

**CORRECTED COPY**  
**GENERAL PURPOSE STANDING COMMITTEE No. 1**

**Monday 14 September 2009**

**Examination of proposed expenditure for the portfolio area**

**ROADS**

**The Committee met at 9.15 a.m.**

**MEMBERS**

Reverend the Hon. F. J. Nile (Chair)

The Hon. K. F. Griffin  
The Hon. D. Harwin  
The Hon. T. Khan

Ms L. Rhiannon  
The Hon. P. G. Sharpe  
The Hon. I. W. West

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**PRESENT**

**The Hon. M. J. Daley**, *Minister for Roads*

**Roads and Traffic Authority**

**Mr M. Bushby**, *Chief Executive, Roads and Traffic Authority*

**Mr P. Hesford**, *Director, Finance and Performance*

**Mr P. Halton**, *General Manager, Compliance and Freight Strategy*

**Dr S. Job**, *Director, Centre for Road Safety*

**Ms A. King**, *Director, Licensing Registration and Freight*

**Mr B. Watters**, *Director, Major Infrastructure*

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**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**

**CHAIR:** I declare this hearing for the inquiry into the budget estimates 2009-2010 open to the public. I welcome Minister Daley. We know that there will be a change, but we thank you for attending until a new minister is appointed later today.

**Mr MICHAEL DALEY:** It is my pleasure, thank you.

**CHAIR:** Today the Committee will examine the proposed expenditure for the portfolio of Roads. Before we commence I will make some comments about procedural matters. In accordance with the Legislative Council guidelines for the broadcast of proceedings, only Committee members or witnesses may be filmed or recorded. People in the public gallery should not be the primary focus of any filming or photos. In reporting the proceedings of this Committee you must take responsibility for what you publish or what interpretation you place on anything that is said before the Committee. The guidelines for the broadcast of the proceedings are available on the table by the door. Any messages from attendees in the public gallery should be delivered through the Chamber and support staff or Committee clerks. Minister, I remind you and the officers accompanying you that you are free to pass notes and refer directly to your advisers while at the table. I remind everyone to please turn off their mobile phones.

The Committee has agreed to the following format for the hearing. We will have questions from the Opposition, the crossbench and Government members. The House resolved that answers to questions on notice must be provided within 21 days. The Committee has voted to amend that to 35 days. Transcripts of this hearing will be available on the web from tomorrow morning. All witnesses from departments, statutory bodies or corporations will be sworn prior to giving evidence. Minister, 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.

**PHILLIP RICHARD HALTON**, General Manager, Compliance and Freight Strategy, Roads and Traffic Authority,

**RAYMOND FRANKLIN SOAMES JOB**, Director, Centre for Road Safety, Roads and Traffic Authority, and

**ANNE ELIZABETH KING**, Director, Licensing Registration and Freight, Roads and Traffic Authority, sworn and examined:

**MICHAEL BRUCE BUSHBY**, Chief Executive, Roads and Traffic Authority,

**BRIAN JOHN WATTERS**, Director, Major Infrastructure, Roads and Traffic Authority, and

**PAUL MICHAEL HESFORD**, Director, Finance and Performance, Roads and Traffic Authority, affirmed and examined:

**CHAIR:** I declare the proposed expenditure for the portfolio of Roads open for examination. As there is no provision for a Minister to make an opening statement before the Committee commences questioning in the motion adopted by the Legislative Council, is there any comment you wish to make?

**Mr MICHAEL DALEY:** No, I am happy to go straight to questions.

**The Hon. DON HARWIN:** On 25 June 2009 you defended your Government's decision to build a new duplicate bridge over Iron Cove, saying:

According to the University of Newcastle, it is not viable to put another clip-on lane onto the existing bridge ...

Is it not the case that the Newcastle university report, which was made public under the call for papers that took place in the upper House, quite explicitly stated that an additional clip-on lane is viable and spelled out just how straightforward it would be? Summarising, at 6.3 it states that reinforcing a small number of steel members of each truss by a mere 7 per cent would be all that is required to surpass the extreme load requirements requested by the Roads and Traffic Authority. Does this not appear to be a clear case of your misleading the House, Minister?

**Mr MICHAEL DALEY:** Absolutely not, Mr Harwin. I refer first to the Victoria Road project, the Inner West Busway. This project is all about public transport. Victoria Road is one of Sydney's oldest roads and

it is fair to say that at peak times, particularly in the morning peak, it is close enough to capacity and at times it is at capacity. It is an important road that brings people into the city and through to the western suburbs from Parramatta, Ryde and Drummoyne. Forty-five per cent of the people who travel on Victoria Road each weekday do so on public transport. I think 200,000 people a week have opted to do the right thing and use public transport. With Victoria Road being what it is, there is not too much we can do for the people who travel on Victoria Road at peak times short of resuming houses on both sides of Victoria Road from Rozelle to Parramatta.

What we can readily do is to assist those people who have done the right thing and who continue to do the right thing and catch public transport, catch buses, along Victoria Road, particularly in the morning. There are 200,000 of them a week; 45 per cent of the commuters are on public transport. That is a figure we should all be pleased with. This project provides a significant travel time saving to those people, up to 18 minutes in the peak of the peak. I think you live in the eastern suburbs, Mr Harwin. If I were to say to you that your 40 or 50-minute trip from Coogee into the city could be reduced by 20 minutes you would think that was a significant saving. That is what this project will provide for people who catch buses. It is an important project and one that I stand by.

In relation to the technical issues that you raised—

**The Hon. DON HARWIN:** The University of Newcastle report.

**Mr MICHAEL DALEY:** —I will ask our Director of Infrastructure, Brian Watters, to address that.

**Mr WATTERS:** From recollection, the University of Newcastle report was an analysis of the risk involved in adding one extra lane to the existing Iron Cove Bridge. There is already one additional lane on the Iron Cove Bridge. This bridge is over 50 years old. There is obviously additional stress in the structure by loading additional deadweight onto an old bridge. The analysis indicated that it would significantly increase the risk of failure of the bridge and recommended that if it were to go ahead it would need substantial strengthening. Our bridge engineers at the Roads and Traffic Authority [RTA] analysed what additional strengthening would be required and, together with advice from contractors, estimated the cost of doing that. The cost of strengthening the existing bridge would be greater than building a new bridge and would put the existing bridge at some significant risk. Obviously, it is a major arterial road, which you would not want to see closed due to some structural failure. Our assessment was it was not an option that we would want to recommend.

**Mr MICHAEL DALEY:** The RTA conducted lengthy consultation with the community in good faith and genuinely looked at all ideas that were submitted. I think that design from the University of Newcastle, the Morrissey submission, came well after submissions closed, possibly as much as a year after submissions closed. He had plenty of time to comment and did not. On the RTA website now there is an alternatives report where you can see where the RTA has genuinely addressed the fact that quite a number of alternatives were proposed, including tunnels and the like. One of the features of the Morrissey design that we did not like and that was not acceptable to me was the fact that to put on an additional clip-on lane would have required us to resume properties in the vicinity of the bridge. That was unacceptable. So for more than a number of reasons, that design was rejected.

**The Hon. TREVOR KHAN:** Mr Watters, you have indicated that the RTA engineers undertook an assessment of the bridge. When was that assessment undertaken?

**Mr WATTERS:** No, what I said was that they received the report from the University of Newcastle and the RTA's bridge engineers undertook their own assessment of it and concluded that it was a risk that was not acceptable to add an additional lane, a sixth lane—the second additional lane—onto an old structure.

**The Hon. TREVOR KHAN:** Again, I do not wish to misquote you. When was that review or assessment undertaken?

**Mr WATTERS:** I would have to take that question on notice.

**The Hon. TREVOR KHAN:** Was a report prepared for the Minister following that assessment?

**Mr WATTERS:** I do not recall a report being prepared for the Minister, no.

**The Hon. TREVOR KHAN:** Was a report prepared?

**Mr WATTERS:** I and other senior executives in the RTA responsible for the project received advice. I do not recall if it was in the form of a report or whether it was an internal briefing note.

**The Hon. TREVOR KHAN:** Can you remember approximately when you received that report or briefing note?

**Mr WATTERS:** I repeat: I will have to take that question on notice.

**The Hon. TREVOR KHAN:** You indicated that private contractors—and again, excuse me if my recollection is faulty—were consulted. When were they consulted?

**Mr WATTERS:** I will also have to take that question on notice.

**The Hon. TREVOR KHAN:** Which private contractors were consulted?

**Mr WATTERS:** The alliance team that we engaged to provide advice to us on all the options: the alliance comprising Baulderstone and its consultants Hyder.

**The Hon. TREVOR KHAN:** Following the consultation did those contractors produce a report or briefing note?

**Mr WATTERS:** No. It was incorporated into internal advice within the Roads and Traffic Authority. I have to explain how an alliance works. The alliance is a team comprising Roads and Traffic Authority engineers, engineers from the consultants Hyder, and engineers from the contractors Baulderstone. They operate as a team providing internal advice within the Roads and Traffic Authority at that early stage of the project.

**The Hon. TREVOR KHAN:** Since that briefing note or report have engineers from the Roads and Traffic Authority undertaken further assessments of the bridge?

**Mr WATTERS:** Are you asking about the option of adding another lane? Is that the question?

**The Hon. TREVOR KHAN:** Let us start with the engineering or structural integrity of the bridge in its current form since that time?

**Mr WATTERS:** The analysis to which I am referring is at the time of the proposition of adding a single lane to the bridge. That is the analysis to which I am referring. I do not know whether they have done a subsequent structural analysis in relation to maintaining the existing bridge.

**The Hon. TREVOR KHAN:** Minister, I wish to address some questions to you. On 16 July this year you issued a media release entitled "Tough new rules for car hooners". Do you have a recollection of that media release?

**Mr MICHAEL DALEY:** I do.

**The Hon. TREVOR KHAN:** Prior to the issue of that media release had you undertaken consultations with stakeholder groups regarding the regulations you envisaged in that media release?

**Mr MICHAEL DALEY:** No.

**The Hon. TREVOR KHAN:** With whom did you consult—

**Mr MICHAEL DALEY:** I did not, but the Roads and Traffic Authority might well have. I seem to recall that it did, but I did not. You asked me whether I did. I did not, but the Roads and Traffic Authority might well have.

**The Hon. TREVOR KHAN:** My next question is: with whom did you consult? Minister, I take it, therefore, that you consulted somebody within the Roads and Traffic Authority regarding the matter?

