

REPORT OF PROCEEDINGS BEFORE

GENERAL PURPOSE STANDING COMMITTEE No. 4

**INQUIRY INTO THE TRANSPORT NEEDS OF SYDNEY'S
NORTH-WEST SECTOR**

At Sydney on Friday 7 November 2008

The Committee met at 12.00 p.m.

PRESENT

The Hon. J. A. Gardiner (Chair)

The Hon. J. Ajaka

The Hon. D. Clarke

The Hon. K. F. Griffin

Ms L. Rhiannon

The Hon. R. A. Smith

The Hon. H. S. Tsang

The Hon. L. J. Voltz

PHILIP GLENCOE LAIRD, School of Mathematics and Applied Statistics, University of Wollongong, sworn and examined:

CHAIR: Welcome to the first public hearing of the General-Purpose Standing Committee No 4 Inquiry into the Transport Needs of Sydney's North-West Sector. The Committee will hold its second hearing on Monday 10 November. The schedule for the hearing is available on the Committee's website. The Committee anticipated hearing evidence today from representatives of relevant government transport agencies. Witnesses the Committee invited were from the Office of the Coordinator General, who was asked to bring with him the appropriate representatives from the following agencies: New South Wales Ministry of Transport, New South Wales Department of Planning, New South Wales Treasury, RailCorp New South Wales, State Transit Authority, and Roads and Traffic Authority. However, the Committee received advice only yesterday that the Government was unable to provide witnesses for today's hearing—an extraordinary situation.

Before the hearing commences I shall make some comments about procedural matters. In accordance with the Legislative Council guidelines for the broadcast of proceedings, only Committee members and witnesses may be filmed or recorded. People in the public gallery should not be the primary focus of any filming or photographs. In reporting the proceedings of this Committee the media must take responsibility for what it publishes or what interpretation is placed on anything said before the Committee. The guidelines for the broadcast of proceedings are available on the table by the door. I remind everyone that messages for Committee members and witnesses must be delivered through the Chamber and support staff or the Committee clerks. Mobile telephones should be turned off as they interfere with Hansard's recording of the proceedings.

Committee hearings are not intended to provide a forum for people to make adverse comments about others. The protection afforded to committee witnesses under parliamentary privilege should not be abused during these hearings. Therefore, I request that witnesses avoid mentioning other individuals unless it is absolutely essential to address the terms of reference of the inquiry. All witnesses will be sworn prior to giving evidence. I welcome our first witness, Dr Laird. In what capacity are you appearing before the Committee?

Dr LAIRD: I am here as a private citizen, although I have drawn on the resources of the University of Wollongong to prepare the submission.

CHAIR: Dr Laird, if at any stage you consider that certain evidence you wish to give or documents you may wish to tender should be heard or seen only by the Committee, please indicate that fact and the Committee will consider your request. If you take any questions on notice, the Committee would appreciate it if the response to those questions could be forwarded to the Committee secretariat by 26 November. Would you care to make an opening statement to the Committee?

Dr LAIRD: Yes.

CHAIR: You may proceed.

Dr LAIRD: Just over 10 years ago the New South Wales Government released its Action for Transport 2010 program with an extensive program of road and rail projects. It was released in two parts: one for the entire State and the other only for Sydney, both citing construction of the Epping-Castle Hill railway by 2010. I quote from page 20 of the Sydney report, and table that page.

Document tabled.

Epping to Castle Hill rail by 2010.

Sydney's north west is the only growth corridor throughout the metropolitan region without a heavy rail link. Despite significant development in recent decades the provision of adequate public transport has been neglected. The result is a high dependency on cars. Failure to address this lack of public transport would mean reduced access to employment and educational opportunities for residents and severe traffic congestion.

Most of the Action for Transport road projects have been delivered, but only one small rail project in full: that of the Kiama-Dapto electrification. Parramatta-Chatswood has become just Epping-Chatswood with the costly mistake of the Lane Cove River crossing being a tunnel instead of a bridge. Two other major projects are important and they have suffered the same fate as Epping to Castle Hill. The first one is the very important Hornsby-Warnervale track upgrade to reduce congestion and improve transit times. The second is Waterfall-Thirroul.

Some questions were asked in Parliament about these two major upgrades. Subsequently, reports were released suggesting the costs were much higher than that given in the 1998 documents. Also about 10 years ago, in late 1998, the New South Wales public works committee released a report on the tilt train. The New South Wales parliamentary report was motivated by the fact that the Queensland Government was planning to introduce electric tilt trains travelling at 160 kilometres an hour on the Brisbane-Rockhampton section. That track had been upgraded for faster and heavier freight trains. It may interest the Committee to know that yesterday was the tenth anniversary of the start-up of these trains. They have been an outstanding success and have helped people not only in Rockhampton, but in closer places like Maryborough, get to the capital city.

As far as I know, the Government of New South Wales is yet to respond to the recommendations of the 1998 tilt train report. It should be noted though that New South Wales is not just lagging Queensland; it is lagging Victoria and Western Australia. Victoria's case is particularly interesting. The Bracks Government elected in 1999 set out to honour a pre-election commitment for faster regional trains. It was called Regional Fast Rail. The private sector would not take it up, so the public sector delivered it. It required track upgrading with some straightening on four different lines radiating from Melbourne and procurement of new velocity trains. In the first 12 months of full operation in the fiscal year 2006-07 there was a 30 per cent increase in patronage. Last financial year there was a further 30 per cent increase.

In Western Australia, again, it has delivered whilst we have plans sitting on books. The Western Australia Government delivered a 72-kilometre railway line from Perth to Mandurah. It is world class, has two underground stations and was built for \$1.6 billion. Those lucky people south of Perth get six trains an hour in peak hour, which takes 48 minutes. You could not drive it in 70 minutes. Is it any wonder that their high patronage of 36 million in the fiscal year 2006-07 has blown out to 42 million? Here are three States that have built these additional railways, the people use them, for far less cost than we have built Epping-Chatswood.

RailCorp services showed a low increase in patronage in the five years to fiscal 2006-07. In those five years RailCorp patronage increased only 2 per cent; Melbourne went up 34 per cent. These trends are similar to those over 10 years given by Professor Peter Newman and quoted at a Future Cities Transport Summit last week in Sydney. In the 10 years to 2007 Sydney's population increased by 10 per cent, but public transport patronage only increased 12 per cent. Each of Melbourne, Brisbane and Perth had larger population increases than Sydney and much larger increases in public transport usage than Sydney.

So, each of these other three States has been able to deliver improved rail services attracting strong patronage growth. Sure it needed good forward planning and infrastructure delivery, but it works. New South Wales simply cannot afford to keep on going this way. If we cannot afford to start construction of the line from Epping to Castle Hill, at least we can go back to the plans. There has been so much work done for heavy rail, we could at least continue planning, and when the economy picks up start to build. Sure we will need buses in the meantime, but at least we could make a commitment that this line will be built one day—sooner better than later—but continue the planning process.

In conclusion, there is a need to urgently resume planning on this north-west heavy rail link. Whilst we are at it, we ought to go back and urgently start planning what we are going to do with Hornsby-Newcastle and Waterfall-Thirroul. We could start cooperating with the Australian Rail Track Corporation to get long overdue track straightening on our interstate main lines.

CHAIR: You make the point in your submission that 50 years ago, in 1955-56, New South Wales railways moved 280.5 million passengers but 50 years later, in 2005-06, RailCorp moved 275.4 million passengers. That is fewer passengers 50 years later. Also in your submission and in your introductory remarks you made the point about the new rail service south of Perth. Why do you think Western Australia can deliver a world-class rail system for its urban areas, for example, and Victoria is extending excellent services to regional areas? Why do you think New South Wales seems to be so far behind many other parts of Australia, let alone the rest of the world?

Dr LAIRD: To answer the second question first, despite the very best efforts of many good people within what was State Rail, the Rail Infrastructure Corporation, and the Rail Access Corporation before, those people have had no fewer than eight chief executives since 1995. They have had three major restructures—one in 1996 to split State Rail into four, then another one following the Glenbrook tragedy to put four back into three and then following Waterfall three back into two. That is not counting last month's rebranding as a ministerial operated system. When you have all this turbulence at the top it makes it very difficult to drive forward.

