying to ask, in a number of different ways, about what the recommendation was. My question is this: Did the Minister's office or the Minister have input into the selection of each station that made it through to the final seven?

CAMILLA DROVER: Transport made a recommendation of what was ready for delivery.

The Hon. NATALIE WARD: And there was no change to that recommendation in any way?

CAMILLA DROVER: The advice is, no, there was not.

The Hon. NATALIE WARD: So the recommendation was put up with no change whatsoever from the ministerial office?

CAMILLA DROVER: Well, the recommendation was just a function of fact that these stations were ready for delivery.

The Hon. NATALIE WARD: But there is a point at which some are selected? If they're not ranked—and you've told us they weren't ranked. Is that correct?

CAMILLA DROVER: The ones that we are developing at the moment align with the criteria that is set for the program. It has been set for some time and it's an ongoing program. So, as I said, we're continually developing the stations, working them up. When they are ready, we put forward them. It's more of advice that these are the ones that are ready to go now, as opposed to "You should do these ones, not this one."

The Hon. NATALIE WARD: In a briefing note, there has to be a recommendation at some point. We're all dancing around what is prioritised and what meets the criteria analysis and all of those good things. We all want upgrades to stations, but at some point there has to be a recommendation and a decision, doesn't there?

CAMILLA DROVER: Yes. And that is what I said. These seven were recommended to the Minister's office to proceed.

The Hon. NATALIE WARD: And those seven went through and were approved as recommended, with no change from the ministerial office?

CAMILLA DROVER: Yes. That is the advice I have from the project team.

The Hon. NATALIE WARD: Can you table that briefing note for the Committee, to clarify that?

CAMILLA DROVER: I'll see what information I can bring back.

The Hon. NATALIE WARD: You said it's your advice. I don't want to misunderstand that.

CAMILLA DROVER: I'll see what information I can bring back.

The Hon. NATALIE WARD: So Lewisham station was on the list of seven that was decided by Transport?

CAMILLA DROVER: That's right.

The Hon. NATALIE WARD: And that was announced by the Minister with no changes or feedback to the scope or costing?

CAMILLA DROVER: No, the Minister's office does not have input into the scope. We're trying to make the stations independently accessible, so there are standards, criteria et cetera that we're working against. As I said earlier, there's no standard scope for a station upgrade. It depends on the nature, age and what upgrades have already occurred.

The Hon. NATALIE WARD: Yes. We all want them to be accessible, and we appreciate the work you're doing on this. I just wanted to clarify how those seven made it through, and what input the Minister's office had. I don't want to misunderstand your evidence: It's that the Minister's office had no changes to make to the seven that were recommended. They were on the briefing note and it came back unchanged. But if that is not the case, I'd like to understand that. And you'll take on notice whether you can table the briefing note to establish that.

CAMILLA DROVER: As I said, Transport recommended those stations because they were near ready for delivery.

CORRECTED

The Hon. NATALIE WARD: And no input from the Minister?

CAMILLA DROVER: The Minister's office does not get involved in the nitty-gritty scope for each station upgrade, no.

The Hon. NATALIE WARD: But no input to the final selection?

CAMILLA DROVER: No. As I said, it's a function of the readiness of the station. When they're ready for delivery, we give that advice and the Minister's office endorses that advice that those ones proceed.

The Hon. NATALIE WARD: But it's a yes or no, isn't it? Either the Minister had input into the selection or didn't.

CAMILLA DROVER: The Minister's office has endorsed our recommendation.

The Hon. NATALIE WARD: Unchanged?

CAMILLA DROVER: Yes, that's the advice I have.

The Hon. NATALIE WARD: Chair, do you have anything?

The CHAIR: No, I'm good.

The Hon. NATALIE WARD: I might just keep pressing on, if that's all right.

The CHAIR: Yes.

The Hon. NATALIE WARD: I might come back to Sydney Trains. What's the status of the Rail Repair Plan, and when will that be complete?

JOSH MURRAY: I'm sure Mr Collins and I can assist you. Mr Longland was obviously given his leave to get back down to Central to supervise the outgoing Tay-Tay Express.

The Hon. NATALIE WARD: I didn't agree to that, actually, but nonetheless.