**Mr MICHAEL DALEY:** Yes.

**The Hon. TREVOR KHAN:** Did you receive a report or a briefing note from the Roads and Traffic Authority prior to making that media release?

**Mr MICHAEL DALEY:** I believe so but I cannot be sure. I will have to go back and check that.

**The Hon. TREVOR KHAN:** I take it you will take that question on notice and come back to us?

**Mr MICHAEL DALEY:** Yes, I will take that question on notice.

**The Hon. TREVOR KHAN:** Do you recollect—or will you take this question on notice—precisely when you received the advice or briefing note?

**Mr MICHAEL DALEY:** I can check the dates of those, yes.

**The Hon. TREVOR KHAN:** Can you recollect with whom you consulted in the Roads and Traffic Authority?

**Mr MICHAEL DALEY:** I will have to check the details of the exact briefing notes that came to my office.

**The Hon. TREVOR KHAN:** Do any of the officers at the table have a recollection of providing a briefing note or the like?

**Mr MICHAEL DALEY:** Dr Job might well have.

**Dr JOB:** We provided advice recommending that we adopt a regulation that would limit the extent to which vehicle owners could modify the height of their vehicles. We did that on the basis of in-principle concerns with the safety consequences of this behaviour and, in particular, concerns that went beyond those that the industry felt were relevant, that is, the stability of the vehicles. If you change the height of the vehicle you might change many other safety aspects.

In particular, if you raise a vehicle the safety features of it will interact with other vehicles at a different height in the event of a vehicle-to-vehicle collision. In addition, you change the dynamic of impact with pedestrians. You may also change the braking effectiveness of the vehicle and change its capacity to work effectively with electronic stability controls that might be fitted to it. For a variety of safety concerns we recommended that people have a limit on the extent to which they can raise or lower the height of their vehicles.

**The Hon. TREVOR KHAN:** Dr Job, prior to providing that advice, with which stakeholder groups did you consult?

**Dr JOB:** We consulted with a number of groups by virtue of a committee that works in this area. I will take that question on notice and check which groups are on that committee.

**The Hon. TREVOR KHAN:** Do I take it that, if they were consulted, there is a minute of the meeting, or the like, that deals with that consultation?

**Dr JOB:** Again, I would have to take that question on notice.

**The Hon. TREVOR KHAN:** What is the name of the committee?

**Dr JOB:** I do not recall the name but I could get it for you.

**The Hon. TREVOR KHAN:** Could you also obtain the date on which the issue was discussed?

**Dr JOB:** Yes.

**Mr MICHAEL DALEY:** I wish to say something about this line of questioning. After we made the announcement that we were looking into changing the regulation, I received a substantial number of

representations from people in four-wheel driving clubs, the after-market vehicle industry and the like, who simply said to me, "We all want to achieve the same thing; we all want to ensure that vehicles on New South Wales roads are as safe as possible. However, Minister, we would like an opportunity for further consultation with you. Can we meet?" I said, "Yes." A good representation of the bodies that I just mentioned met with me in my office and asked for more time to consult. Of course, I granted their request and asked Dr Job to put together a working group with nominees from their industries and their clubs to look at that issue. They are working on it now.

**The Hon. TREVOR KHAN:** Is it not the case that groups such as the four-wheel drive association and the like did not state that they wanted more consultation but they complained that there had been no consultation?

**Mr MICHAEL DALEY:** Whatever their complaint I think they will now concede that they had a good and fair meeting with me. I listened to them intently and I gave them what they asked for, that is, to put the regulations on hold and to consult further.

**The Hon. TREVOR KHAN:** I was not asking what they might say now but what they said at the time of their initial approaches to you following your media release of 16 July. Their complaint was that there had been no consultation with groups such as the four-wheel drive association.

**Mr MICHAEL DALEY:** Dr Job has taken your question on notice. He can go back and have a look at who was consulted. The bottom line is that they asked me for more time and I gave it to them.

**The Hon. TREVOR KHAN:** Your media release was entitled "Tough new rules for car hoons." At the time of issuing that media release did you give any thought to caravaners who had increased the height of their four-wheel drive vehicles to tow their caravans, or to four-wheel drivers who had increased the height of their vehicles because of their recreational activity? Would you not agree that it is hard to describe them as car hoons?

**Mr MICHAEL DALEY:** I was not describing them as car hoons.

**The Hon. TREVOR KHAN:** But the effect of your regulation might well have a serious impact on those groups.

**Mr MICHAEL DALEY:** They are two different issues.

**The Hon. TREVOR KHAN:** Is it not the case that the regulations you propose to pass go well and truly beyond the identified car hoon target group in your media release?

**Mr MICHAEL DALEY:** The only target group in the media release—if you want to put it that way—is people who, without due regard for road safety, modify their vehicles beyond a point at which it is safe to do so. I put it to you that any other road users, such as four-wheel drivers, caravaners, and the like were not included in the ambit of my press release.

**The Hon. TREVOR KHAN:** Minister, what is your understanding—

**Mr MICHAEL DALEY:** Mr Khan, there is some misunderstanding about safety. People have put it to me that they have modified their vehicles to a certain extent. Let us use the example of lowering a vehicle. People have put it to me that they are safe drivers and that their cars are safe because they have been lowered and that makes them handle better and, therefore, makes them safer. We are not simply looking at whether the driver's modified vehicle is inherently safe in itself for its own handling. These vehicle standards information [VSI] changes are very much about examining the interaction of that vehicle with other road users, in particular, in the event of a collision or an impact with a pedestrian.

A vehicle is manufactured to a certain height for several reasons. For example, the sensors for side airbags are in the door seals, correct me if I am wrong Dr Job, and in the front of the vehicle in the bumper bars. They are manufactured at that height so that when they impact with a solid object or another vehicle the airbags will release. If you lower a vehicle to the extent that when it has a head-on, for example, with another vehicle and the airbags do not impact, the safety of the occupants is compromised. Four-wheel drives modified to be too high will see a young child who is hit at whatever speed not being pushed away by the bumper bar but, rather,

sucked under the front wheels. It is not simply whether you are a safe driver or your vehicle is safe to drive; it is how your vehicle will interact with other road users in the event of an accident. However, the bottom line is that many people have asked me for greater consultation and more time, and I have given that to them.

**Hon. DON HARWIN:** In your time as Minister have you ever met with or had a telephone discussion with Graham Richardson?

**Mr MICHAEL DALEY:** No.

**The Hon. DON HARWIN:** No?

**Mr MICHAEL DALEY:** Sorry, Mr Chairman, I do not believe this is relevant to the budgetary situation of the RTA. But for the record I do not believe I have.

**The Hon. DON HARWIN:** No meetings or telephone discussions at all on any matters relating to your portfolio?

**Mr MICHAEL DALEY:** Could you find a page in the Budget, Mr Harwin, that relates to Graham Richardson, please?

**The Hon. DON HARWIN:** Minister, I am not required to do so. I am asking about your conduct in your portfolio over the past 12 months.

**Mr MICHAEL DALEY:** Perhaps you might find another form to ask that question because it has got nothing to do with Graham Richardson.

**The Hon. DON HARWIN:** Mr Watters, I have one final question relating to the Iron Cove Bridge. You fairly extensively rejected the University of Newcastle's findings of an additional clip-on to the Iron Cove Bridge as a solution. What about the existing clip-on to the Iron Cove Bridge and the amount of traffic going over Victoria Road? Is one of the reasons the RTA is so keen to get on with the additional bridge is concern about the volume of traffic on the existing clip-on?

**Mr WATTERS:** No, that is not the case. The existing clip-on lane was refurbished a couple of years ago and it would have had appropriate structural analysis undertaken at the time. I was not personally involved, so I cannot vouch for that. But knowing the way the RTA works, I am sure there would have been an analysis undertaken at the time and the existing lane was considered to be sufficiently within the structural strength of the bridge. The concern was that adding another lane, a sixth lane to the bridge, would increase the risk of structural failure to the point where it was unacceptable.

**The Hon. DON HARWIN:** We will come back to that.

**Ms LEE RHIANNON:** Minister, obviously you would be aware that the National Transport Commission issued new guidelines in 2007 with regard to restraints for children travelling in cars. I understand that five months ago, in about March this year, you told Noel and Danielle Broadhead, whose daughter died in an accident in 2006, that the changes for which they have been campaigning were imminent? Can you explain this delay and when the changes will occur?

**Mr MICHAEL DALEY:** I am not sure that I would agree that I told them those changes were imminent. They asked me for a meeting to come in and talk about their tragic personal circumstances, which would move any heart, I would suggest. We had a very good discussion. I do not think I advised them that the changes were imminent. That is not the sort of advice I would be offering to a member of the public in relation to the RTA's plans to introduce measures coming out of recommendations from the NTC.

**Ms LEE RHIANNON:** Could you actually give us an answer because my question was, "When will this occur" particularly in light of the fact that Victoria and Western Australia are quite well advanced? The impression is that New South Wales is dragging the chain.

**Mr MICHAEL DALEY:** I cannot advise you now—given that I have 2 hours and 15 minutes left, or thereabouts, as the Minister for Roads—as to when that will occur. But the RTA and my office have been working—



**Ms LEE RHIANNON:** The fact you are leaving really has nothing to do with it, Minister, and that is a really poor answer. You have been here doing the work.

**Mr MICHAEL DALEY:** Mr Chairman, might I complete my answer without Ms Rhiannon interrupting? What I am saying is, if I was going to be the Minister for the next month or two, I would be able to give you my intention as to when I as Minister was going to introduce those changes. I am not able to do that. I cannot look at you in good faith, Ms Rhiannon, and tell you when Minister Campbell might decide to implement them. What I can say—

**Ms LEE RHIANNON:** The clear implication—

**Mr MICHAEL DALEY:** What I can say is that I was working with the Centre for Road Safety on introducing those changes.

**Ms LEE RHIANNON:** So the clear implication of what you have just said is that there is no plan in place? We are not asking what the new Minister will do; we are asking where it is up to, and you have got nothing to say?

**Mr MICHAEL DALEY:** No, I do. We have been working closely with the Centre for Road Safety on those plans and they are well advanced.

**Ms LEE RHIANNON:** Can we hear when that will happen?

**Mr MICHAEL DALEY:** No, because that will depend on when the new Minister intends to make that announcement, and I am not able to pre-empt that.