The second thing was that the Government consciously took out planning for further rail network extensions to bodies such as the Transport Infrastructure Development Corporation and the like. There is nothing wrong with that in that the Perth system was driven by the Department of Infrastructure and Planning with a very competent Minister, the Hon. Alannah McTiernan, but in New South Wales we have not only changed the structure of RailCorp. For example, early in this decade we formed a department called planning and infrastructure or infrastructure and planning and it did not work so it went away. It is also possible that the Sydney 2000 Olympics came at a price and planning for that and the cost thereof may have upset some of the other.

But they were very focused in Perth. Also, there was bipartisan support for a Perth to Mandurah railway. The former Government wanted to come in at a more circuitous route and when the Government changed to Labor circa 2001 they said, "No, we will have a direct one." But they persisted with it. I might say there was lots and lots of opposition. There was no shortage of planners and consultants saying, "You should build buses instead of this railway" but they drove the process to completion. The major contracts were completed in 48 minutes—sorry, 48 months. I have a coffee table book at home from the Government of Western Australia and it says "48 minutes". It took them 48 months to build this wonderful piece of infrastructure. To quote Alannah McTiernan:

We are doing it. We need to build resilience into our city if we are to manage growth and to deal with the global challenges of climate change and oil depletion. While the buses will always be an important part of our public transport system, the evidence is that rail services have the greatest ability to attract commuters who have a choice. If we are to get people out of their cars and onto public transport, rail is a much better bet.

So you had that thinking right from the top. The other good thing is that the Minister I just quoted was there from when her party took office in 2001 right up to the finish of the project. And along the way they introduced smart cards. Imagine you are a school student. In New South Wales you have one piece of plastic which is your school ID and maybe another piece of plastic would be your transport pass. In Perth the two are combined; likewise, senior cards. A senior card on one side and a smart card on the other side, it has a chip and you give it a little bit of money occasionally. It is world class. Why can we not have it in this State?

CHAIR: Good question—I am glad you asked it. Do you have a particular model that you think is the way to go in terms of seeing major transport infrastructure like railways actually delivered in New South Wales? You have talked about the restructures and the changing personnel. Is there something we should recommend to the Parliament as the way to go?

Dr LAIRD: Yes. For your consideration, firstly, resume planning of this north-west rail heavy line as a matter of urgency. The metro has been there, done that. Secondly, have a look at light rail. For example, the document I tabled, "Light Rail Extension Planned", in August 1997 a light rail began so and so. That is one that was actually completed ahead of time, I believe. It was August 2000 rather than 2001. Then it says, "further study extension to Ashfield station". Where is it? You can roll it out for tens of millions, not millions. Sure, it would be lovely to have a metro, and we do need a metro in 10, 20 years time that might, for example, go from Ryde, perhaps Sydney university, the CBD and over to UNSW. But in the meantime you have a good track sitting there from Lilyfield further in. Use it! Adelaide has extended its tram system a bit and will extend it further. Would you believe that in 1950 Sydney's tram system was bigger than Melbourne's tram system? It carried more people. Let us get just a little bit of it back for some infill and maybe it can have a role in serving the inner west and you can speed up trains from western Sydney and Hornsby.

The Hon. JOHN AJAKA: In your opening statement you mentioned—if you could clarify a little bit for me—you said they went via tunnel instead of the bridge and that was a mistake. Can you explain to us why it was a mistake?

Dr LAIRD: Firstly, it pushed up the capital cost. It is cheaper and easier to build a bridge over the river. Secondly, it has pushed up in perpetuity the operating costs. One of the costs was a steep one in 30 grade, and although electric trains can take one in 30 grades, not all of them like it. You have this ridiculous situation where some of the current fleet is not suitable for that line with a tunnel. So the cost of the tunnel, the additional capital cost, the additional operating costs and also less flexibility with fleet operations. You think: had they built the bridge and then, instead of chopping off Epping to Parramatta, they had continued out Epping, Castle hill, there is a seven kilometre tunnel there. So the tunnel went in in the wrong place—

The Hon. JOHN AJAKA: If you have something else to say, please do not let me cut you off.

Dr LAIRD: There is a road bridge there as well, I understand.

The Hon. HENRY TSANG: Environmentally it would be better to have the tunnel because it would not destroy the national park. Do you think that was a big sacrifice, comparing the need for not destroying a national park?

Dr LAIRD: Given the fact that there was already a road tunnel, and given the fact that you can mitigate environmental impacts of bridges in the construction phase and the operational phase, I think this is one case where the engineers were not given enough say and these wider considerations came in. I like national parks as much as anyone else but when you see the swaths cut through them for roads and major highways, and then here comes an environmentally friendly railway, it became a no no. So someone takes this decision to put the tunnel, and it is a complete contravention of John Whitton's philosophy. You try to build railways to minimise the operational costs and increase the operational efficiency. Generally, you will pay more to build the line to get lower operational costs, but only in New South Wales we paid more for the capital costs to inflict more for the operating costs. I think it was a sacrifice that perhaps should have been made with safeguards but it is there now.

The Hon. JOHN AJAKA: You have indicated a number of failings on the part of government over the years. If you were in a position of prioritising what you believe should be first, second and third as a project, how would you prioritise it?

Dr LAIRD: The first priority would be the advanced planning. This is identification of the corridor, undertaking the sometimes time-consuming process of environmental impact assessment but pushing it along and then securing the corridor.

The Hon. JOHN AJAKA: For which project?

Dr LAIRD: I would be doing this on a whole suite of them. I would be doing it on a north-west link but I would also be doing it Hornsby to Berowra, Brooklyn and on to Warnervale and then up to Hexham. I would be doing it Waterfall Thirroul. I would be cooperating with the Australian Railtrack Corporation to do it from Menangle to Mittagong and then from Goulburn to Yass and then from Yass to Cootamundra and on to Junee. I would be doing it on the North Coast line from Hexham to Stroud Road where the present circuitous route is 30 kilometres longer than it should be. This was a case study in the Federal House of Representatives standing committee on transport, et cetera, 2007 report, "The Great Freight Task: Is Australia really up to it?".

I would also be advanced planning for a metro. Again, it takes a bit of money but it takes more time than money to secure these corridors so that if our generation feels that the economy is so bad that we cannot do it then at least we have not cruelled the option for future generations. In this regard, I am from Wollongong. Fifty years ago the Department of Main Roads reserved the northern distributor corridor. The link from Bellambi towards Bulli is only being built at the moment. We really need a longer timing plan. The second one was I would look very quickly at light rail. The third thing—and it is not a popular thing—is I would be looking very carefully at road pricing. You have a situation at the moment where a case can be made that people commuting to the CBD by car should be paying more. There used to be a tollbooth at Berowra. Maybe it should go back. Maybe we should be looking at congestion pricing for Sydney. We have a rail system that has had too much under investment. It really needs catching up.

Ms LEE RHIANNON: Earlier this year the federal resources Minister talked about an oil import crunch in the coming years. You have also made similar comments about peak oil. Can you give details about peak oil in Australia and how it is relevant to transport planning, obviously particularly in the Sydney region, and how the New South Wales Government should respond?

Dr LAIRD: My belief is that peak oil is not a matter of if but when. Others are better qualified than myself to comment. For the movement of freight, for example, trucks use three times the amount of diesel that locomotives use to move one tonne of freight from Sydney to Melbourne. Rail will save the use of fuel. For moving people, on average the ratio is about two to one in favour of rail. When it comes to comparing peak-hour traffic, a single occupant car driver will use five times the energy to move himself or herself than that same person sitting or standing in a crowded train. Rail has very significant energy advantages. Rail can use electricity, which can be generated either by coal, by hydroelectricity or other sources.

On two counts it is important for the New South Wales Government to do some precautionary planning. This may well entail a slowdown on some of the Pacific Highway dual carriageway rollouts and spending more on rail. The same applies to roads in Sydney. It might well be worthwhile the Government re-ordering priorities, simply because energy efficiency is in favour of freight at three to one and for passengers it can be as high as five to one. In Japan, Tokaido Shinkansen is six times more energy efficient than flying or driving.

Ms LEE RHIANNON: You were talking about Pacific Highway upgrades and I think you have also written about tollways and tunnels becoming routes for public transport. Could you elaborate on that, specifically with regard to the north west, where we have a motorway? Do you have any thoughts about what are presently dedicated motorways becoming dedicated public transport routes?