JOSH MURRAY: Perhaps we can talk to it in generalities, but obviously Mr Longland is supervising the rollout of the plan, which has continued to hit its milestones.

The Hon. NATALIE WARD: When will it be complete?

JOSH MURRAY: I will need to just pull up some information, Ms Ward.

The Hon. NATALIE WARD: Thank you. For the record, I didn't agree to Mr Longland being excused.

The CHAIR: That must be my fault—I'm pretty sure Mr Tudehope may have said that.

The Hon. NATALIE WARD: I'm not having a go, but I did indicate I had further trains questions, so I will have to seek that information. I'm interested in the status of the Rail Repair Plan and when it will be complete, Mr Murray.

JOSH MURRAY: I think it's best if we take that on notice on Mr Longland's behalf. The program continues. We have Rail Repair Plan related activities playing out this weekend, as has been publicised. They were longstanding commitments that were locked in on the Central Coast corridor and the Illawarra corridor, but they form part of that long-range planning that was locked in.

The Hon. NATALIE WARD: What's the total expenditure for the plan?

JOSH MURRAY: Again, we'll take that on notice.

The Hon. NATALIE WARD: Ms Hoang, do you know? You're the CFO.

BRENDA HOANG: It's \$97 million.

HOWARD COLLINS: If I may help here, there's been some 1,900 high-priority defects repaired; 3,700 repairs, upgrades and refurbishments; 100 worksites every weekend; and 450 kilometres of rail repair such as grinding and electrical inspections. The work's been staggered over different weekends for up to a year.

The Hon. NATALIE WARD: Ms Hoang, the original amount for the Rail Repair Plan was \$90 million. That's correct, isn't it?

BRENDA HOANG: It's \$97 million, as far as I recall. So we spent \$97 million.

The Hon. NATALIE WARD: Would you like to check that?

CORRECTED

BRENDA HOANG: I am happy to check that on notice, but I'm quite confident it was \$97 million.

The Hon. NATALIE WARD: That's the total expenditure for the plan?

BRENDA HOANG: That's right, both opex and capex.

The Hon. NATALIE WARD: Has \$97 million been spent so far?

BRENDA HOANG: I don't believe so.

The Hon. NATALIE WARD: Can you tell us what has been spent so far, to date?

BRENDA HOANG: I am happy to take that on notice in terms of the spend to date.

JOSH MURRAY: The key delivery—

The Hon. NATALIE WARD: So no-one can tell me what has been spent to date on the Rail Repair Plan for budget estimates? No-one has prepared that number?

JOSH MURRAY: I'm sure Mr Longland would have had that. I think our—

The Hon. NATALIE WARD: As I say, I didn't excuse Mr Longland.

JOSH MURRAY: I understand that. I think—

The Hon. NATALIE WARD: I'm sorry if it's inconvenient for me to ask, but it is important.

JOSH MURRAY: And we're just making sure we can get to that information for you. I think the key KPI from a performance and delivery point of view is that 121 speed restrictions have been removed on the Sydney Trains network, and that leaves nine remaining temporary speed restrictions, which are the focus of the Rail Repair Plan.

The Hon. NATALIE WARD: But I am interested in what has been spent and what is left. Are you able to clarify that?

JOSH MURRAY: I'm not able to at the moment.

The Hon. NATALIE WARD: Ms Hoang?

BRENDA HOANG: I will just take that on notice.

The Hon. NATALIE WARD: All right. As a result of the Sydney Trains Review first report, have there been any cost impacts to Transport?

JOSH MURRAY: We have been working on the Rail Repair Plan through the identified budget of 97 million and the redistribution of other costs within the organisation. As we look towards the ongoing Rail Repair Plan commitments, we will obviously take those into account for future budgets.

The Hon. NATALIE WARD: Sorry, I'm not asking now—I apologise. Just to make it clear, I am not asking about the Rail Repair Plan now; I am asking about the Sydney Trains Review.

JOSH MURRAY: Yes. The trains review has a number of ongoing recommendations, such as upgrading the Rail Operations Centre, skills development at the Petersham Training College. All of those will be reviewed in terms of our ongoing budgets. Your question about impact on the overall Transport portfolio, yes, there will be some budgetary impacts, which will be costed and worked through the program.

The Hon. NATALIE WARD: As a result of accepting the Sydney rail review recommendations, how much money has been spent or is required to be allocated as a result of the allocations?