**Ms LEE RHIANNON:** The other day there was a tragic bus accident and, fortunately, no school students died. However, there has been a lengthy campaign for seatbelts to be fitted in buses, particularly school buses in rural areas. Why has that not occurred?

**Mr MICHAEL DALEY:** That is not something I have dealt with in my time as the Minister. Perhaps Dr Job might be able to answer that question, or someone else.

**Dr JOB:** We understand that this is an important safety issue.

**Mr MICHAEL DALEY:** This is the issue of seat belts on buses.

**Dr JOB:** This is seatbelts on buses. However, there is considerable technical detail required to retrofit seatbelts, and a number of aspects of that technical problem include, for example, the way in which a seatbelt operates and would effectively operate on a bus. That would depend in part on the height of the seat in front of it and what you would be protected from hitting and what you would still hit in the event of wearing a seat belt as a child. So, it is not the case that simply retrofitting seatbelts to all existing buses will improve safety. It depends on the configuration of the bus. In addition, some buses do not have structures in place to which one could effectively attach a seatbelt. The delivery and how this finally pans out is partly and largely a matter for the Minister for Transport in charge of buses.

**Ms LEE RHIANNON:** So it is more—

**Dr JOB:** That is our technical advice on a road safety basis.

**Mr MICHAEL DALEY:** We would provide technical advice on the safety aspect.

**Ms LEE RHIANNON:** In respect to implementation, it is the transport portfolio?

**Dr JOB:** Yes.

**Ms LEE RHIANNON:** Minister, considering that longwall coalmining has resulted in damage to various New South Wales roads, can you explain how the RTA ensures that the public are not put at risk by damage to roads, what roads have been damaged by longwall coalmining and who pays?

**Mr MICHAEL DALEY:** Sorry, there are a number of aspects to your question. What was the first one?

**Ms LEE RHIANNON:** How does the RTA ensure that the public are not put at risk by any damage when there is subsidence? What roads have been damaged and who actually pays?

**Mr MICHAEL DALEY:** Sorry, did you not pre-empt your question by saying that roads in New South Wales have been damaged and now you are asking me which roads have been damaged?

**Ms LEE RHIANNON:** Yes, I do not know all of them, Minister.

**Mr MICHAEL DALEY:** Could you give us an example of one so that we might be able to answer that?

**Ms LEE RHIANNON:** The roads along the old Pacific Highway. Once you have left the motorway and are heading up past Chain Valley Bay there are actually signs along the road about subsidence. Those roads there—some of which are RTA roads and not just council roads—because your signs inform the public that this is a problem and that it occurs.

**Mr BUSHBY:** There are roads that have had extensive mining underneath them over the years. Some of those roads have included longwall mining in locations. Certainly, there are examples along parts of the Pacific Highway on the Central Coast and the F6 close to Wollongong where longwall mining has been successfully undertaken under the roads, including State roads for which the RTA is responsible. To ensure that the infrastructure on the surface retains its serviceability, a lot of work is done to ensure the risk assessment of the modelling of what will happen when the longwall mining goes through underneath. As we know, there is subsidence and smaller subsidence at the surface when that happens.

We take into account what the effect of that potential subsidence is on the infrastructure, what will happen to the road and whether it will continue to be able to fulfil its function. On occasions, there will be movements and we take into account what the differential settlements are. If the whole of the road goes down together, there is no problem; you do not get any difference in relation to the grade or of the shape of the road. If there is differential movement between two areas, we need to make sure that the curves that actually occur are such that the road remains serviceable.

**Ms LEE RHIANNON:** Who pays for the monitoring and if there is any change that you have to undertake?

**Mr BUSHBY:** It is done through a fund—I am not the expert on this—which is set up and paid for by the mining industry. It is administered elsewhere.

**Ms LEE RHIANNON:** Even in the case of Chain Valley Bay, it was not actually longwall coalmining but instead it was the old pillar and bore system. The companies have long gone. Do they still pay?

**Mr BUSHBY:** There are arrangements in place for claims to be made against mining damage.

**Mr MICHAEL DALEY:** Can I say in that respect that I do believe that the situation in respect of the activities of mining companies has changed in relation to longwall mining. I think it used to be the case, Ms Rhiannon, that they neither needed to seek permission from nor even advise the RTA, RailCorp or anyone like that that they were conducting mining activities underneath their roads. I think now what they have to do is not only notify them but work with them and get the RTA to sign off on safety. We have been working very closely. The RTA has been working very closely with the company in the Illawarra, which I think is BHP-Illawarra Coal. It has been working with them for four years and substantial monitoring has taken place around the landscape to make sure—

**Ms LEE RHIANNON:** Actually on the bridges?

**Mr MICHAEL DALEY:** More than the bridge. It is more than the bridge. There are monitors put right around the road into the hillsides and farms to make sure that they can monitor any changes to the landscape.

**Ms LEE RHIANNON:** You said that BHP pays for all that?

**Mr MICHAEL DALEY:** Yes. That is my understanding, yes.

**Mr BUSHBY:** Yes.

**Mr MICHAEL DALEY:** The bottom line is that we do a lot of work on road safety. We are not going to allow any road to be compromised in any way by longwall mining.

**Ms LEE RHIANNON:** Okay. But there are a lot of worries about Woronora Bridge.

**Mr MICHAEL DALEY:** That is right. But I do believe that some work has been done on some bridges down on the Hume Highway—

**Mr BUSHBY:** Yes, the Hume Highway.

**Mr MICHAEL DALEY:** —to rectify that, but that was back in, if I can call them this, the bad old days before the RTA worked with the coalmining industry.

**Ms LEE RHIANNON:** Back to the M5 East. I was interested in the second phase that you announced back in March 2008 with regard to the installation of one of those electrostatic precipitators. I am talking about the east end of the tunnel. As far as I know work has not commenced on that. It is curious—at least many of the locals find it curious—why that has not commenced.

**Mr MICHAEL DALEY:** I have to take some advice on that, Ms Rhiannon. I think we are at a point now where we are doing some evaluation on that. But Mr Bushby might be able to help me on that.

**Mr BUSHBY:** In terms of the upgrade—the air quality improvement program—are you referring to the tunnel filtration plant that was announced and is under construction?

**Ms LEE RHIANNON:** No, not that. That is the whole point. I just want some specific information on the east end—what you said you would do at the east end of the tunnel and what you have not started. I understand that the process of registrations of interest started in December 2008 and then there were initial assessments of the firms to be approached. That was completed in August, but nothing has happened. Everybody understood because you made a big announcement.

**Mr BUSHBY:** Yes.

**Ms LEE RHIANNON:** You got the public off your back, but it has not started.

**Mr BUSHBY:** Certainly we have been looking at those registrations of interest. I am not sure if that is something that Brian has the details of.

**Mr WATTERS:** Yes. We are at the stage of evaluating proposals. It is not only a question of supplying the equipment but also understanding the excavation that is needed within the existing tunnels to house the plant room for this equipment. We are looking at the total scope of work and the total cost before we can make a recommendation on whether that would be cost effective. It will cost significantly more than the original estimate because of the additional excavation and additional plant that is required, so we have not completed our assessment of proposals that we have received.

**CHAIR:** That is the end of the Greens allocation of time for questions.

**Ms LEE RHIANNON:** Can I just finish off on that?

**CHAIR:** I will follow it up, if you like. In the estimates papers, Minister, it says that the air quality improvement plan for the M5 East tunnel will be completed by 2009. It states that on page 24. Can you update the Committee on what the timetable is, in view of what you have just been saying?

**Mr MICHAEL DALEY:** I will have to take advice.

**Mr WATTERS:** I believe the plan refers to both the in-tunnel additional ventilation and additional fans that have already been installed and a very large in-tunnel cleaning plant which is under construction now. If you go along Bexley Road now you will see a very large construction. There is a tunnel. There is a building. There are tunnels that have now been built between that building and the westbound M5 East tunnel. The plant and equipment is being installed right now into that ventilation cleaning building. What that will do is remove a significant proportion of the diesel particulates from the air. Also there is a trial. The whole plant is a trial because we have never implemented such plant in Australia before. We have not got an expected completion date for that. It is well under construction now so it is only a matter of months before that air cleaning plant becomes operational in the westbound tunnel.

**CHAIR:** When it states in your estimates document budget papers "the end of 2009", will you meet that deadline?

**Mr WATTERS:** If you will just allow me to check that document.

**CHAIR:** It states it will "be commissioned at the end of 2009".

**Mr WATTERS:** Bear with me one second and I will find it. I am expecting the filtration plant to be completed within October. Then there will be obviously a commissioning period. It will be fully operational in early 2010 or in the last couple of months of 2009. There will be a commissioning period of the equipment, obviously, in the last couple of months of 2009 and then we will be publishing, or we will commence to publish, the air quality results early in 2010.

**CHAIR:** Just following up the questions you have already been asked about putting seat restraints into buses, particularly the urgent areas of school buses, was there any attempt to separate? We realise there are a huge number of buses used for passengers, but have you made it a priority for school buses to have seat restraints?

**Mr MICHAEL DALEY:** That is really a matter for the Minister to Transport, with respect, Mr Chairman. The buses are entirely within his realm. The RTA's role would be to be available to provide advice on grounds of safety and things like that, but any implementation measures would be fairly within his portfolio responsibility.

**CHAIR:** There have been some questions raised in regard to the promises made for a bypass at Mount Victoria in the Blue Mountains. What is the current situation?

**Mr MICHAEL DALEY:** I will ask Mr Watters to augment any omissions of mine. I was in the Blue Mountains last week. The RTA has been progressively upgrading the Great Western Highway from Penrith all the way through the mountains. I opened up a \$160 million stretch yesterday on the Woodford to Hazelbrook section. It is a very worthy project because the people of the Blue Mountains and the Central West deserve a decent corridor through there. It is really a goat track across the top of a ridge. I want to improve safety and travel times. To do that we will spend \$560 million on that project.

West of Mount Victoria we are also looking at knocking up some plans to upgrade the Great Western Highway. We have put together certain options and have been consulting with the community for about the last year. Last week I was in the Blue Mountains to announce that we would settle upon the route that would see an upgrade of the existing Great Western Highway west of the Victoria Pass. We still have the issue of Victoria Pass itself, which is very steep and winding and is not safe, particularly for heavy vehicles. Part of the ongoing consultation on the upgrade will be to settle on the best design and the best route for a detour of Mount Victoria. We have given an assurance to the locals there—and we will keep that assurance—that the Great Western Highway upgrade will go through but we will bypass the main village of Mount Victoria.