Dr LAIRD: There is scope for two things: first, for dedicated busways on some of these tollways and freeways. Secondly, we should look at what we do if any more are built. Queensland has rolled out several busways and is in the process of building more, and I am told that every one of them is capable of conversion to light rail. For example, if we go to a scenario as suggested by the CSIRO with petrol and diesel at \$8 a litre, it would become very advantageous to switch from buses to either light rail or heavy rail, because we can use home-grown electricity. Some of the new southern suburbs railway in Perth was retrofitted into the median strip of a freeway.

Ms LEE RHIANNON: Is it practical to do that with any Sydney motorway?

Dr LAIRD: Yes and no. Heavy rail needs an easier grade of one in 40 for preference for an electric railway; that is, as the train travels 40 metres horizontally it climbs one metre. Many of our tollways and freeways will not handle that because they are too steep in places. It would have been great to reserve a corridor down the middle of the western orbital when they were building it. It did not happen despite the best efforts of a former member of the Legislative Council and others. It could be well suited, like the Brisbane busways, for light rail, which can be powered by electricity.

The Hon. LYNDA VOLTZ: Given that the only way to get money out of a government is to stick your fingers down its throat, why do you think it made the decision to go for a tunnel as opposed to bridge in Lane Cove?

Dr LAIRD: I have to confess that I did not study it in detail at the time. There were environmental objections that were given much weight. Perhaps they should have looked at the energy costs of such a decision as well. But we have to live with it now.

The Hon. LYNDA VOLTZ: You have also raised a number of projects outside in the north west, such as the Newcastle line and the Wollongong line. Were you specifically talking about freight movements on the lines?

Dr LAIRD: No, freight and passenger.

The Hon. LYNDA VOLTZ: They are freight and passenger at the moment, but is the conflict not normally because freight and passenger trains are using the same line, particularly on the Newcastle line?

Dr LAIRD: Yes. The Newcastle-Hornsby-Wyong line has a capacity problem. If it is not Australia's busiest double track, it is perhaps the second busiest.

The Hon. LYNDA VOLTZ: What we really need to do there is to get the freight off the passenger lines to ease any congestion.

Dr LAIRD: I think it could be done with a judicious combination of passing lanes. One lower cost option would be to build a high-speed passenger line for southbound passengers from Brooklyn through to Berowra. That could be straighter than the existing line. If the trains are going up a hill, the passenger trains are a lot faster than the slow moving freight trains. But when they are going down the hill, there is not such a large speed disparity. The most useful thing that could be done would be to put in a line for southbound passengers from Brooklyn to Berowra. That would improve the separation of freight and passenger trains. It would not completely solve the situation, but it would improve it. There could also be more passing loops. Again, it is an

environmental question: Should we be going straight through Mullet Creek? It winds around. It is beautiful scenery, but it is not railroad. We could perhaps even put in a tunnel. But given the State's finances—

The Hon. LYNDA VOLTZ: Given that freight is involved there would be some federal responsibility.

Dr LAIRD: Yes, and I think it is very important that the New South Wales Government fully cooperates with the Australian Rail Track Corporation to try to stop any further delays like we had with the south Sydney freight line. That was under environmental impact assessment by the Government of New South Wales two years ago and the federal environmental department decided to have a look at it. Although it was approved in principle in August, we are still waiting for the final approval. We simply cannot afford to have this sort of process—

The Hon. LYNDA VOLTZ: Although there has been a change in the Federal Government and that may explain the change.

Dr LAIRD: I do not know. It is beyond belief—

The Hon. LYNDA VOLTZ: I understand what you are saying. You raised the Epping to Castle Hill railway line in 2010. Which would you think would create the greater efficacy, an Epping to Castle Hill extension or a Castle Hill to Parramatta extension, and regional centres being expanded?

Dr LAIRD: I would really have to take that on notice. Given the actual time frame—

The Hon. LYNDA VOLTZ: Should the system be city-centric or should it follow the Keating Government approach, where they put the loop in from Marylands to bypass Granville so one could go directly from the Liverpool route to Parramatta to ensure growth in those regional centres? I am working on the assumption that the city is not going to be the only growth centre.

Dr LAIRD: I think we need planning for both. Again, the Government should identify the corridor, do the environmental impact assessment and protect it for future generations, or even the next decade, hopefully. I think there is no doubt about it that the Epping to Castle Hill line is long overdue.

The Hon. HENRY TSANG: What is the difference between the capital and running costs of heavy rail and metro? You mentioned that it should be heavy rail. Which is more costly to build, metro or heavy rail?

Dr LAIRD: That needs a very qualified answer. To work well, metros need high population density, which is not found out in Sydney's north west. We have it in and near our CBD—10 kilometres either side of where we are at the moment. However, 25 kilometres to 35 kilometres out from here, I do not think a metro stacks up. Having said that, metros have some advantages. You can use smaller trains and therefore smaller bore tunnels, which cost less to construct. But, at the end of the day, if you are at Castle Hill or beyond and connecting to a bus at Castle Hill and you want to go to the CBD, you do not want to change trains any more often than necessary. I have not quite answered the question, but I hope that helps.

The Hon. HENRY TSANG: Is light rail suitable only in the metropolitan area?

Dr LAIRD: It is well suited to metropolitan areas. If you put down a railway line you can often influence future land use. It is sometimes called "transit orientated development". If you do lay down a rail line in a low population density area with good planning the density will increase over the years. Look at where our tramlines used to extend; they used to extend far beyond 10 kilometres. I believe there is one to Parramatta.

The Hon. HENRY TSANG: I remember Bondi trams.

CHAIR: I know we all have lots more questions we could ask you, but we have to keep to our timetable. On behalf of the committee, I thank you very much for being here today.

Dr LAIRD: Thank you.

(Luncheon adjournment)

ANDREW GRAEME KING, Manager, Traffic and Transport, Baulkham Hill Shire Council, PO Box 75, Castle Hill and

ALFRED JOHN LARRY BOLITHO, Mayor, Baulkham Hill Shire Council, PO Box 75, Castle Hill, sworn and examined, and

ALEXANDER STEVEN GOODING, Executor Director, Western Sydney Regional Organisation of Councils Ltd, PO Box 63, Blacktown,

BART BASSETT, Mayor, Hawkesbury City Council, PO Box 146, Windsor, and

PETER JOSEPH JACKSON, General Manager, Hawkesbury City Council, PO Box 146, Windsor, affirmed and examined:

CHAIR: If any of you at any time consider that certain evidence you wish to give or documents you wish to tender should be seen or heard only by the Committee please indicate this fact to the Committee and we will consider your request. If you take any questions on notice the Committee would appreciate if the response to those questions could be forwarded to the Committee secretariat by Wednesday 26 November. Do any of you wish to make an opening statement?

Mr GOODING: Because we have three organisations that are obviously related, each organisation wants to make a brief statement, but we will start with Larry Bolitho, the Mayor of Baulkham Hills Shire Council.

CHAIR: You may proceed.

Mr BOLITHO: Madam Chair, member of the parliamentary general purpose committee, we thank you for the opportunity to appear here today. With your consent, I wish to table for your deliberations my supplementary submission, which I will speak to today, and a copy of a media release dated 31 October last, which details costings for the major infrastructure needs in our shire. Baulkham Hills shire provides 51,000 jobs, creating a \$13 billion local economy and growth projections designed and implemented by the State Government are targeted to create another 47,000 jobs by 2031.

Currently we have one of the highest occupancy rates in Australia. That currently translates to a vehicle population in our shire of 145,800 vehicles. If we estimate a growth projection for housing and vehicles by 2031—and that is in line with the Metro Strategy—it will mean that we will have 90,000 and 243,000 motor vehicles. Our current greenhouse gas emissions from motor vehicles is calculated at 612,000 CO₂ tonnes. By 2031 it will be 1,020,600 CO₂ tonnes. That is an increase of 67 per cent. The Australian Government's stated preference is a 60 per cent reduction by 2050.

Also, 96 per cent of our daily 88,000 commuters going out or coming into the shire for work purposes utilise private motor vehicles because they have no choice. We have, as stated previously, 378,000 square kilometres of shire, housing a population of 176,000 people and 100 metres of railway track, unlike our neighbouring areas of Blacktown, Parramatta and Penrith, which are immediately to the south and west of us. We currently have less railway track than we had in 1920.