JOSH MURRAY: Many of those elements are able to be assumed within the current budget envelope. Obviously, when we look at the training positions and the way we do training through Petersham, that's one where we will be making some internal changes. Some of the other recommendations from the Sydney Trains Review include the staffing that sits within Mr Longland's executive team—whether that sits within Transport or sits within Sydney Trains. Those positions have been moved over. They have been appointed, and they will be absorbed through the operating model changes of both organisations.

The Hon. NATALIE WARD: So that's a number of them. But what's the cost?

JOSH MURRAY: We are quantifying some of the bigger recommendations. I mentioned the Rail Operations Centre. That's one where we have to quantify what is the longer term capex and opex with running the ROC at its full capacity.

CORRECTED

The Hon. NATALIE WARD: Well, there are some cost impacts there. Are you telling me you don't have any knowledge of the costs? You don't have any knowledge, Mr Secretary. Your CFO doesn't have any knowledge of the costs. No-one seems to know what the cost is, and Mr Longland is MIA.

JOSH MURRAY: He's not MIA; he was excused. I accept that that's—

The Hon. NATALIE WARD: He was not excused by me.

JOSH MURRAY: I accept that that wasn't the case. It wasn't our decision, but—

The Hon. NATALIE WARD: You can understand that it's frustrating.

The Hon. Dr SARAH KAINE: Point of order: I don't think it's okay to be referring to Mr Longland when there was a discussion had.

The CHAIR: Yes. We will potentially ask the member to withdraw that. As I indicated, I had marked down Mr Longland. I said that was my fault that I said Mr Longland could go. I don't think it's acceptable for the member to now suggest that Mr Longland is MIA after I, as Chair, instructed the secretariat to say he could go.

The Hon. NATALIE WARD: Thank you, Chair. It is frustrating. However, I withdraw the comment "MIA".

The CHAIR: Have a go at me, if you want.

The Hon. NATALIE WARD: We're all getting tired. I withdraw the MIA comment. But he is missing from budget estimates, where we have the ability to ask questions and get clarity. What I'm getting is no clarity at all, which is somewhat frustrating.

The CHAIR: Just to be clear again for the record—because this will go on the record—on the "missing for budget estimates" comment, Mr Longland had appeared the entire day up until the point at which I, as Chair—we made a decision in terms of who should go and I put Mr Longland on that list, wrongly assuming that you had said he could go. Again, he is not missing. He was told by this Committee he could go.

The Hon. NATALIE WARD: Certainly. Is it possible to get some clarification and take on notice or check with Mr Longland and come back to the Committee—

JOSH MURRAY: Yes, we can take it on notice.

The Hon. NATALIE WARD: —about the cost of accepting those recommendations?

JOSH MURRAY: Ms Ward, you'd understand we're not trying to be obstructive. We have a budget preparation process at this time of the year. We also track our rail review actions, which are numerous, coming through from Carolyn Walsh and the committee. We track them in weekly detail, working through the logistics of their implementation. We will have to prepare those for budget consideration in the upcoming budget round, which is impending.

The Hon. NATALIE WARD: And we're on your side. We want you to have that funding. From memory there is not a lot of fat to cut, which is why I'm asking. But you can also perhaps appreciate that I know how forensically those numbers are distilled and pored over, particularly at this time, so it is somewhat frustrating that we're not able to have those to hand. I'd be appreciative if you, Ms Hoang, know of any costs from the acceptance of the recommendations associated with the review?

BRENDA HOANG: I'm happy to take that on notice. However, as the secretary has said, we need to work through some of those recommendations and actually look at what the implications are and what we need to do address those recommendations. It takes a bit of time to be able to go through what that means, how much it's going to cost and what is needed.

The Hon. NATALIE WARD: All right. I might approach it this way: Mr Secretary, I'd appreciate if Mr Longland could perhaps brief me on some of the implications, if he's prepared and available to do that.

JOSH MURRAY: I'm sure that would be no problem at all.

The Hon. NATALIE WARD: That would be helpful. Thank you. I will move onto the public transport timetable change. Sorry, can I clarify that the crossbench is welcome to attend that briefing, if necessary, Mr Murray?

JOSH MURRAY: Yes?