**CHAIR:** It seems a bit vague. Is there a timetable in your mind as to when that might occur—one year, five years, 10 years?

**Mr MICHAEL DALEY:** No funding has been identified for it so there is no imperative from a funding point of view to get that done. We want to ensure that we consult with people and settle, in time, on the best outcome for both engineering and safety, and local concerns. Mr Watters might be able to assist me further on the timetable and the process.

**Mr WATTERS:** The next step is for us to put on display some route options within the so-called orange corridor. The orange corridor is the one that generally follows the line of the existing Great Western Highway west of Mount Victoria. So within that corridor we are identifying feasible route options. Obviously there are a number of constraints, not only topographical constraints of the steep grades but also a number of heritage buildings along the line of the old road. There are some steep grades around Riverlet and so forth. In October we expect to put out these route options for public display, and fairly early in 2010 we will be announcing the preferred route through that corridor.

**CHAIR:** In 2010?

**Mr WATTERS:** Yes.

**Mr MICHAEL DALEY:** I am sorry, I indicated that I was in the Blue Mountains last week. It was not last week; it was the week before.

**CHAIR:** At the meeting you addressed were the residents happy with your response?

**Mr MICHAEL DALEY:** When you have a major road project there are always people who are happy and unhappy. When you propose, for example, four routes and then one of them will be built, you get three bodies of people who are happy and one who might not be happy. You can never please everybody when it comes to a major upgrade and building major infrastructure. So some people were not happy, no.

**CHAIR:** I think the media said you were booed at the meeting.

**Mr MICHAEL DALEY:** I did not see those reports. That is scurrilous.

**CHAIR:** Taking up another proposed bypass, from Gerringong to Nowra on the Princes Highway, I note there has been plans for some discussions and the Roads and Traffic Authority [RTA] has put out draft proposals. That seems to have come to a bit of a standstill.

**Mr MICHAEL DALEY:** I will let Mr Watters answer that question. Those plans are well advanced.

**Mr WATTERS:** As far as Gerringong to Bomaderry, we have had a study process ongoing for the past year or so, where we have settled and announced the preferred route. We have gone on display with a so-called access strategy, indicating, for example, where to access the town of Gerringong. We have had extensive consultation with the community over the preferred points of access into Gerringong and points of access into Berry so we maximise the local accessibility of the towns, even though the towns are being bypassed by through traffic. We now have agreement with the local communities and councils on the access points to those towns. It has not come to a standstill. We are doing an environmental assessment process now. As you know, we prepare environmental assessments under the Environmental Planning and Assessment Act, and that is an exhaustive and lengthy process. Shortly—I cannot say exactly what date—the next step is to put on public display an environmental assessment either for the entire length or for the first of likely three stages for construction.

**CHAIR:** Do you have an estimated or anticipated date of commencement of the construction in your planning?

**Mr WATTERS:** No, that would be subject to future State budgets.

**CHAIR:** So it will not be in 2009-2010?

**Mr WATTERS:** The current year—

**CHAIR:** So it will 2011 then.

**Mr WATTERS:** We are talking about the current 2009-10 budget papers. We do not have construction funding in the current year.

**The Hon. DON HARWIN:** Not for the purchase of properties this year.

**Mr WATTERS:** Yes, we are purchasing properties. When we go through these planning studies clearly we do adversely affect some property owners. Those who can demonstrate hardship, we set aside funds for the acquisition of those properties. Then when funds are made available by government for construction we embark on what is called RTA initiated acquisition, where we start a whole program of acquisition. Up to then we set aside a more nominal amount. The Hon. Don Harwin has indicated that it is \$10 million.

**CHAIR:** Can you give an estimated or anticipated date of commencement, taking into account all those factors?

**Mr WATTERS:** You will have to ask the Minister for Roads that question.

**Mr MICHAEL DALEY:** I will have to ask the Treasurer that question. The way major infrastructure upgrades are planned is there is a long lead time for planning and consultation. Sometimes the design, public consultation and planning can take years.

**The Hon. DON HARWIN:** Four years for this one.

**Mr MICHAEL DALEY:** The more consultation that is required with the community and the greater the sensitivities that surround the project, the more conscientiously the RTA attempts to consult with people. But to ensure that projects can be built quickly when funds are identified, it will design and conceive and get planning approval for projects sometimes long before funds are made available. That is what we have done on the Pacific Highway, for example. The entire route of the Pacific Highway, 664 kilometres, either preferred routes have been identified, construction is underway or planning approval has been granted. That means that, for example, when the Federal Government pops up with some funding, such as it did recently with the Hunter Expressway, we are ready to go. It is no use having the Federal Government say, "We want to give you some money to build a road", and then we tell the Federal Government that it has to wait for a couple of years for planning and to get it done. So we have put ourselves in the position where we can get it done quickly if the funds are made available, but for that particular project they have not yet been identified.

**The Hon. IAN WEST:** My question relates to Budget Paper No. 3, section 20 - 26, capital expenditure statement, and Budget Paper No. 4, Infrastructure Statement, section 5 57. Will the Minister advise the Committee about RTA initiatives to protect the environment?

**Mr MICHAEL DALEY:** One of the things I have been pleasantly surprised about as Minister for Roads is the level of protection and conservation that the RTA involves itself with. The RTA, like the New South Wales Government, is committed to ensuring that its activities provide maximum benefit to the environment and the community. The RTA is committed to reducing impacts on the environment through a range of activities. Some of those include minimising the impact of road construction on the environment, reducing the impact of noise from the road network and heavy vehicles, conserving our heritage for future generations, using energy-saving solutions across the road network and, as I have already mentioned this morning, working with the community and other agencies to seek environmentally appropriate outcomes. I will elaborate on some of those issues.

Erosion and sedimentation control is one key environmental management issue for road construction projects. The RTA has worked closely with the Department of Environment, Climate Change and Water to develop the main road construction chapter of the industry best-practice guidebook, *Managing Urban Stormwater, Soils and Construction*. This provides industry-specific guidance for soil and water management for main road construction and other linear infrastructure construction such as rail and pipelines. The RTA is implementing these principles to improve the environmental performance of main road construction. Where possible in construction the RTA also uses recycled materials on its road projects.

This is a beneficial application of what would otherwise be a waste product, and it reduces the need to quarry virgin aggregate material. For example, slag produced during steelmaking processes is a waste product and if properly treated it can be used in road construction. About 170,000 tonnes of crushed slag from the steelworks at Port Kembla was used in the sub-surface pavement during the construction of the north Kiama bypass. An additional \$70,000 tonnes of slag was incorporated into the asphalt surface layer. Other recycled materials are under investigation and trial to be used in road construction and maintenance, including scrap rubber tyres, waste glass and fly-ash.

In terms of biodiversity, road development and operation can impact on flora and fauna. Those impacts can include loss of habitat through the clearing of native vegetation and impacts on threatened species and endangered and ecological communities. During the project planning development phase the Roads and Traffic Authority seeks to minimise the impact on biodiversity by avoiding, mitigating and offsetting impacts on biodiversity. Despite our best planning efforts, some projects present complex or unpredicted impacts on threatened fauna or flora and the Roads and Traffic Authority has responded with, I am pleased to say, innovative management approaches. As an example, the habitat for the endangered purple copper butterfly on the Castlereagh Highway, near Lithgow, was unintentionally impacted during upgrade works. The Roads and Traffic Authority, working with a local ecologist, the community and government groups transferred to critical habitat plants and butterfly larvae from damaged areas to a secure habitat. Ongoing management included ongoing weeding and bush regeneration works and annual monitoring. As a result the population has been retained in this location and it continues to expand.

For a part of the Pacific Highway upgrade, the Roads and Traffic Authority worked closely with other government agencies and the contractor to put in place a range of temporary fencing measures and variable message signs to reduce koala injury on or near the highway. Since then no koala deaths have been recorded. A good example is the Bonville Bypass. Just over a year ago, my first public duty was to open the \$256 million Bonville Bypass, which was 9.6 kilometres long. People say it is a lot of money, which it is, but if you drive along that stretch of road you see the cyclone fences, with floppy tops, along the side of the highway. Koalas climb that fence and fall back into the habitat rather than being able to scale the fence. Underpasses have been provided also. We are very proud of those sorts of measures that we put into modern highway building.

As part of the Hume Highway upgrade, the Roads and Traffic Authority sought the advice of specialist to support squirrel gliders, threatened woodland birds and threatened reptiles to develop a comprehensive fauna crossing strategy. This has included the installation of lizard pipes, management and replanting of vegetation and the installation of underpasses, rope bridges and glider poles to help fauna crossing on the road corridor. An extensive compensatory habitat strategy has also been implemented in consultation with other government agencies to ensure conservation of threatened species. The aim of the strategy is to ensure that in a landscape that has been highly cleared, the remnant vegetation can sustain populations of threatened species, and monitoring to date indicates that populations of the threatened squirrel glider have not been impacted by the construction work.

Ms Lee Rhiannon will be particularly interested in Camerons Corner. She brought a delegation of people to see me just before last Christmas about that matter. I indicated that I was driving to Queensland to look at the Pacific Highway and would stop at Camerons Corner, which I did when I was on my holidays. I returned and discussed this proposal with the Roads and Traffic Authority. The Roads and Traffic Authority has carefully considered the issues raised by the community and other stakeholders for the realignment of Waterfall Way at Camerons Corner and has responded to meet community issues and concerns. During 2008 and early this year the Roads and Traffic Authority assessed the environmental impact of the proposed realignment and consulted with the community.

A Review of Environmental Factors report was prepared to assess the potential environmental impacts of the proposal, and the report was displayed for public review and comment in early 2009. Forty-seven separate submissions were received, representing approximately 400 individuals. In its submission, council advised that it no longer supported the preferred option. While some members of the local community supported the proposed re-alignment, the overwhelming majority of the community expressed concerns about the impacts to biodiversity and other social, cultural and visual values at Camerons Corner. The community also asked for other options to be considered. The Roads and Traffic Authority listened to those concerns and has recommended that when funding becomes available it would investigate other options to re-align the road at Camerons Corner which would better protect the environment and address the issues that the community raised.

**The Hon. PENNY SHARPE:** Will the Minister update the committee about progressing plans to build the F3 Hunter expressway?