The State is currently in negative growth and our economy will be made further to suffer because of the lack of rail and road infrastructure upgrades in the north-west sector. This affects not only our shire's local workforce but 28,000 people—more than a third of our total labour workforce—which comes in to work in the shire each day. That includes significant numbers from Blacktown, Parramatta and Holroyd local government areas. Our submission covers major and detailed works involving completion of the North West Tway, connection of the west-facing ramps at Windsor Road interchange with Baulkham Hills, an underpass at Baulkham Hills and commuter parking at major transport modes. If we add the estimated cost of completing all of the projects listed in our submission, we are looking for a \$290 million injection of funds by the State Government in the 2008-09 budget. None of these works is contemplated in the current New South Wales budget or forward estimates.

I wish to point to examples of the critical load stress on major State-owned roads that we have identified in urgent need of upgrade in our submission by Roads and Traffic Authority daily counts. Windsor Road, Baulkham Hills, 53,000 vehicles; Showground Road, Castle Hill, 37,400; Old Northern Road, Baulkham Hills, 36,000; Pennant Hills Road, West Pennant Hills, 71,600. By comparison let us look at three traffic counts on the national highway system surrounding Sydney: Pacific Highway, Wahroonga, 61,200; Hume Highway, Menangle Bridge Camden, 36,900; Great Western Highway, Mount Victoria, 12,300.

This pattern shows that our State-owned roads in Baulkham Hills shire are carrying more vehicles than our national highways north, south and west of Sydney. For example, Showground Road carries a maximum 37,000 vehicles, a single lane each way, which is nearly double the volume that Taree main street incurred before the bypass was created on the Pacific Highway. We are concerned that there is no whole-of-government approach to transport planning. Rather, there is a systemic breakdown of communication between major agencies, despite assurances by the State Government that the heads of these agencies meet on a monthly basis.

As a result, forward planning is dysfunctional and the paralysis of decision making is severely disruptive on local government forward planning strategies. Our current strategy has been based on the provision of the rail link being promised for the last 30 years and now it has been pulled completely. Finally we come to a series of broken promises in respect of that rail link within our shire. The Rouse Hill town development and the reconfiguration of Old Northern Road in Castle Hill, together with the other planning matters that I have mentioned, are predicated on the provision, not on a promise, of a railway station. In conclusion, whilst there are many things that I would like to have added, I look forward to a bipartisan series of recommendations, which support the concerns of the residents of the north-west sector. Thank you, Madam Chair.

Mr BASSETT: Madam Chair, members of General Purpose Standing Committee No. 4 and members of the gallery, thank you very much for the offer to attend here today. We have formally lodged a submission but I want to point out a number of key factors in that submission. First of all, geographically Hawkesbury is on the outskirts of Sydney, neighbouring Baulkham Hills council. One of the problems for a population like Hawkesbury with a geographical area of about 3,000 square kilometres is that anything that happens down the road at Baulkham Hills severely impacts on our residents coming and going, and businesses being able to operate in the area efficiently because of issues relating to transport and roads.

For a number of years we have lobbied strongly with Baulkham Hills and other members of the community, including Mr Ray Williams, who is here today, about the upgrade of Windsor Road. We successfully achieved that outcome but that was always predicated on the understanding that the north-west rail link was going to come and that the upgrade of Windsor Road would be able to cope with that additional population coming to the area. Now with the announcement that the rail link will not go ahead, the impacts on our area, as well as Baulkham Hills, are going to be extreme. With the projections for the north-west growth centre, I do not know how the area will cope in the future.

Decisions made today will impact for the next 10 years. If we are expected to take growth in our north-west sector, including the Hawkesbury, we have to have a public transport and a road network to support that. When it comes to jobs locally, we have all been encouraged by the State Government and the Department of Planning to focus on local jobs. Without adequate public transport and without adequate roads, how can we attract key businesses to the area that are in a position to expand their operations so that we can employ people locally? Decisions about transport and roads being put off have those flow-on impacts for us as a local community.

When the decision was made to go from the heavy rail that had been promised some 10 years-plus back, which was going to go from Epping to Rouse Hill, the Hawkesbury had always lobbied for it to be extended to Vineyard and not be something that was promised in the future because we all know when that occurs, the future staging is likely to never occur because of the extreme costs of adding on in the future. We actually got the Government to finally agree that the idea of extending to Vineyard was going to be worthwhile. Then when the change came and we went to metro from heavy, the same lobbying had to take place. When previous Minister Watkins came to the north-west only a matter of weeks ago, we again lobbied for the extension to Vineyard and got them to agree that it was a worthwhile consideration.

When it came to stabling and maintenance people in the northern sector around Baulkham Hills were not keen on having it there, so that was another reason why the extension of the line to Vineyard provided a maintenance and stabling facility. It was not just about extension of the rail line. All of those things have gone.

We have no plan for the upgrade of Richmond Road, which is now clogged on a daily basis. It is a road similar in distance and demand as Windsor Road was prior to its expansion. We stand here before you today with a community that has made decisions based on where they were going to live and send their children, establish businesses and based on the knowledge that we had some road upgrades happening, and a north-west rail link, whether heavy or metro, that was going to come.

The Government time and again asked us to believe that that was what was going to happen. Now the community has made those decisions and are faced with no public transport and no road network upgrade but an expectation that we have to provide for that future growth. It is unacceptable and we have asked for immediate reinstatement of the upgrade of the Richmond line, which is something I have not raised here today. So we had the cancellation of the metro and now we have got the cancellation of the duplication of the Richmond line, one day after that announcement. Even though the Richmond line duplication was only a band-aid solution for the existing population that has also been cancelled. Our community is now in a position of where do they turn to solve their transport needs?

CHAIR: Mr Gooding.

Mr GOODING: I welcome the opportunity to present to you today. We have heard from Councillors Bolitho and Bassett about the problems in those communities and let me say at the outset that WSROC endorses all the comments they have made about the impacts on the region of growth and on the failure to provide infrastructure. I want to make it clear that this is not just an issue for two councils; it is an issue that affects the whole region. It is obviously part of a wider pattern of chronic and continued under-investment that goes back decades in transport infrastructure in Western Sydney.

In our submission we refer to the fact that you could argue that this amounts to entrenched discrimination against the people of Western Sydney. As I said, it is not just a pattern necessarily of this Government but it has a long-standing history. For example, since the 1930s there has only been about 14 kilometres of rail added in Western Sydney. As Councillor Bolitho said, a number of areas have actually gone backwards in terms of the amount of rail infrastructure. In that time we have had over 100 kilometres of motorways added. We are not saying that we did not need those motorways but there has been a failure to balance that investment with investment in rail infrastructure.

It is also important to point out that the whole of Western Sydney is undergoing substantial growth. The two key areas of growth are the north-west growth centre and the southwest, but there is going to be additional population growth throughout the region. The north-west growth centre is forecast to grow by 70,000 dwellings, which is round about 200,000 people, over the next 25 years. The north-west subregion, which includes the north-west sector that is being considered today, is the largest subregion by population in Sydney and has one of the fastest rates of growth. As I have indicated, the public transport system that we have in Western Sydney, particularly in the north-west, is pretty much the same as it was in the 1930s. If we do not put in the infrastructure, the impacts of this growth will not be confined to the north-west but will spill right across the region and make the region almost impossible to move around.

There are also a few other factors that need to be considered. In the Metropolitan Strategy, apart from the dwelling projections that all councils in the region are now questioning in light of the recent infrastructure decisions, it also contains a number of projections or targets for employment. At best, they amount to maintaining the current level of what you could call "employment containment" in the region, which is the proportion of the workforce that is actually employed within greater western Sydney, which is round about the 65 per cent level. That figure was reached in the early 1990s and has not improved since. In other words, employment has grown but its growth has only kept level with the population—it has not grown faster than the population.

Some research that is currently being completed for us indicates that the region will struggle to maintain even a containment level, as forecast in the Metropolitan Strategy. It will take a lot of concerted effort, including investment infrastructure by all three levels of government, just to maintain that level of employment in the region. The corollary of failing to maintain that target is this. Even maintaining the 65 per cent containment target, over the next 25 years there will be an additional 100,000 to 120,000 journeys out of region just to access employment. If we fail to maintain regional employment containment that figure will increase dramatically. So there will be more strain on the transport systems right across greater western Sydney.