The Hon. NATALIE WARD: Sorry, can I just clarify that the crossbench is welcome to attend that briefing by Mr Longland?

CORRECTED

JOSH MURRAY: Yes, of course. Apologies. I'm sure we can arrange—

The Hon. NATALIE WARD: Sorry.

JOSH MURRAY: I'm sure we can arrange a full briefing on Ms Walsh's recommendations to date, yes.

The Hon. NATALIE WARD: That's very helpful. Thank you. Sorry, I'm sure you were turning to the public transport timetable change. Can I just ask where that upcoming public transport timetable change is up to?

JOSH MURRAY: Yes. The core timetable has been developed at Transport for NSW, which sets the parameters of discussion. It has been handed over to the team at Sydney Trains, who then develop the technical aspects of the new timetable changes. That is obviously intrinsically linked to the Bankstown line developments and the TTP, which we've already discussed today. That work is ongoing to prepare any timetable impacts for that period of time.

The Hon. NATALIE WARD: What's the anticipated time line for that? When will that be resolved?

JOSH MURRAY: Obviously, we've spoken already today about the potential window for the closure of the south-west and the temporary transport plan. This timetable work is being coordinated to occur at the same time. We haven't yet finalised the date of those key critical milestones that will occur. But it is aiming for quarter three of this year, as has been discussed.

The Hon. NATALIE WARD: I can't imagine you wouldn't have a time line set out by which it is to be agreed. Is that on track for quarter three this year?

JOSH MURRAY: It is. Those elements are obviously being negotiated through. We have a range of stakeholders who have to be briefed on timetable parameters, such as the freight industry. However, the wider time line that relates to both metro, Sydney Trains and all the adjunct services that we'd be putting in place is still subject to confirmation with our service partners for metro and then the implementation of the TTP.

The Hon. NATALIE WARD: Are bus services changing in the timetable change?

JOSH MURRAY: Mr Collins?

HOWARD COLLINS: Obviously, in addition to the transport temporary plan for the Bankstown closure there are some adjustments to the bus services along the metro line.

The Hon. NATALIE WARD: What are they?

HOWARD COLLINS: There is a lot of planning that we have been involved in. They're minor changes, but obviously as you're opening up a new rail system—as we've done before with light rail and other changes—you do need to make those adjustments to ensure that literally the buses stop in the right place outside the brand-new station and the people actually get matched service between modes, which we are doing as part of our plan.

The Hon. NATALIE WARD: Thank you, Mr Collins. When will consultation occur on the new timetable?

JOSH MURRAY: I don't have an exact date in front of me but we can provide that. Where it will fit in that schedule aiming for quarter three unveiling, there will be a window of consultation around providing those updates.

The Hon. NATALIE WARD: Is that anticipated this quarter?

JOSH MURRAY: Again, I'd have to confirm that. It will be part of the overall TTP conversion.

HOWARD COLLINS: Common practice certainly is once we have all the schedules and operating timetable drafts, we then consult, as part of an agreed practice, local councils and local community groups and offer the opportunity for people to comment on those.

The Hon. NATALIE WARD: The consultation will definitely occur. You'll provide on notice a projected time for that?

HOWARD COLLINS: Absolutely.

JOSH MURRAY: Yes.

The Hon. NATALIE WARD: Can you guarantee that no bus regions will see a reduction in services as a result of the timetable change?

CORRECTED

HOWARD COLLINS: I think the important thing to recognise—there will be adjustments. If you're providing a significant service, there may be an opportunity to vary those services because otherwise you're duplicating. But what we've agreed not to do is reduce those services during the early operation of the metro. But as all good transport planners do, you look at the overall capacity improvements. The good news is that this is an overall increase in public transport for Sydney by a significant margin.

The Hon. NATALIE WARD: So no reductions in services are on the table?

HOWARD COLLINS: Well, there will be some adjustments. I mean, it would be incorrect of me to say "no changes". Some people might interpret that as a reduction, but what we have agreed to do is, particularly in the early part of the metro, particularly in the area of the new line, that we aren't making any significant changes to the bus services.

The Hon. NATALIE WARD: Do you have any awareness of any detrimental impacts that have been forecasted in response to the timetable change?