**Mr MICHAEL DALEY:** I am happy to do that. It is nearly \$1.7 billion—I could talk about that all day. In the May 2009 budget, the Federal Government announced \$1.45 billion from the Building Australia Fund to construct the Hunter expressway. The State Government announced a \$200 million contribution to the project. So at \$1.65 billion, this signifies the start of the biggest public road infrastructure project the Hunter has ever seen. It is 40 kilometres of brand new three-way standard dual carriageway that will be constructed during the next four years. The project will involve construction of a four-lane freeway link between the M3 near

Seahampton and the New England Highway, west of Branxton. It will also provide a direct boost to the State economy, creating more than 800 direct, and 2,400 indirect jobs.

Preliminary construction activities are already underway with the environmental assessment, planning approval and a majority of the land acquisitions are already complete. The 14 kilometre section of the Hunter expressway between the F3 and the Kurri Kurri interchange will be built under an alliance agreement with the successful tenderers to be announced in October. The 26 kilometre section of the Hunter expressway between the Kurri Kurri interchange and Branxton will be built under a design and construct contract which will be announced in late 2010. When complete, this project will translate into improved safety for motorists and will direct an efficient route for regional and interstate freight, and new opportunities for businesses to develop between Newcastle and the upper Hunter. The new freeway will build on the existing national road network between Sydney, Newcastle and Brisbane and help develop the Hunter region over the next decade.

**The Hon. KAYEE GRIFFIN:** Will the Minister advise the committee on the Roads and Traffic Authority strategy to ensure that it has the human capital to deliver the government infrastructure projects?

**Mr MICHAEL DALEY:** Yes. The Roads and Traffic Authority is rising to the challenge set by the Government to deliver its record infrastructure program. People must bear in mind that we are now seeing unprecedented amounts of spending on roads. The \$4.4 billion is the largest expenditure on roads in the history of the State. We are also now seeing a refreshing approach by a federal government that realises that national building is not just a phrase, but it actually requires some funding, so for the first time in more than a decade we are seeing unprecedented amounts of federal funding on our roads. Someone has got to build that, and it is the Roads and Traffic Authority. That additional funding, as welcome as it is, places additional demands on the manpower in the Roads and Traffic Authority and its ability to build and maintain the State's road assets, reduce the road toll and work collaboratively across government to address congestion and improve transport outcomes.

The Roads and Traffic Authority recognises the importance to people in achieving these goals. Its chief executive officer, Michael Bushby, recently launched the Roads and Traffic Authority's People Plan 2010. The plan shows how the Roads and Traffic Authority is working to renew its workforce, help its people meet their potential through a range of development programs, and sustain performance through innovation. Like many infrastructure organisations worldwide, the Roads and Traffic Authority continues to face skills shortages in key technical areas, such as engineering, surveying and road design as many economies invest in infrastructure to stimulate growth.

Significantly, the Roads and Traffic Authority faces significant challenges with its ageing workforce, 23 per cent of whom are scheduled to retire within the next three to five years, compared with an all-of-industry average of 11.82 per cent of the workforce, scheduled to retire in that same period. So it is a significant challenge for the people sitting on my left and right. There are three key themes within the Roads and Traffic Authority's People Plan 2010. They are, first, renewing the workforce through effective planning for future needs and recruitment of key front-line skills; secondly, growing their own, developing and retaining Roads and Traffic Authority people and their skills, which is important; and, thirdly, driving innovation, sustaining high performance, evolving to meet changing customer and community demands and expectation.

The Roads and Traffic Authority is also committed to the safety of its people and the community. The Roads and Traffic Authority is comprised of a diverse workforce of over 7,000 people in 180 regional and urban locations in New South Wales. The measures in the Roads and Traffic Authority People Plan are innovative and cost-effective, and provide a practical response to the challenges outlined earlier. The Roads and Traffic Authority's Workforce Renewal Program focuses on planning for future skills needs, recruitment of key front-line and specialist skills through its range of employment and training programs for experienced professionals through to graduates, apprentices and trainees. This includes targeted initiatives for school leavers, women, Aboriginal people and people with a disability.

The Roads and Traffic Authority recognises the importance of developing its people and their careers and retaining current staff. The People Plan outlines a number of key initiatives, including the introduction of the Roads and Traffic Authority's on-line learning centre, providing improved access to information and training for staff, leadership, development and vocational-specific training, coaching and mentoring. In driving innovation, the Roads and Traffic Authority is seeking to evolve and meet changing customer and community needs through a range of initiatives. The Roads and Traffic Authority is a world leader in such areas as intelligent speed adaptation to improve vehicle and road safety, facial recognition software to reduce the risk of fraud and satellite-based road network monitoring to improve public transport flow and enhance heavy vehicle



management. This innovative culture extends into the workplace as the Roads and Traffic Authority seeks to find new and better ways of doing business, reducing costs and developing a workforce that is mobile, adaptable and flexible.

**The Hon. IAN WEST:** My question refers to Budget Paper No. 3, section 20, page 26, operating statement, other operating expenses, and the important issue of chain of responsibility laws for heavy vehicles. Could you advise the Committee about implementation of that chain of responsibility for heavy vehicles?

**Mr MICHAEL DALEY:** I can. This is an innovative way of ensuring better compliance through the whole logistics chain where heavy vehicle freight movement is concerned. It reflects the recognition that often when you are addressing breaches in safety laws and traffic laws in respect of heavy vehicles the truck driver is not the most important person in that chain and there are others who bear as much, if not greater, responsibility. The Road Transport (General) Act 2005 first wave of national compliance and enforcement reforms introduced risk-based penalties for mass, dimension and load restraint offences, substantially increased the upper level of penalties that can be imposed on offenders and introduced a legal chain of responsibility. Last year these provisions were extended to apply to fatigue and speed compliance. Under the chain of responsibility laws, all parties—all parties—in the road transport and logistics chain, including consignors, packers, loaders, operators, drivers and consignees, are liable if they have not taken reasonable steps to prevent illegal behaviour. Significant investigative and enforcement powers are in place to support enforcement of this legislation by the Roads and Traffic Authority.

Since 2005, the grain-handling sector has been a key focus of Roads and Traffic Authority enforcement operations. A Roads and Traffic Authority investigation during the 2005 grain harvest—this is worth noting—found that less than 68 per cent of grain trucks were within legal load limits and over 20 per cent were substantially breaching the legal limit, which is an unacceptable breach of safety on our roads. In excess of 200 statutory directions have been served with in excess of 30,000 business transactions and freight deliveries analysed to identify persons, companies and vehicles of interest.

This enforcement strategy included an investigation that covered just 72 hours of activity at various locations throughout New South Wales and identified that 30,290 truck deliveries of grain were made—just over 30,000. Of these 9,809 were ultimately identified by the Roads and Traffic Authority as being illegally overweight. Prosecution action was taken against an operator, consignor and consignee, principally on severe offences, and there were around 330 successful prosecutions for overloading offences. The Roads and Traffic Authority also brought an action against GrainCorp for commercial practices that were inducing the unsafe overloading of vehicles at 28 sites throughout New South Wales during the 2005 harvest. On 26 May 2008, in a judgement by Magistrate Clisdell, all charges were dismissed in the Local Court. I am advised, however, that this is the subject of an appeal to the Supreme Court.

The bottom line is that these laws, and the activity by the Roads and Traffic Authority to enforce them, have had the desired effect on the grain-handling sector. In the 2008 grain harvest, more than 70 per cent of grain trucks were legal with substantial breaches down to 0.6 per cent and severe breaches down to less than 0.1 per cent. The Roads and Traffic Authority has taken very good and decisive action, which means that the acutely dangerous practice of severely overloading grain trucks and the widespread habit of substantial overloading has been almost eliminated because of chain of responsibility laws.

**The Hon. PENNY SHARPE:** Minister, can you please inform the Committee about the Roads and Traffic Authority's disaster recovery planning for disasters such as influenza?

**Mr MICHAEL DALEY:** I am advised that preparedness for events, such as an operational failure in a computer centre or a global pandemic such as this, is a key feature of the Roads and Traffic Authority's business continuity plan. The Roads and Traffic Authority conducts an annual disaster recovery exercise on its information technology equipment and data centres. Roads and Traffic Authority systems operate out of two diverse outsource data centres and selected applications and functionality regularly switch between the two facilities.

The rationale of this year's disaster recovery exercise was to perform a full system switchover from one data centre to the other. The objective was to ensure that the Roads and Traffic Authority could maintain critical public services and that our system processes work seamlessly should there be a major operational failure. The objectives of the test were to: verify the disaster recovery architecture, verify the network and switch communications infrastructure, isolate one data centre environment while performing disaster recovery testing at

the other, test the functionality of the recovered applications and the currency of the recovered data, restore all environments after completion of the disaster recovery exercise, have application verification to confirm that all applications remain in a productive state after completion of the disaster recovery exercise, and identify improvements to the recovery plans and processes. The disaster recovery exercise was successful in that all of the above criteria were met.

Further enhancements will be made to the Roads and Traffic Authority's information technology data centre infrastructure to enhance and speed up the Roads and Traffic Authority's ability to react to a critical data centre situation, if one arises. The Roads and Traffic Authority has prepared a pandemic response plan as part of its business continuity planning activities. The plan's activities are aligned to the Australian pandemic alert phases and incorporate the new alert phase, "protect". The plan has been communicated to key staff across the organisation. The Roads and Traffic Authority has been managing the H1N1 influenza 2009 swine 'flu outbreak by keeping staff well informed via regular fact sheets and posters and strongly reinforcing strategies to prevent the spread of infection. Staff also have access to infection control measures, such as waterless hand sanitiser and antibacterial wipes. Finally, a quantity of P2 respirators has been stockpiled for use, if necessary, in critical business areas.

**The Hon. DON HARWIN:** As we were discussing earlier, the University of Newcastle report was released under the Standing Order 52 request. Would it surprise you to learn that just last Friday, in response to a freedom of information request in relation to the same University of Newcastle report, the Roads and Traffic Authority was blacking-out or deleting large sections of the report, including for example the section to do with the clip-on on the eastern side of the Iron Cove Bridge? It deleted large sections using clause 4A of the Freedom of Information Act, which relates to exempting documents that would facilitate the commission of a terrorist act. Given that this document is already in the public domain, is this not a clear indication that the RTA still has a continuing problem with transparency and that your Government's much-vaunted new approach to FOI is just spin.

**Mr MICHAEL DALEY:** The FOI process is run independently by the RTA without any input from my office or interference from my office, so I cannot comment on that.