I also want to touch on the fact that these recent decisions to indefinitely defer the North West Rail Link, combined with the decision to in effect dramatically slow down construction of the South West Rail Link, and to cancel half the duplication on the Richmond line as well as the passing loop on the Carlingford line, amount to a huge waste of taxpayers money in terms of the amount of work that has been put into planning for those links over decades by the State government and also by the councils in western Sydney. There has also been the impact, as has already been noted, not only on communities, but families have moved into the region based on the assumption that this infrastructure would eventually be constructed, and both large and small businesses have made investment decisions based on the assumption that there would be a comprehensive public transport system provided at some stage. As a result, if we do not either have this infrastructure or, at the very least, some alternative interim measures such as those suggested by Councillor Bolitho, it will mean that congestion will make the region almost unmanageable without some form of transport investment.

I would also like to table the media release that was released by Councillor Alison McLaren, WSROC President, on 3 November 2008, which notes some of these issues and calls for the Government to consider reversing its decision or consider alternative measures.

Document tabled.

CHAIR: Mr Gooding, do you have an estimation of how much money you believe has so far been wasted on the projects that have now been cancelled?

Mr GOODING: Not directly but we could try to ascertain that from the most affected councils. Obviously Baulkham Hills and Hawkesbury councils will be the ones that have done the most work but it has affected Blacktown council as well, I would imagine. We will try to ascertain those figures for you.

CHAIR: Would each of you please take that question on notice—it would be interesting to have that aggregate figure. Councillor Bolitho, in your supplementary submission you say:

The additional 300 buses proposed by the State Government, of which 100 would be allocated to the north-west sector, provides no new additions to the fleet than already proposed over the following four years.

Are you saying that the buses that were announced the other day are really a re-announcement of buses?

Mr BOLITHO: As we understand it, they are a re-announcement of what was already previously announced, correct. That is our understanding.

Mr BASSETT: Could I just add, that even if they were additional, the fact that after all these years of planning we have come down to an additional 100 buses, or 140 if you count the ones in the southwest and the car park at Glenfield Station in the southwest, as being the sum total of the infrastructure investment that has been made, that would be a retrograde step and I can only hope that there is more in the mini-budget in the way of interim measures.

CHAIR: If I could ask each of you, if you had to prioritise the most urgent things that what you would hope would be in the mini-budget to address the phenomenal range of transport issues that you have in the north-west sector, perhaps you might be able to identify one or two of the top priorities that you would hope might come out on Tuesday?

Mr BOLITHO: In respect of Baulkham Hills we have set, to some degree, a priority of how that \$290 million was to be made up. First, completion of the north-west T-way link from Parklea to Castle Hill, which was abandoned in 2004-05 after about two-thirds completion. That project involved the widening and upgrade of Showground Road from Old Northern Road to Carrington Road at Castle Hill and an upgrade and widening of Burns Road and Memorial Avenue linking Windsor and Old Windsor Road at Kellyville, which we estimate to be of the order of \$85 million. Second, an upgrading of the north-west Boulevard, which goes through the centre of the major growth business centre, which would be roughly \$30 million. Third, commuter parking at the M2 bus stops, which is \$10 million. Fourth, commuter parking facilities at the T-way bus stops, which is another \$4 million. Fifth, more parking at cross regional link bus stops, which is \$7 million. They are set out in the press release and we believe that is purely an interim measure to try and recover from some of the disasters of about 20 to 30 years of planning, which has been predicated on having this rail link.

CHAIR: Councillor Bassett.

Mr BASSETT: I think I would have to take a position more globally regarding what needs to be reinstated immediately. That would be to revisit what heavy rail systems are going to be provided to the north-west and to go back and look at what was originally proposed, which was the heavy rail. You have got heavy rail coming out of Chatswood to Epping and it is going to be far more cost-effective to continue the heavy rail on through to Rouse Hill and on to Vineyard. You have then got that stabling capacity that I have mentioned already. So rather than just looking for some small options, because from the Hawkesbury's point of view there are no small options, we consider the duplication of the Richmond line absolutely necessary. But I do not want that to be misread to say that is an adequate interim measure. We believe that made up part of the North West Rail Link originally, because the duplication of the Richmond line was going to provide the stabling and parking for the trains on that north-west heavy line before it got changed to metro. I would be going back and saying, "Let's refocus on what rail system is needed into the north-west?" And a way of providing that would be to go back to the original proposal for heavy rail.

CHAIR: Mr Gooding.

Mr GOODING: I would agree substantially with Councillor Bassett that it is very hard to come up with alternative interim measures above and beyond what was originally proposed in the way of either heavy rail or metro. If the metro was too expensive a proposition, then the revisiting of the original heavy rail option would have been a much more compatible outcome for the region. You will note that none of the releases we have issued even talk about the duplication issue because that was announced after we released them. At that stage we had no idea that the duplication was going to be cut. The duplication itself was meant to be the interim measure to the heavy rail so now in fact we are talking about the interim measures on the interim measures. We certainly think if nothing else that completion of the duplication needs to be reconsidered as a matter of urgency.

Of course the measures that Councillor Bolitho mentioned about the completion of the bus transit way, also the rollout of bus corridors and cross regional bus services throughout the region, which will require investment in substantially more buses than has been mentioned to date, and the provision of car parking at existing bus stops and transport nodes. There is also the issue of the capacity of some of those bus stops, in terms of the length of space available if additional buses are to be provided, as well as the difficulties that have already been experienced of terminating buses in the central business district because of the number of buses that are coming into the central business district. All those issues need to be addressed.

Mr BOLITHO: Just in respect of the matter of the heavy rail, we would not disagree but we would see that as still some way away. But in terms of the matters that I outlined, we saw them a short-term urgent requirements in addition to trying to get that heavy rail back.

The Hon. DAVID CLARKE: Councillor Bolitho and Councillor Bassett, you both represent local government areas that over the past 10 to 15 years have had enormous growth yet there has been a grossly insufficient provision of public transport. This is a horrendous situation. What you have said in your earlier comments has been borne out by Dr Philip Laird, who is one of Australia's foremost experts on transport. Dr Laird's submission is a gross indictment of what has been going on up there. How have we got to this position? What went wrong? You can talk about the future but why are we in this mess? I am asking that because if we do not learn from history we are doomed to repeat it.

Mr BOLITHO: I would make a few comments in respect of that. In terms of the rail facility that exists in Baulkham Hills—what little there is, which is 100 metres—was actually set up under the Simpson Railway Act of 1893. Not the 21st century, not the 20th century but the 19th century. That envisaged a rail line in three stages: Rosehill to Carlingford, Carlingford to Castle Hill, Castle Hill to Dural. That was when the shire's population was 3,000 people. We now have 176,000 people and we have 100 metres of railway line, the same as we had when it came into service on 1 August 1901. We have to ask some very serious questions about how Government operates and whether it has acted in a whole-of-government format. I mentioned in my submission how the various sections of government meet together, as we understand it, on a monthly basis. For that to have happened, given where we are now particularly with the State's finances, clearly indicates that these problems must have been manifestly obvious prior to this date. We have been made promises and the Metro strategy required us to up our population from 176,000 to 240,000 in the next 25 years, just short of a quarter of a million people. That is a substantial increase and no-one has indicated to us as a council that the major plank of that expansion was going to have the plug pulled on it.

The Hon. DAVID CLARKE: In fact, you were ordered by Government to go ahead with this expansion.

Mr BOLITHO: This was the imposition initially of increased density in former medium density and in more recent times of high density to accommodate that population increase. The blocks are smaller and the number of townhouses has gone up, but significantly the number of apartments has gone up.

The Hon. DAVID CLARKE: So when you have asked for the transport to go with this growth, which you have been ordered to give, basically the Government has said to you, "Drop dead."

Mr BOLITHO: What they said initially, up until the other day, was that we were first to have the heavy rail. Then seven months ago they said that would be replaced by the Metro. It is even worse than that because we also have the position of the Growth Centres Commission, which is also part of this growth factor. The Growth Centres Commission identified \$830 million in work to be committed to the commission in future infrastructure over four years. Of that \$830 million, only \$30 million was envisaged to be spent in Baulkham Hills Shire. That is less than four per cent of what the Growth Centres Commission envisaged needed to be spent. Under the Growth Centres Commission's requirements we were required to provide 15 per cent of the housing and 35 per cent of the new employment opportunities in the north-west sector. It is simple arithmetic: the requirements placed on us for providing housing and jobs are enormously high. The compensating part of whole of government, where the Government agencies carry the responsibility of the main infrastructure for rail and State roads, has not matched the rhetoric. We cannot walk away from that.