HOWARD COLLINS: I'm not splitting the atom here but I don't think anything is detrimental. There may be some changes to timings. There may be some changes to early morning services. But it is of a very minor nature considering that we're plugging in the metro actually in the first phase into what is an existing background bus network.

The CHAIR: What processes are occurring within Transport for NSW as a result of the contamination of mulch at Rozelle Parklands in the way in which contractors are deployed? Clearly this is a situation, I understand, of contractors hiring contractors, but potentially one of those contractors did have a history within the EPA; that has been very public now. Transport for NSW, what are you undertaking at the moment? I'm not expecting you to tell me today what you're going to do differently in terms of contractors. I'm sure it's a process, but what are you doing internally to assess how the contractors were hired at this point?

JOSH MURRAY: Thank you very much for the question. Obviously we have been working around the clock with the scale of some of the Transport sites that have been impacted by this situation since January. In terms of our contractors, obviously Transport doesn't do the purchasing or the laying of any mulch or the organisation of landscaping itself. That is all done through our major delivery partners. In some cases, they will employ landscaping services or they may do it themselves, and then, again, those landscaping services will have a supply chain where they will acquire the large amounts of mulch that are often used for Transport projects. Certainly the scale has tested the industry, and that has been reported on by the EPA in recent times. We are working on the effort to remediate the sites that we have been involved in; that's our first priority. Secondly, we have been called in as a member of the State Government's asbestos taskforce, which is being led by the EPA.

We are working with the EPA at present on what are the impacts on that supply chain, where is the resilience, or lack of, showing through in terms of what is a very distributed, decentralised handling of mulch, and what can we learn from what has occurred. Certainly when we look at our investigations to date in terms of the transport contractor's handling of the mulch, to all of our reports and from what we have been able to ascertain, they have met the requirements on them working through. But we have provided all of those background checks to the EPA and all of the processes that we use, and we anticipate having that broader conversation. We are certainly in daily contact with the EPA about the emerging cases.

The CHAIR: When you're saying they met all of the requirements or something, this is the testing not by the mulch supplier themselves but by the delivery partner—I think is the right term. Is that correct? They need to be certain that the mulch that has been provided meets certain standards. You are saying that that was met, according to them?

JOSH MURRAY: If I use the example of a major project like the Rozelle Parklands, the delivery partner in that case—which was a joint venture—has to have an environmental auditor who is of an approved rank through the EPA processes. That auditor can then do the work to ascertain that the material being supplied to the project, across a range of different materials, meets the standards for planning and also for compliance with any environmental regulations. That person signs that off. Certainly our evidence is that through Rozelle those checks were done but the scenario wasn't picked up, which means we need to look further at that process.

The CHAIR: Who hires or pays for that person to undertake that job? Is that the delivery partner?

JOSH MURRAY: Yes, they are contracted to the delivery partner, much as you would in a residential scenario, using an independent auditor to check against planning conditions.

The CHAIR: What's the latest in terms of Rozelle Parklands? Is it up to Transport for NSW? I assume it's the EPA in terms of making the declaration that that is okay to be opened once again to the public?

CORRECTED

JOSH MURRAY: Yes, the EPA has given us a clean-up order for that site and the surrounding but connected Rozelle Parklands project sites that were determined in a geographic area, and also the time line of March last year through to December in terms of when mulch was supplied. The current specification on that time line is the end of February, and we are working with the contractor to determine whether all of that mulch can be removed by the end of this month. Certainly it is a large task and it has been made more difficult by the ongoing finds of more asbestos in different parts of Sydney, which is drawing on the supply chain. But the EPA has indicated that they are in that discussion with us about when that task can be completed. I should note that the immediate remedial task is to lift up the contaminated mulch. The re-laying of mulch will be a further task on top of that, and the time line of that is still being determined by our contractor.

The CHAIR: The contaminated mulch is ending up—I assume you know this. Where is that going?

JOSH MURRAY: The EPA has approved a disposal site. I do not have the details of that site, but it is something that is part of the clean-up order.

The Hon. NATALIE WARD: Ms Taylor—sorry to keep you—in relation to Mr Howard Collins's appointment, I believe you wrote a file note about that. What prompted you to write a file note about that appointment?