**The Hon. DON HARWIN:** Would you mind if Mr Bushby responded?

**Mr MICHAEL DALEY:** Perhaps Mr Harwin would repeat the last part of his question.

**The Hon. DON HARWIN:** The last part of the question was: given that this document has already been provided under Standing Order No. 52, yet the RTA is using the terrorism clause of the Freedom of Information Act, does this not show that the RTA has a continuing problem with transparency?

**Mr BUSHBY:** I think we are looking at different levels of obligation in relation to the discovery of documents in the two processes you have referred to. Certainly the documents that have been delivered to the Parliament have included the documents that were caught under that requirement as being necessary to be produced. When a document is being assessed against the Freedom of Information Act it is being compared against a different regime. I think what you are highlighting is that there has been a different assessment between the two. I do not see that as being inconsistent.

**The Hon. DON HARWIN:** So even though a document has already been tabled in Parliament and any member of the public can look at it, the RTA is still happy to use the FOI Act to refuse to be transparent and allow members of the public to look at documents that are in effect already publicly available?

**Mr BUSHBY:** I think the end product of the line of questioning is: why would you need to FOI a document that is already in the public domain?

**The Hon. DON HARWIN:** That is not really an answer.

**The Hon. PENNY SHARPE:** It is a very good question, though.

**The Hon. DON HARWIN:** Let us move on to another question in relation to the Roads budget leak. As you know, Minister, the *Sydney Morning Herald* ran a story on 2 June that the Roads budget had been substantially leaked. First, would you confirm that the information that appeared in the *Sydney Morning Herald* about the State Budget was accurate?

**Mr MICHAEL DALEY:** I do not have any recollection of what was in the *Sydney Morning Herald* article from some months ago.

**The Hon. DON HARWIN:** It beggars belief that on an issue as extraordinary as the leaking of an entire budget for a portfolio you would not recall whether the leak was accurate or not. Are you telling me that?

**Mr MICHAEL DALEY:** You just asked me whether the article in the *Sydney Morning Herald* some months ago was accurate.

**The Hon. DON HARWIN:** I ask the question now in a different form. Was the information correct or not?

**Mr MICHAEL DALEY:** What information?

**The Hon. DON HARWIN:** The *Sydney Morning Herald* printed a substantial story—

**Mr MICHAEL DALEY:** Which I do not have in front of me.

**The Hon. DON HARWIN:** —about the leaking of the budget. One of the claims that was in the *Sydney Morning Herald*—

**The Hon. IAN WEST:** What date?

**The Hon. DON HARWIN:** I have given that date, Mr West; it was 2 June 2009. There was a planned cut of \$160 million in capital and maintenance spending on rural and regional roads. Why did you consider slashing the funding for capital and maintenance spending on rural and regional roads by \$160 million?

**Mr MICHAEL DALEY:** I did not. You asked me why I considered slashing it. I did not.

**The Hon. DON HARWIN:** Was there at no time any proposal to reduce the capital and maintenance spending on rural and regional roads by \$160 million?

**Mr MICHAEL DALEY:** A finished product and the expenditure on rural and regional roads appear in the budget and you can have a look at that yourself.

**The Hon. DON HARWIN:** It seems quite extraordinary that a story was printed in the *Sydney Morning Herald* that was accurate in every respect other than this one matter. Why did you choose to restore this funding when the budget was handed down?

**Mr MICHAEL DALEY:** I do not consider that that is what happened at all. The gist of your question is: whilst the budget was being prepared did it change from time to time during the months prior to it actually being settled? Yes. Budgets do that. You can see the finished product.

**The Hon. DON HARWIN:** So there was no change between 2 June and the final product in terms of the funding for capital and maintenance spending on rural and regional roads?

**Mr MICHAEL DALEY:** That is a different question. I have no involvement in that. Those preparations are done by the RTA and then they present a draft budget to me for me to okay. Are you asking whether the budget changed two, three, four, five or six months prior to actually being settled? Yes.

**The Hon. DON HARWIN:** No, I asked about the period between 2 June and the date the budget was handed down.

**Mr MICHAEL DALEY:** It is a curious line of questioning. You can see what the finished product is in respect of rural and regional New South Wales. It is right in front of you.

**The Hon. DON HARWIN:** When the bypass from Kempsey to Eungai was announced four years ago—

**Mr MICHAEL DALEY:** When what was announced four years ago? You might have to get Mr Stoner to draft your questions a little more accurately, Mr Harwin.

**The Hon. DON HARWIN:** The bypass from Kempsey to Eungai, which is 42 kilometres in length, was costed at \$300 million to \$400 million four years ago, yet in the latest announcement the cost is \$618 million for a road from Kempsey to Frederickton, which is 14 kilometres. Why has the cost blown out and why has the route changed?

**Mr MICHAEL DALEY:** The cost has not blown out. Mr Watters will take you through that in quite some detail. For you to say the cost has blown out simply reflects two things: Mr Stoner did not do his homework before he gave you that question and no-one in your Coalition understands how road infrastructure is planned and built. Mr Watters might like to take you through those figures.

**Mr WATTERS:** I do not have the precise figures you are referring to, but in general the process we go through is a route planning exercise, and Kempsey to Eungai was no different from any other. We looked at alternative routes, and we have previously discussed the same principle for Mt Victoria to Lithgow. We look at different routes and go through environmental assessment of those routes and issues to do with floodplains, soft soils, and all sorts of engineering issues associated with those alternative routes. A few years ago the preferred route was announced. In doing that strategic planning exercise we undertake a comparative costing of different routes. It is based on no design, because of course at that stage we have not designed any of the routes, but it is based on a comparable level of accuracy. Often those so-called strategic estimates are made public. They are in the public arena because we have been discussing alternative routes. Once we have announced the preferred route we then go into more detailed environmental assessment and we start doing design on that route. It is quite common that the cost of the more detailed design is higher than the earlier strategic assessment. I do not recall the cost for Kempsey to Eungai.

**Mr MICHAEL DALEY:** Mr Harwin, those figures often differ. The early initial estimate differs from the final cost of the product budgeted some years later for simple economic reasons such as the fact that steel has increased in price.

**The Hon. DON HARWIN:** I appreciate that. I go back to questions that Reverend the Hon. Fred Nile asked earlier about the Gerringong to Bomaderry project, which I hope will be advanced quickly. I wish to ask Mr Watters some follow-up questions. Mr Watters, you talked about the three stages—those were the exact words that you used—

**Mr WATTERS:** I think I said "possible three stages".

**The Hon. DON HARWIN:** Would you mind outlining what are those possible three stages?

**Mr WATTERS:** The northern third, middle third and southern third.

**CHAIR:** That is what they are called.

**The Hon. DON HARWIN:** Do you have a—

**Mr WATTERS:** Do we have a strategy?

**The Hon. DON HARWIN:** No. Do you have a strategic estimate for the cost of each of those thirds—the northern third, the middle third and the southern third?

**Mr WATTERS:** No, I do not. There is a staging—

**The Hon. DON HARWIN:** Is there an overall—I am sorry; I will let you finish your answer.

**Mr WATTERS:** I was going to state that I rather facetiously said northern third, middle third and southern third because we do not, in fact, have a construction staging plan. It would be a matter for budgetary consideration by the Government in future budgets. A project of the length of Gerringong to Bomaderry would be a very high cost for the Government. If you look at the history of the Princes Highway you will see that we are coming close to the completion of Oak Flats to Dunmore, which is a major construction project. We are doing significant works at south Nowra and it is likely, based on history, that the Gerringong to Bomaderry

project would be constructed in stages. It is big enough and long enough to be viable, in relevant economies of scale, to build it and to open it to traffic in stages.

**The Hon. DON HARWIN:** Indeed. Mr Watters, appreciating the distinction about which you reminded us between a strategic estimate and a final cost, we have heard differing figures about the strategic estimate for those three stages—about \$800 million and around \$1 billion. What is the strategic estimate and cost of those three stages?

**Mr WATTERS:** We do not have separate costs for the three stages. I do not even think I have with me the strategic estimate for the full project. I will take on notice that part of your question relating to the strategic estimate and cost of the full Gerringong to Bomaderry project.

**The Hon. DON HARWIN:** I have one other question relating to a project in Palerang shire, which is in that part of the world. I note that the first stage is a drawing to a conclusion, which inevitably invites the question: Where should it go? Of course, that is a matter of great interest to the people of Braidwood, Bungendore, Tarago and Nerriga. Minister, will you commit to the funds needed to do an economic analysis of whether the upgrade should go past Nerriga, including an environmental assessment and other similar studies that would be needed to make a decision about that road?

**Mr MICHAEL DALEY:** I would have to take that question on notice. Mr Watters could let us know what is being funded this year. I cannot make any commitments in relation to the outward years, Mr Harwin.

**The Hon. DON HARWIN:** I appreciate that.

**Mr WATTERS:** The current commitment is to complete from Nowra to Nerriga. The Federal Government initiated the project and the State Government provided matching funding to make up the first \$80 million. The full cost of getting from Nowra to Nerriga, given the original commitment of \$80 million, was supplied at least five years ago. This year the State Government contributed a further \$15 million, which will enable completion from Nowra to Nerriga. As you pointed out, the original commitment ended at Nerriga. There has been no commitment by either the Federal Government or the State Government to investigate, plan or construct anything west of Nerriga. It would be a matter for the incoming Minister to decide whether or not to conduct the economic study that you are proposing of options further west.

**The Hon. TREVOR KHAN:** Minister, when invitations to tender are published, what processes does your department go through to investigate whether employees or relatives of employees are directors or operators of the companies that are tendering for that work?

**Mr WATTERS:** For every tender—and I am talking about major infrastructure projects for which I am responsible—we appoint a tender assessment panel comprised of internal employees in the Roads and Traffic Authority. There might also be an external appointee and almost always a probity auditor is appointed to that panel. Every individual on that panel has to sign both a confidentiality statement and a no conflict of interest statement in which they have to state that neither they nor any close relatives have any pecuniary interest in the companies that have tendered.

**The Hon. TREVOR KHAN:** Let us put aside for one moment those major infrastructure projects and deal with, for example, maintenance projects and the like. I again put that question.