It goes a step further. In those new release areas, and there are a significant number of new release areas in our shire, there is then also the acquisition of the open space requirements and the like under the section 94 plans. That comes down to a timing issue of when we do them. That has created a mammoth dislocation of Baulkham Hills Shire Council's forward finance cash flows to the tune of \$40 million adverse cash flow. That is a figure that no local government area has the capability of carrying without proper infrastructure being provided. The lack of that infrastructure will slow down those release areas and will then adversely affect the rate of the section 94 contributions being made available to council to recompense against the forward acquisition costs. This is significantly a major problem. Baulkham Hills Shire Council has probably been in a better position than most councils in its financial management for the last 15 years, but the current result as we look forward in the current global economy is devastating. We believe we face some very significant challenges, hence our strong commitment to fight for our community for the infrastructure that was promised and on which all of this development is predicated.

The Hon. DAVID CLARKE: Thank you. Do you agree with those comments, councillor Bassett?

Mr BASSETT: I agree with the comments. I would like to add that I think one of the mistakes that occurred with the north-west rail link was when Carl Scully was involved as Minister for Transport and the decisions were not made then to proceed with the heavy rail system. Back then as a State we had positive revenue flows, which could have facilitated the building of that line at that time for a much cheaper price than today. I think that was a fundamental problem that occurred then—the decision was not made to build that line, even though a lot of studies had been done. Subsequently the Growth Centres Commission has been formed. Why was the Growth Centres Commission formed? It was formed to get land released and at the same time be able to pull together all the different Government departments and when money was collected for projects, and when levies were collected, the Growth Centres Commission had the ability in the legislation to get that stuff built, whether it was Integral, RTA or Water. The commission was there to get that done. I have sat on the North West Growth Centre over the last three years and I have seen its power to achieve that dwindle over time to the point where it has been absorbed into the Department of Planning. I just hope they will be given the power in the Department of Planning to keep those different Government departments true to their word when they collect the levies and we actually get the work on the ground, because now the RTA will still collect money from levies from development areas and the work is not progressing on the ground. That is just one departmental example of where I think it has failed.

The Hon. DAVID CLARKE: Where is the money going to?

Mr BASSETT: I do not know.

Ms LEE RHIANNON: Mr Gooding and councillors, we have this extraordinary situation—thank you for outlining it—where there is already growth and more growth will clearly happen and the heavy rail line has been crossed off. What are you planning on doing? I acknowledge there is no easy answer to this, but where do we take this considering it is essential to have a heavy rail line because otherwise the congestion and the

downturn in economic growth and the unemployment are simply unacceptable. What are your plans considering we have such a serious problem? What do we do?

Mr GOODING: One of the things that we have already indicated in meetings with the relevant Ministers is that councils will clearly push to revisit those dwelling, population and other targets. They are not sustainable. In fact, you could argue that the whole premise of the metropolitan strategy, the concentration of employment in centres and so on, has to be severely questioned particularly in those areas where the Government was proposing to establish centres based on new transport infrastructure. Obviously the region will still have to accommodate growth. One of the things you have to realise is that about 60-odd per cent of that growth is natural increase, so there will always be that pressure, but the specific targets that have been established by the Government, we believe, will have to be revisited.

Ms LEE RHIANNON: Do you mean scrapped?

Mr GOODING: Well, as I said there will always be a level of growth. We cannot stop people having—

Ms LEE RHIANNON: But scrapped in terms of the Government's additional growth on the natural increase?

Mr GOODING: There is certainly an area there that will have to be reconsidered and in many cases the targets will have to be downgraded. The other thing is that obviously the councils—I want to stress that this is not just about the two councils in the north west; councils in the south west are similarly affected by the cuts. I think the whole region is going to focus on this as a key issue. The level of anger across all councils in the region about the cuts to infrastructure is palpable and I think they are going to continue to pressure Government and Opposition and all parties in the run-up to the State election and, for that matter, to the Federal election as well in terms of what decisions the Federal Government might make about funding infrastructure in Sydney.

Mr BASSETT: Could I just add to that? We talk about public transport having an effect now and that we may have to pull down our growth numbers, but we have natural growth. We need sustainable growth for economic activity. We hear a lot about affordable housing and that we need to make it more affordable in Sydney. If we do not actually get some land, backed up by infrastructure, we are not actually freeing up housing stock so other people can move into affordable housing, so a decision like this on public transport has enormous ramifications for us as a city. How do we provide affordable housing in a city the size of Sydney which has sensible public transport networks? If we do not have that and we do not have housing, living in Sydney will become more impossible and people and families will need to move interstate. There we go again; we have the same problem that we have had for a number of years with people looking for another State to go to. New South Wales and Sydney cannot afford that.

Ms LEE RHIANNON: So in fact you are saying we cannot afford not to have it? It is not a question of saying, in your respect Mr Gooding, no more growth; we have to have it.

Mr BASSETT: We need to have natural growth for us to survive economically as a city of our size, but we need to have the infrastructure to support it, which we have not had before. I do not believe we can have growth without infrastructure.

Ms LEE RHIANNON: And the top of the list is the heavy rail line?

Mr BASSETT: Correct.

Mr BOLITHO: Can I just add to that to say what we have actually done? We have prepared a detailed submission to Infrastructure Australia on these very issues. I have sought deputations with the Premier, with the Department of Planning and with the Department of Transport in respect of the problems outlined today. I mentioned before about the new release areas where our council has already outlaid \$40 million in anticipation of those areas coming on stream. That is \$40 million that we cannot recoup unless those release areas proceed. We cannot turn off all of that growth because the State Government has turned off the transport infrastructure. I make it very clear: no council can take that sort of financial cash flow strain without serious repercussions. When it comes down to what has to be done it goes a step further than what the councils have done. This Committee is also invited to seek answers from the Roads and Traffic Authority and the Ministry of Transport about their future funding commitment, and I would add to that now what the Growth Centres Commission is

doing with the funds it has collected. They have reduced the opportunity for section 94 recoveries for the local council.

Those moneys are not committed to be spent in the areas in which they are collected. With the changes that have taken place and its absorption back into the Department of Planning there is not even any commitment that we will get one red cent of the moneys they have collected from developers in our area, or will collect from them in the future on those new release areas. We understand that part of this parliamentary Committee's inquiries is to find out why these things have happened in respect of the RTA in relation to transport, but we would respectfully submit that it is also now appropriate in terms of our cash flow predicament that this Committee look further at what the Growth Centres Commission is doing, where it has collected the money and where it intends to spend it. If it is going to go into consolidated revenue, in our case, because of the cash flow situation we may well need to request that those funds collected by the Growth Centres Commission be returned immediately to the council and that all future levies by the commission come back to our council.

Mr GOODING: Very briefly, the other factor that will affect patterns of growth is that individual households are taking into account much more the cost of travel in their decisions about where to build and live. If there is no guarantee about the provision of public transport infrastructure, that is becoming a much bigger factor in considerations about whether to move out to a growth centre that is located away from existing infrastructure where there was previously a promise to provide that infrastructure, or make a decision to live somewhere closer to infrastructure.

Ms LEE RHIANNON: I am interested in those comments, Mr Gooding, particularly in the context of the oil vulnerability that so many of our suburbs are now exposed to. Is this something that councils have identified in their transport policies? I noticed that while some of you were giving emphasis to the need for the north-west heavy rail line, there was also an emphasis on many road projects. However, considering the oil vulnerability we face, which Peak Oil has recognised as real, what shift have you made in your policies? Are you putting more pressure on the Government to deliver on public transport?

Mr GOODING: WSROC has always had a strong commitment to lobbying for public transport in the region. We have also recognised that for better or worse, the region is dependent on cars. We have not resiled from the need to provide strategic investment in road infrastructure. I think that the failure has been to match that with complementary investment in public transport. If we were going to have 100 kilometres of new motorway in western Sydney, we should have had 100 kilometres at least of complementary public transport to match that.

Ms LEE RHIANNON: I know that councils are always overstretched, but are councils putting the same emphasis into public transport as they are into road projects?

Mr GOODING: The ability of councils to deliver public transport is—

Ms LEE RHIANNON: No, I am talking about in your lobbying efforts, in your advocacy?