TRACEY TAYLOR: I had a conversation with the then chief of staff of Minister Haylen's office. Mr Collins was acting secretary at the time and I was aware that there was a new incoming secretary coming in, so I felt it was appropriate that I made a note about the conversation that I did have. I would also say that it's not abnormal for me, when I'm dealing with senior executive employment matters, to make file notes.

The Hon. NATALIE WARD: You anticipated my next question, which is is it common practice to do so—like all good recovering lawyers? I don't know if Mr Britton is still practising. That is common practice?

TRACEY TAYLOR: That would be a common practice for me to do.

The Hon. NATALIE WARD: But in this case you felt it necessary to record that conversation, given the circumstances of the acting secretary position? Was that the thinking?

TRACEY TAYLOR: Mr Collins was in the acting secretary position and Mr Murray's appointment had already been announced, so I felt I should make the file note. But, as I said, it wouldn't be abnormal in any senior executive matters that I'm dealing in that I would make a file note.

The Hon. NATALIE WARD: Mr Murray, is it correct that you, Mr Collins and the Minister agreed on Mr Collins' new position prior to receiving the bus review?

JOSH MURRAY: No, that's not correct.

The Hon. NATALIE WARD: Can you clarify that for me?

JOSH MURRAY: The discussions about Mr Collins' position—the discussions that Mr Collins and I had about what would happen after I began at Transport on 14 August were had between Mr Collins and myself. I think we detailed last time a number of the meetings that we had. Shortly before starting, Mr Collins and I had a cup of coffee with the Minister. We talked about some of those initial plans. Mr Collins, from my recollection, talked about some of the things that he was briefing me on, which were top of his Howard list at the time. When we left, we talked about the fact that we would be looking to confirm the leadership structure and how that could impact. I recall the Minister saying she looked forward to hearing more about it or she understood that we were working on that. But that was the extent of that cup of coffee.

The Hon. NATALIE WARD: So you already had the bus review?

JOSH MURRAY: No, that was before the bus review was formally announced, which occurred on my first day in the role, which was 14 August. This was the week prior.

The Hon. NATALIE WARD: It was the week prior to the bus review, just to be clear?

JOSH MURRAY: Yes.

The Hon. NATALIE WARD: I have a very quick question to Mr Wing. I understand the NSW Taxi Council wrote to the secretary of transport requesting a modest increase of 4.1 per cent to the taxi fares order. Are you familiar with that?

ANTHONY WING: I am familiar with that, yes.

The Hon. NATALIE WARD: The request was rejected, I understand. Are you aware of that?

CORRECTED

ANTHONY WING: Yes. So the decision is ultimately a matter for Transport for NSW. I understand that they are going to ask IPART to review it, as was common practice in the past. That is the current situation as far as I'm aware. I don't know if the secretary has anything to add to that. But that is the current situation.

The Hon. NATALIE WARD: Mr Murray?

JOSH MURRAY: Yes, I can confirm that is case. I did meet with the leadership of the NSW Taxi Council.

The Hon. NATALIE WARD: When was that that you met?

JOSH MURRAY: Towards the end of last year. I believe it would've been November. Then in December Mr Collins, acting in the secretary's role at that time, issued a letter—but I was aware of it; it had come through our policy discussion; we had discussed the matters—to the Taxi Council, saying that we wouldn't proceed because, as Mr Wing has said, we would look to go through the IPART review this year.

The Hon. NATALIE WARD: Has that been referred to the IPART review or is that just the standard course?

JOSH MURRAY: That is in process at the moment, where we would provide IPART further information, yes.

The Hon. NATALIE WARD: And you are proposing to do that?

JOSH MURRAY: Yes.

The Hon. NATALIE WARD: Are you proposing to have ongoing or further consultation with the Taxi Council and the industry about that?

JOSH MURRAY: Absolutely. We've had good meetings all the way along and I look forward to my next meeting with the Taxi Council.

The Hon. JACQUI MUNRO: Mr Regan, I noticed that you are in the photograph of the Rosehill racecourse once-in-a-generation announcement. I was wondering why you decided to be in that photograph.

PETER REGAN: I was invited to the announcement. I didn't decide, necessarily, to be in that photo. I'm not in some of the other photos. But I was there at the announcement around the potential for the new station.

The Hon. JACQUI MUNRO: Who invited you to that announcement?

PETER REGAN: I'd have to take that on notice. I was there with the Minister, so I'd have to take that on notice.