**Mr BUSHBY:** I think we should look at it more generally. The Roads and Traffic Authority has a strong code of conduct and ethics. As an organisation we strongly enforce that code—the requirements on individuals within the organisation on how they are to behave and how they are to interact with people on a commercial or a customer basis. Our code of conduct and ethics does not allow individuals to be in a conflicting situation. I expect all staff to be trained in that code of conduct and ethics and to be aware of its requirements. If there is something specific to which you are referring I would be interested in taking it up and gaining an understanding of it.

**The Hon. TREVOR KHAN:** Let me put it to you this way. What steps does the Roads and Traffic Authority take to ensure that employees or relatives of employees are not directors or operators of companies that are the recipients of contracts from the Roads and Traffic Authority? Other than issuing a code, what do you do to ensure that that is not the case?

**Mr BUSHBY:** All the members of our staff are trained in the code of conduct and ethics. They are acutely aware that people who transgress the code will be treated somewhat harshly at times, and we dismiss people who transgress in that sense. They are all trained in the requirements of that code. In both major and minor contracts they are aware that they are not to have any conflicts of interest. If at times they are aware of something they are asked to disclose it and to withdraw from any decision-making. I am not sure where you are going with that question.

**The Hon. TREVOR KHAN:** Let me ask you this question: Do you have any policy in place with regard to the awarding of contracts to companies where the directors or operators of those contracts are parliamentarians or the family members of parliamentarians? If not, why not?

**Mr BUSHBY:** We go through a strict probity arrangement to ensure that—

**The Hon. TREVOR KHAN:** That cuts out one question.

**Mr BUSHBY:** We go through that arrangement to ensure that fair arrangements are in place for comparisons between potential tenderers in any circumstance, regardless of whether it relates to major projects or to minor works, to ensure that the company selected to undertake work on our behalf is the best and most capable company to deliver it and to provide value for money for the expenditure the Roads and Traffic Authority is making in relation to that purchase.

**The Hon. TREVOR KHAN:** If that is your answer, do I take it that you do not have a policy in place that deals with parliamentarians or family members of parliamentarians receiving contracts from the RTA?

**Mr BUSHBY:** My answer is that we would make sure that there is no conflict in relation to letting tenders for supply of goods or services.

**Ms LEE RHIANNON:** Minister, recently Shell announced that its fuel tanker operations were being moved from rail to road. Do you know how many additional truck movements will result? If you do not, is it because Shell is not obliged to tell the RTA?

**Mr MICHAEL DALEY:** I do not know because I have never been told, but someone else might have an answer. If not we will take it on notice.

**Mr HALTON:** Minister, it is the case that no law requires Shell to disclose to us its road freight movements.

**Ms LEE RHIANNON:** So Shell is not obliged to tell you?

**Mr HALTON:** No.

**Ms LEE RHIANNON:** At Mount Victoria the Caltex multipurpose service station recently was upgraded. Previously it was a fairly minor small family repair business and was upgraded. It now operates 24 hours a day 7 days a week. There is an associated unofficial truck driver rest area adjacent to a number of homes. What measures have you taken to provide a legal truck stop and upgrade the facilities for truck drivers in a way that does not disrupt the lives of Mount Victoria locals?

**Mr MICHAEL DALEY:** I would suggest, Ms Rhiannon, that that is probably a matter for the local council.

**Ms LEE RHIANNON:** No, it is not. You keep passing the buck to Blue Mountains council, but it is the RTA that has responsibility for that area.

**Mr MICHAEL DALEY:** No, it is not.

**Ms LEE RHIANNON:** Surely the RTA is responsible?

**Mr MICHAEL DALEY:** No, it is not.

**Ms LEE RHIANNON:** You are saying you are not responsible for truck stops for these big B-doubles coming through?

**Mr MICHAEL DALEY:** The RTA provides truck stops on major routes in New South Wales on a State road map, but when an operation such as the one you have described operates in a way which, as you say, is a nuisance to local residents, I would suggest that we are looking really at the conditions of consent under a development application.

**Ms LEE RHIANNON:** You are actually wiping your hands of this truck stop facility on what is clearly an RTA road coming across the mountains?

**Mr MICHAEL DALEY:** I think you might want to reflect better on which responsibilities you are talking about—the responsibility to provide rest areas for truck drivers in the State of New South Wales or the responsibility to make sure that Caltex service stations do not breach the hours of consent and inordinately affect local residents.

**Ms LEE RHIANNON:** There are two truck stops. The ones at Falconbridge and Mount Boyce have limited facilities for truck drivers. The one at Mount Victoria effectively has become an illegal truck stop and the RTA keeps on—

**Mr MICHAEL DALEY:** Illegal in what sense?

**Ms LEE RHIANNON:** I understand that it is not an official truck stop, but the big trucks regularly stop. They do so all through the night and it is causing a lot of problems. I mean, it is pretty disappointing that the RTA—

**Mr MICHAEL DALEY:** It is not a matter for the RTA. It is a matter for the police and local council, as a matter of law.

**Ms LEE RHIANNON:** You have nothing to do with these situations? Thanks, Minister.

**Mr MICHAEL DALEY:** I just answered that question.

**Ms LEE RHIANNON:** Moving on to something more pleasant, as you are about to leave this portfolio I want to thank you about Cameron Corner. I certainly acknowledge the open-door policy you have had. You gave those people a lot of time.

**Mr MICHAEL DALEY:** Thank you.

**Ms LEE RHIANNON:** They most definitely appreciated it.

**Mr MICHAEL DALEY:** It is a nice neck of the woods up there too.

**Ms LEE RHIANNON:** Yes. Well, that is what they wanted to get across to you. Are you disappointed that in your time as Minister for Roads you failed to restore funding levels to cycling following the severe cuts inflicted by previous roads Minister, Mr Costa, and that you have overseen the closure of the M2 bike lane? I apologise, that was before your time as Minister. However, in your time as Minister the significant Prospect Reservoir to Guildford cycleway has been chopped off and a large section of it lost. The funding issue is really big. The cycleway has not been restored.

**Mr MICHAEL DALEY:** I just opened a \$15 million cycleway across the Warringah Freeway.

**Ms LEE RHIANNON:** If we follow what happened with the Prospect Reservoir-Guildford cycleway, it was opened and a few months later half of it was lost. That is the pattern of your Government.

**Mr MICHAEL DALEY:** That was not land that was owned by the State Government. I think that was owned by Boral and that is a matter about which I met with the local council as recently as last week to try to work with Boral, the local community and the councils to make sure that cycleway stays open. Might I also say that in this current budget the RTA has allocated \$6.8 million to bicycle-specific infrastructure, education and promotion programs, including \$4 million under a dollar-for-dollar local program matched by 77 partner

councils to deliver 93 cycle projects in communities across New South Wales. The RTA estimates that in 2009-2010 it will build infrastructure for pedestrians and cyclists valued at \$4.5 million as part of its major road construction and upgrading programs.

**Ms LEE RHIANNON:** Considering that Bike Plan 2010 promised \$25 million per annum, quoting those amounts is actually not anything to be proud of?

**Mr MICHAEL DALEY:** We also have other things and items of major infrastructure such as the Lane Cove Tunnel, which has a bicycle path. There are bicycle paths on the M7. We are entirely satisfied with what we have done. As I just mentioned to you a minute ago, we have a significant level of funding in this year's budget. As we keep unwinding the bicycle plan we will see an improvement in cycling facilities across New South Wales.

**Ms LEE RHIANNON:** What is your proposal for the Prospect Reservoir to Guildford cycleway, considering that it was opened with great fanfare with the support of various government departments, including the Department of Health? How is it going to be restored? One of your original plans was to have people come down and push a button and actually have to cross a huge six-lane highway, which would be very dangerous, when previously the cycleway was a continuous link?

**Mr MICHAEL DALEY:** Not if it is a signalised crossing and the traffic gets a red light.

**Ms LEE RHIANNON:** That is what you are proposing?

**Mr MICHAEL DALEY:** Well, that is far less dangerous than having to negotiate it without a signalised crossing.

**Ms LEE RHIANNON:** Previously, it was a continuous cycleway that you have chopped off in the middle. Why do you not get—

**Mr MICHAEL DALEY:** Who has chopped it off in the middle?

**Ms LEE RHIANNON:** Excuse me? The RTA is expanding the road there. Boral has not been real good, but you cannot shift the blame, seriously?

**Mr MICHAEL DALEY:** It is on private land. As I understand it, it is on private land.

**Ms LEE RHIANNON:** You have the equivalent of a motorway-size road that is virtually the equivalent of the Cumberland Highway with 30,000 cars and these huge B-doubles rattling along it. The cycleway will be just trashed. It has been trashed; there is a cyclone fence there now. That is appalling, Minister?

**Mr MICHAEL DALEY:** As I said, I had a very productive meeting with councils last week and we have undertaken to work with them, the community and Boral to see if we can get a good outcome that is safe for cyclists on that 25-kilometre bicycle path.

**Ms LEE RHIANNON:** I move now to the issue of overloading offences. Again I acknowledge that it is an area where advances have been made and the chain of responsibility clearly is an important achievement. How many cases have ended up in court under this new law?

**Mr MICHAEL DALEY:** I am not sure if Mr Halton might have that with him. If not, he probably has it in his head.

**Mr HALTON:** Minister, my memory is approximately 330 successful prosecutions. That has included successful prosecutions on consignors and consignees as well as management and directors of actual on-road trucking companies.

**Ms LEE RHIANNON:** How many prohibition orders have been issued?



**Mr HALTON:** One prohibition order has been issued by a New South Wales court, which, on my information, is the first and only one in Australia. That concerns Mr John Bogden, who was ordered by a court to have nothing to do with the loading or movement of a truck to, through or from New South Wales.

**Ms LEE RHIANNON:** Why has there been only one?

**Mr HALTON:** It is the first and only one that the RTA sought. To make an application before the court the RTA first must secure a conviction for various offences. Then, prior to a judge bringing down a sentence, the RTA as a prosecutor needs to make an application to invite a court to determine that a person or a company is a systematic and persistent offender. We then need to persuade the court that the nature of that person's behaviour is so extreme that they should in essence be banned from the industry. We have sought to do that once and succeeded.

**Ms LEE RHIANNON:** I probably do not understand the process fully, but you started off with those good figures of 336. I still do not understand why there has been only one prohibition order. It sounds as though there is a real urgent need for that because they send out a clear message to the industry.