Mr GOODING: Yes, certainly. I think all the councils here and WSROC have lobbied for these heavy rail links as being the single biggest priority investment for the region. We have lobbied in the past and will continue to lobby for specific road projects, but we see that as being very much complementary to heavy rail. Those road projects that have been selected have been, for example, in relation to facilitating commercial transport around the region and things like that. The priority and emphasis has been very much on public transport, on heavy rail and on strategic bus corridors.

Mr BOLITHO: Can I just add to that. The rail has been core to our planning. It has to be. But what we also have to remember is two things. In the absence of that people need to have the bus situation, which needs roads, and public transport for buses. But, more importantly, the whole of our planning would be deemed to be predicated on that. But not everyone is going to live within walking distance of that rail line in its current format because both of them are basically on the same corridor. We are dependent on a modal transport system that allows feeder by public transport, and it has to be by road, to those railway stations. All of that is now in sheer chaos.

The Hon. LYNDIA VOLTZ: I want to be clear in regards to the metro line. Is WSROC's proposal that it would prefer to have the heavy rail or the metro line?

Mr GOODING: We have not necessarily adopted an either-or position. We supported the heavy rail line when it was proposed. We supported the metro proposal, but with some qualifications. They were around the fact that this was obviously a much more expensive project and, furthermore, if you were to embark on the metro strategy, in a sense there was no turning back on that. In effect, if you were to take it to its logical conclusion, you were assuming that you would deal with all future growth in heavy rail or the need for rail transport by the metro system. The Government in its initial proposal seven months ago outlined a strategy that ultimately would have led to construction of three or four metro lines across Sydney. We are saying that if you go down that route, you have to then finish what you have started. The issue with that is that that was an extremely expensive approach and it takes a bold, courageous and well-resourced government to do that. If a government is lacking in any of those attributes, expanding the heavy rail system I think is a viable and pragmatic alternative. It was the original proposal. It costs probably less than half the metro proposal and does provide certain advantages that perhaps the metro system lacked, and vice versa. So, we have a pragmatic position about that. What is important is that we get some form of heavy rail in those corridors in the north-west and south-west, and that is a critical thing.

The Hon. LYNDA VOLTZ: That is what I am trying to understand. Would it be better to pursue the Epping to Rouse Hill-Vineyard as the heavy rail option? I am no expert on this and I am assuming that you have a view. It may be a congested system; we all know there are problems with congestion on the rail system. Obviously, the thinking behind the North West Metro announcement to the Rozelle section was the first part in that plan. If you do not pursue that proposal for the metro, obviously you are then tying yourself to the heavy rail, is that right?

Mr GOODING: I recognise that the Government has suggested that the central business district [CBD] metro will provide both relief in the CBD and a long-term basis to extend the metros. The problem in western Sydney is that we have had those sorts of commitments made before and we are rather dubious about them. The classic is Parramatta to Chatswood, which has been truncated to Epping. There is a tendency with these projects for people to talk about extending things in western Sydney and it is only ever the eastern half of the project that gets built. We for once want to start in outer western Sydney and build in, rather than start in the inner city and build out.

The Hon. LYNDA VOLTZ: I picked up that message from the WSROC media release. Having played a lot of my soccer at fields in Kellyville, I can probably tell you a lot about them. There seems to be a common feeling amongst western Sydney about how infrastructure proposals go in. At the end of the day it is about the future and how we go forward now. I am conscious also of councillor Basset's comments when we were in a positive revenue stream. Obviously, we are now not in that positive revenue stream. That also will create difficulties as a way forward. I am conscious that people will raise other proposals such as public-private partnerships [ppp] as proposals for rail lines or infrastructure and getting a return based on development built as part of those rail systems. Obviously, the optimum is that government funds these, but do you have a view?

Mr BOLITHO: I do. In the process we are out of the period where there were windfalls for State Government. The reality is that it is now a mini-budget. The metro was announced seven months ago and scrapped within seven months. So, heavy rail potentially is the one that is likely to get up. On the figures I gave and the projection for Baulkham Hills Shire, we cannot wait another 20 years for a rail system, which ever it be, to accommodate nearly a quarter of a million people on 100 metres of railway track. In the briefings from the Government in respect to the metro, we were given these issues. First, there is no return if the capital costs of the metro is included in the viability of the economic study. The second part of that particular briefing we received is along the lines that they would need to have a private partner or an operating partner to do a costing for the operation of the metro.

Now on that basis it is basically, as we can best ascertain from the information on that briefing, a break-even point. The question I specifically asked of them is: given the current economic meltdown and the terms of borrowing capacity for the private sector to borrow in the current banking crisis, was that a realistic option? The advice I was given was that a private partner would not be required to make borrowings. My financial advisers in that particular area are making it quite clear that if a private sector was to operate a metro, they would have to have an Australian operation, they would have to have a capital structure, they would have forward costs of a substantial nature before they got any return, and any concept that they would not have to borrow to be able to be successful in the tender to operate it was absolute garbage. This is coming from one of the senior financial advisers in this country; it was totally unrealistic.

We have to deal with reality for our people. We have an extra 100,000 people coming into our area, and we cannot give them a seat on a train of any sort to get to work. For another 20 years whilst we fiddle around with what might or might not happen is unacceptable to those people. They want to be able to go out into the workforce, earn a living, keep their families in their lifestyle and provide for them, to educate them, and live a lifestyle to which we have all become accustomed. That is extremely important. We cannot lose sight of the human face of our communities.

The Hon. LYNDA VOLTZ: If, say, the Rouse Hill line was put in, what would it carry per hour?

Mr BOLITHO: At the moment we have 100 metres of railway track.

The Hon. LYNDA VOLTZ: No, I am saying if you got the heavy rail line put in, what would be its capacity?

Mr BOLITHO: It would carry substantially more than the 4 per cent of our population, which currently uses public transport.

The Hon. LYNDA VOLTZ: Do we have any figures?

Mr BOLITHO: I do not have figures on it, but I have figures on what we have actually carried by private transport. That produces an acceptable performance in the capacity of the roads and the capacity of the bus service, including the promised buses. And on the environmental factors, it is an absolute unmitigated disaster and totally contrary to the Federal Government's requirements for our local government area to be able to reduce its emissions by 60 per cent. On the calculations made available to us, if we are left in the current position, we will have a 67 per cent increase in CO2 emissions alone.

Mr GOODING: I understand that the estimates in the original heavy rail proposal were for around 10,000 plus per hour during the morning peak. You need awful lot of buses to move.

The Hon. LYNDA VOLTZ: Because you are getting 100 additional that will carry 50 and 15, so that carries about 5,000?

Mr GOODING: Yes, but that is assuming they will all—

The Hon. LYNDA VOLTZ: Absolutely, that they are all on the road at the same time; you can get them during peak hour on the already congested roads. I understand that.

Mr GOODING: Yes.

Mr BASSETT: Can we not forget that when the discussions on the north-west rail link commenced many years ago, it was not just about the transport into the north-west; it was actually about freeing up capacity of the existing western line. So, when you are looking at costing these sorts of things, you actually have to look at the benefit that is going to provide on the other part of the heavy rail network to offset some of the dollars on paper that it is going to cost put the heavy rail system into the north-west.

The Hon. LYNDA VOLTZ: That is a question I asked the last witness. What would be the option? Would it be to put it on the Epping to Chatswood line going into the CBD or would it be better to link the Castle Hill region through the Parramatta region? They are different growth areas. Obviously you would want both, if you could get them?

Mr GOODING: WSROC has always supported the need to provide a link from Epping to Parramatta, which would link the two lines. But the problem with going via Parramatta is the capacity of the western line: it would just add to the load on the western line. The proposal as originally outlined with the heavy rail, as councillor Bassett said, would actually provide relief on the western line. For example, if you extended it to Vineyard, you would have the option of running trains from Richmond down that line or via the existing western line.

The Hon. LYNDA VOLTZ: Are there any projections in employment growth in the Parramatta region as opposed to the CBD?

Mr GOODING: Yes, there are. I can provide some information on that to the Committee. I will take that on notice. As I indicated, we naturally want to grow employment in the region, but the metropolitan strategy at best saw the growth in employment as being around the same proportion as the growth in residential population. That will still mean there will be an increase in the number of journeys leaving the region as well as the number of journeys to employment within the region. So, we need to accommodate both. People try to reduce this discussion to a simple either/or. They say, "Oh, if you provide all the jobs for western Sydney, you won't need the infrastructure." It is not that simple. We will be battling flat out to maintain the current level of about 65 per cent to 70 per cent. If we do not maintain it, there will be even more trips; if we do, there is still the baseload trips that have to be met and accommodated.