The Hon. JACQUI MUNRO: Just to clarify, had you seen the MOU before you got invited?

PETER REGAN: No, I hadn't, and I haven't. I'm not involved in the negotiations with the Australian Turf Club on the MOU at the moment.

The Hon. JACQUI MUNRO: Did you think it was appropriate that you were asked to attend, given the possibility—or possibly not—of there being a station, given you hadn't actually been appraised of that?

PETER REGAN: Obviously, as I mentioned earlier today, our role is to give the Government options around what that station could be. We are not involved in the discussions with the ATC. But the announcement, I think the Minister mentioned this morning, there were a number of different people there—different Ministers there representing different portfolios that have an interest. The announcement was much more about—on the day, if I remember correctly, was much more than just Rosehill station. It was confirmation of the Government's overall decisions around Metro West. It is not uncommon that I would be invited to that kind of press event with the Minister.

The Hon. JACQUI MUNRO: Have you had any follow-up from any stakeholders to you about the possibility of an additional station there?

PETER REGAN: We're doing our work looking at the options. The discussions with the ATC are being led by the Cabinet Office and the Premier's Department. Our focus is on looking at the options—the time frames, and the construction techniques—to feed into the Government around our rebaselining and to give them options to consider. I think I said earlier, in effect, it's a parallel process with the unsolicited proposal process. But we're not involved in those discussions.

The Hon. JACQUI MUNRO: So you are providing advice at this point, and putting time and resources aside to actually investigate that at the moment.

CORRECTED

PETER REGAN: Is this the potential for the station?

The Hon. JACQUI MUNRO: Yes.

PETER REGAN: Yes, that's correct.

The Hon. JACQUI MUNRO: How many people do you have working on that?

PETER REGAN: We have a Metro West team that is, obviously, working on delivery and procurement of the balance of Metro West. We also have a project development team that are looking at options for stations and future extensions of the team. It is not a big team. I think there might be five or ten people permanently in that team. We are doing genuine work, looking at the options for the Rosehill station, and that canvasses a pretty wide range of considerations. How would it be constructed? What would be the engineering? What would be the design? What are the time frames? There's quite significant activity in that space.

The Hon. NATALIE WARD: I'm not sure who is dealing with ferries. Mr Collins?

JOSH MURRAY: I think that's you, Mr Collins.

HOWARD COLLINS: I think it is. There's always a last question. I will keep it brief, honestly.

The Hon. NATALIE WARD: Just like *Columbo*: just one more thing. In all seriousness, the Lower Portland ferry in the Hawkesbury is the only ferry that is still funded—as I'm sure you're aware, with your extensive knowledge—by two local councils: the Hills Shire Council and the Hawkesbury City Council. Of course, in 2019 the previous Liberal-Nationals Government provided \$2 million for the continued operation of the Lower Portland ferry. That funding expires on 30 June 2024. My concern arises that given both the Hawkesbury and the Hills councils have experienced a huge deterioration and devastation with the floods in the past 18 months, their funding resources are stretched. We've been out there to have a look at the extent to which they've had remediation works, in my prior role. Giving that funding expires, will you engage with the councils to talk about the Lower Portland ferry and whether operational responsibility can be shared? I'm not asking you to, obviously, announce huge policy or engagement. But would you engage with those groups?

HOWARD COLLINS: That's a cable ferry, isn't it?

The Hon. NATALIE WARD: Yes. They have huge concerns about the funding.

HOWARD COLLINS: I haven't had any direct approaches. I will take that away and examine the situation there, and I'll come back to you.

The Hon. NATALIE WARD: I'd be appreciative of that, if we could undertake to at least have a discussion with them, because those communities are stranded without that ferry.

HOWARD COLLINS: No problem.

The Hon. NATALIE WARD: Thank you very much. They are important questions and I'd appreciate it if you could undertake to at least have a conversation with them.

HOWARD COLLINS: Will do.

The CHAIR: Thank you very much for giving up your day to answer our questions. We do really appreciate it. The secretariat will be in touch with you for any questions that you may have taken on notice and for any supplementary questions which, unfortunately, you probably will receive. Thank you very much and enjoy your Friday.

(The witnesses withdrew.)

The Committee proceeded to deliberate.