**Mr MICHAEL DALEY:** Ms Rhiannon, if I may say so, the best way to achieve safety in the heavy vehicle industry is not to prosecute people out of existence but to get them to change behaviour. That is very much what the RTA has sought to do. We are nation leaders in heavy vehicle enforcement and safety. We have had excellent success in getting a change of behaviour. The best way to do it is to work with responsible operators. As I say, we lead the nation in heavy vehicle safety.

**Ms LEE RHIANNON:** Your point is totally taken. Everybody is committed to the issue of public safety. But it was always recognised when we shifted over to the chain in responsibilities legislation that prohibition orders were an important part of that shift. Why do we only have one, Minister?

**Mr MICHAEL DALEY:** Mr Halton might like to add to this but, as I say, if they do not get to the point where you have to issue them with a prohibition order, it means that they have changed their behaviour. The chain of responsibility legislation has been very effective in aiding that change of behaviour because it does not simply mean that the truck driver gets punished: It means that the directors of companies, consignees and consignors and people in the whole logistics chain have a responsibility, and that has really cleaned the industry up.

**The Hon. IAN WEST:** The whole industry acknowledges that.

**CHAIR:** The time allocated to the Greens for questions is up.

**Mr HALTON:** Mr Chairman, should I follow on from the Minister? I am not certain what procedure you would like me to follow.

**Mr MICHAEL DALEY:** It is up to you, Mr Chairman.

**CHAIR:** It is just a question about why only one prohibition order has been issued. I think the Minister answered that. He was saying that there has been a change of culture in the industry.

**Mr HALTON:** I think what might assist the Committee is just to point out that a prohibition order to actively ban a person or a company from the industry is the most extreme power available to the court. Below that level there is a thing called a supervisory intervention order. The RTA has successfully applied for 10 of those. They are orders that instruct a company to do anything a judge sees fit in relation to purchasing new equipment, retraining certain people, amending their contracts and whatever what may be required. We have 10 of those orders in place.

To give you two examples of the impact, one firm which is well known in the industry is Queensland Freight Management. It has been subject to two intervention orders. Their offence rate on the road for simply overloading, and no other behaviour, fell from six offences detected on the road per month to three offences. The RTA sought a second order on them, and their offence rate by the end of the last financial year was half an offence per month, so that moved them from six detected offences a month to 0.5.

A firm called Manway, which received a well-publicised supervisory intervention order, was recording through roadside detection approximately five offences per month. By the end of the financial year it was recording 0.1 offences per month. We are comfortable with those results.

**CHAIR:** Minister, with regard to the M4 extension, everybody in Sydney is conscious that Parramatta Road is one of the most congested roads in Sydney. It would seem that extension of the M4 should be a high priority. I note in the budget paper that there is an allocation of only \$20 million for planning, as if it is some long-term, vague project in the distant future. Could you give us some concrete information about it—that there will be some definite progress on the M4 upgrade?

**Mr MICHAEL DALEY:** The M4 extension was submitted to Infrastructure Australia for funding consideration in late 2008, but no funds were allocated to the project in the May 2009 Federal budget, despite the project having been identified for prioritisation. In the short term a project of this size, which has a price tag estimated at the moment to be somewhere between \$10 billion and \$11 billion for the full project, is well above the capabilities of the State Government alone. Federal funding will likely be required if that motorway is to be built in the future.

**CHAIR:** There were large allocations by the Federal Government to Victoria. Was there some problem with our New South Wales submission or lack of a submission to the Federal Government, or was there a lack of pressure on the Federal Government?

**Mr MICHAEL DALEY:** None whatsoever. In fact, the largest road project in the State has been funded in New South Wales as a result of an RTA submission to Infrastructure Australia.

**CHAIR:** Do you wish to add anything further to that?

**Mr MICHAEL DALEY:** No, unless Mr Watters wants to add something. The answer to that is no.

**Mr WATTERS:** I could just add that the Infrastructure Australia recommendations to the Federal Government resulted in \$8.5 billion across the nation. With New South Wales, for our two road projects, which are the Hunter expressway and the Kempsey bypass, we received \$2.1 billion out about \$8.5 billion. I think the press reports saying that New South Wales was unsuccessful were a little bit of reporter's licence.

**CHAIR:** I note in the budget papers that there is a large amount of money to apparently provide a service for private bus operators—260 new buses at \$54 million, and 114 replacement buses at \$45 million. Could you explain how the process works?

**Mr MICHAEL DALEY:** No, but I am sure that Minister Campbell, in whose domain that lies, would like to explain that when he fronts up.

**CHAIR:** You could explain it now. Are you buying the buses?

**Mr MICHAEL DALEY:** No, I cannot explain that. It is not within my portfolio responsibility, Chair. It is not in the RTA's budget.

**CHAIR:** I thought it was in the RTA's budget.

**Mr MICHAEL DALEY:** No, it is in the Transport budget.

**CHAIR:** Just following up on earlier questions on cycleways and so on, I have noticed, and other people have commented, on the M4 cycleway.

**Mr MICHAEL DALEY:** The M4 cycleway?

**CHAIR:** I am sorry, the M7 cycleway, which runs not on the road but across and to the side of the road. It does not seem to have any great usage. I am wondering what the cost of that was? It must have been an expensive project to build virtually a separate bike road.

**Mr MICHAEL DALEY:** I am not sure that we would have the cost aspect of that, but Mr Bushby might have.

**CHAIR:** Do you have any information on the usage?

**Mr BUSHBY:** I do not have the costs to construct, but I am certainly happy to take it on notice and get that for you. I think that has been discussed at estimates previously. The cycleway does get quite a bit of use. I was talking to the general manager of the Westlink M7 late last week. We were discussing some of the issues relating to the cycleway and how it is being used. I am happy to go back to them and ask them whether they have the usage information. It is of course managed by Westlink M7. It was provided as part of the M7 structure.

**Mr MICHAEL DALEY:** Mr Chairman, you mentioned safety. If you like, I can ask Dr Job to give you a bit more information about safety, if you wish. If you do not wish, that is fine.

**CHAIR:** I understand that it would be safe. I was just wondering whether the cost was justified. I certainly agree with the idea of not having people on bikes on expressways. I strongly agree that they should not be on expressways.

**Dr JOB:** It certainly gives us safety value to not have them exposed to close flows of high-speed traffic.

**CHAIR:** Yes. Just following up the issue of fatalities on the road, I note that you have had a target by the year 2016 to reduce road fatalities to 0.7 per 100 million vehicle kilometres. You have now achieved that, for which I congratulate you. It is down to 0.61. That would mean that now you need to review your targets. I cannot see much point in retaining the target of 0.7 when you are already down to 0.6 in 2009.

**Mr MICHAEL DALEY:** Yes. We are reviewing that target as part of the State Plan considerations. Dr Job will be able to update you on that, Mr Chairman.

**Dr JOB:** Mr Chairman, we have been very successful with the road toll up to the end of 2008. New South Wales has had six years in a row of reductions in the road toll, which have brought us back to a road toll that is the best since 1944 when we had dramatically fewer vehicles and dramatically fewer people comprising the population. Furthermore, no other State has achieved that. No other State has achieved six years in a row of reductions over the period. That means that we have managed to meet what was really at the time we set it a stretch target. But very aggressive reductions have meant that we have met that target.

However, we should note in reviewing it that meeting it now does not automatically mean that we will continue to meet it. It continues to be a challenge to keep the road toll down. We need to keep working harder and harder on it even to just maintain the target and to maintain the position we have achieved now. While we are reviewing the target, the fact that we have reached it now does not mean that it is automatic that we will still have reached it in 2016.

**CHAIR:** So you will review it?

**Dr JOB:** It is being reviewed.

**CHAIR:** You have not anticipated a target at this stage?

**Dr JOB:** At this stage we do not, except to note that it is always worth considering carefully the metrics we use. Targets can be measured in various ways for the road toll. The one which has been set has been in terms of per 100 million vehicle kilometres. There is deeply sound logic to doing that in that if we are improving safety on our roads then we should improve safety per kilometre of travel. There are other targets, however, which also give us information that that one does not. For example, the international practice is to compare jurisdictions in terms of fatalities per 100,000 population. One reason for doing that is that population exposure as pedestrians, cyclists, et cetera, is not taken into account when we consider vehicle kilometres of travel. So we need to take that into account as well.

Further, with improvements and promotion of public transport, et cetera—for example, the busway we have talked about—we see more movement of people to public transport. That is itself a legitimate safety exercise. We make people safer if we move them onto safer public transport. However, if you only look at the target in terms of vehicle kilometres, it means the benefits of moving people out of private vehicles into safer

public transport disappear from that metric. So for that reason we need to think about a number of metrics as well.

**The Hon. KAYEE GRIFFIN:** Will the Minister inform the Committee about activities completed and planned to improve the Macksville Bridge?

**Mr MICHAEL DALEY:** In November 2008 a detailed condition rating inspection of the Macksville Bridge was undertaken. In 2009 the bridge was reviewed for structural adequacy by the RTA's bridge engineering section, which has worldwide experts. Further investigation and works are in progress to alleviate steel fatigue issues identified in the past. Side mirrors on heavy vehicles often strike the frame of the bridge truss, showering the pavement or walkway with broken glass. Work will also be undertaken in 2009-10 to install screens adjacent to the walkway to prevent broken glass from entering the walkway area. In order to reduce the risk to the public, the structure receives a monitoring inspection every two weeks to ensure issues are identified and dealt with.

**The Hon. PENNY SHARPE:** Will the Minister advise the Committee about motorway tolling products for most cyclists and passes for motorcyclists?

**Mr MICHAEL DALEY:** Two electronic tolling products are available for use with motorcycles: one is an armband pouch that the tag fits into, and the other is a waterproof pouch fitted with a strong magnet that attaches to the motorcycle. The magnet design allows the pouch to be removed from the motorcycle for security. Fully electronic toll roads also offer video tolling number plate recognition opportunities for motorcyclists. Motorcycles have been charged the same toll as cars in New South Wales since 1987. The rate for motorcycles in New South Wales is specified in the project deeds for the various private toll roads, and operators are unlikely to change the existing revenue arrangements. The RTA offers quarterly passes to motorcyclists using the Sydney Harbour Bridge and the harbour tunnel. These passes provide motorcyclists with unlimited travel on harbour crossings for a cost of between \$92 and \$99, depending on the number of business days in each quarter. This product is available at nine RTA motor registries in and around Sydney central business district, including North Sydney, Chatswood, Wynyard, and city south.

**(The witnesses withdrew)**

**The Committee proceeded to deliberate.**

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