Mr BOLITHO: The Parramatta to Chatswood one, whilst it would be helpful, is the very southern end of our shire. The job creations are predominantly now in Norwest Business Park. There is no direct access by public transport from Norwest Business Park to touch into that Carlingford line. To give you some idea, the night that I was elected as mayor, one of my neighbours travelled by public transport, because he is commercially blind, to go to Castle Hill. I do not know what time it took him, but to get on public transport he had to first go to West Ryde to get to Castle Hill. That will give you some idea of the dislocation that currently exists for public transport in our area. It is not a case of either/or. We have to look at the total picture in terms of whole-of-government approach across climate change, job creation, where the homes are being built and where the land release areas and the infrastructure has got to be within the time frame that is concurrent with the growth and development, the building of homes, the creation of jobs, the provision of schools. It is a whole-of-government approach across the three levels of government. So we cannot trivialise it by saying one is either/or.

The Hon. LYNDIA VOLTZ: I am not saying either/or. Let us be clear about the question I was asking. You currently have other growth areas outside the CBD. What is the best method for movement? Not all movement in this city is north-south, a lot of movement is east-west. The simple question I am asking about the north-west region is where people are employed and the direction of their movements.

Mr GOODING: Obviously there is a fair degree of employment contained within Baulkham Hills and to a lesser extent the Hawkesbury. The three or four main directions for movement are to the CBD, Parramatta, Blacktown and centres like Norwest within the region, Macquarie Park, which is emerging as a significant destination, and other parts of that arc from Macquarie Park through to the North Shore.

The Hon. LYNDIA VOLTZ: Given the large size of those industrial estates, once a station is put in, is there experience of difficulty in moving people around those areas?

Mr GOODING: That is certainly an issue that needs to be looked at. There has been some experience of that with the bus transitway in Smithfield and Wetherill Park where you have just one corridor and there are issues about moving people around. They are issues that can be managed. If you provide that heavy infrastructure in the form of one or two stations, you can then provide a range of feeder bus services to those stations within that area. It is also an issue, of course, when you are retrofitting this infrastructure. If you had planned it from the start, you would have a much more effective distribution mode. But it is not impossible to add it later.

CHAIR: Gentlemen, thank you for helping us to tease out these amazing issues we are confronted with. We very much appreciate your attendance here today and your submissions.

(The witnesses withdrew)

KARY ALEXANDER PETERSEN, Transport Manager, Tourism and Transport Forum, Level 8, 8-10 Loftus Street, Sydney, sworn and examined:

ROWAN LEWIS BARKER, Manager, Media and Communications, Tourism and Transport Forum, Level 8, 8-10 Loftus Street, Sydney, affirmed and examined:

CHAIR: Welcome, Mr Petersen and Mr Barker. If either of you should consider at any stage that certain evidence you wish to give or documents you may wish to tender should be heard or seen only by the Committee, please indicate that fact and the Committee will consider your request. Further, if you take any questions on notice today, we would appreciate it if you would forward your response to those questions to the Committee secretariat by 26 November 2008. Do you wish to make an opening statement?

Mr PETERSEN: Yes. First of all, I would like to thank you for the opportunity to address this hearing into the transport needs of the north-west. For those of you who are not aware, the Tourism and Transport Forum [TTF] represents 200 of the most prestigious corporations and institutions in the Australian transport, property, tourism and infrastructure sectors. The TTF members include public transport operators, investors, infrastructure developers, consultants and many others who have an interest in improving accessibility to passenger transport in Australia. Aside from my role as Transport Manager at TTF, I am also a long-term resident of north-west Sydney. I know the transport situation very well, both as a daily commuter on the M2 bus into the city and a member of a one-car household. North-west Sydney encompasses five local government areas: Baulkham Hills, Blacktown, Blue Mountains, Hawkesbury and Penrith.

According to recent data from the Department of Planning, this region has a population of over 760,000, about 251,000 dwellings and employs 240,000 people. The region is characterised by low levels of public transport use, around 7 per cent, and high levels of car dependency. In fact, it has one of the highest concentrations of cars per household in Sydney. For example, the latest figures show there are about 2.7 cars per household in the Baulkham Hills local government area. While there have been some improvements along certain corridors in the north-west, public transport solutions such as the M2 city bus is a perfect example, in recent years I guess we all know the situation is fast becoming unsustainable, if indeed it has not reached this point already.

The key question we want answered here today is: What can we do to ensure this entrenched culture of car dependency does not continue when an additional population the size of Canberra moves in over the next 20 years? Firstly, we must recognise that this is not solely a transport problem. The lack of public transport in the region shows a systemic failure of land use planning strategies over several decades. Suburbs, in effect, have sprawled without consideration of the needs of residents in the long term and with public transport provision always coming as an afterthought. It is no wonder traffic congestion has become the norm, rather than the exception. In an era of high fuel prices, concern about greenhouse gas emissions and rising traffic congestion, it is no longer acceptable to develop this region with such limited access to transport options. We must find more sustainable ways to grow.

There is no one-size-fits-all approach to solving mobility issues. Rail improvements may provide congestion relief, but without concurrent public transport investment it may just delay the problem, and possibly make it more difficult to solve in the future. We must also remember we cannot simply build our way out of this congestion. Any new transport projects must be combined with measures to reduce our reliance on fossil fuels and maximise the use of existing infrastructure. Integrated transport planning and investment focused on shifting more people to public transport is essential and should form part of a greater north-west Sydney plan incorporating sustainable land use, transport, employment and amenity.

In our submission the TTF advocates a series of short-, medium- and long-term strategies aimed at ensuring the north-west remains a vibrant place to live, work and play. We target three key themes: Improving the efficiency of the current network; increasing the supply of services; and clear policy direction based around co-ordinated, long-term land use strategies. I will briefly outline some of these proposals. In the short term, improved bus networks are an attractive public transport mode for improving services in the area quickly due to their flexibility and speed. The TTF welcomes the Government's announcement of 100 more buses in the region, however, not at the expense of other critically needed long-term projects. As an aside, buses are also a crucial component of the long-term transport network strategy. Long construction time frames for major rail projects mean that buses provide the solution to the absence of public transport until those projects come on line. In

effect, they are an essential transition mechanism, critical for attracting commuters to public transport over the long term.

Improving the bus network is about ensuring buses operate in conjunction with other available transport modes to move people effectively from A to B. The means of achieving this will be through the reorganisation of the north-west bus network and a focus of attention on connecting surrounding suburban areas with the current Richmond heavy rail line, the North-West bus transitway and the future Metro line, if it ever comes. Buses should be utilised for what they are good at—feeder systems and short hauls essential to ensuring transport systems, like rail, are properly patronised, especially in peak periods. Currently the bus and rail services lack integration and coordination. As an example, it can take 30 minutes during the peak hour to get from Rouse Hill to Schofields station by bus, a distance of just five kilometres. Commuters then face a 55-minute train journey into the city.

Alternatively they can enjoy about an hour and a half on the express bus from Rouse Hill town centre. This shows how transport modes are currently competing with one another, instead of working together to move commuters. The transport network would arguably be better serviced if buses in the area focused on moving transport passengers directly to the existing train line, which has the capacity to carry 1,000 or so passengers per train, rather than using the equivalent of 10 articulated buses to move the same number of passengers to the city. We all know about the city congestion problem at the moment. With better integration of transport modes comes more opportunities as stations become hubs, not underutilised resources. This is critical for fully maximising the potential of the Richmond rail line and future Metro line.

That brings me to the second critical short-term project: investigation of the full duplication of the rail line beyond Schofields station. Utilisation of passenger services will be largely enhanced with dual track along the entire line. The duplication to Vineyard, only recently delayed, would have transported about 6,000 commuters an hour from Vineyard all the way to Central with one train every 10 minutes—well above the 2,700 peak hour passengers in 2006. With the forecast population growth in the region, maximising the mode designed to move passengers in bulk is a no-brainer.

New park and ride facilities are another way to encourage more people to catch public transport, which is especially important in the outer north-west where distances between public transport modes is great and where people are reliant on their cars for mobility. Where space is restricted multilevel car parks and the use of air space over transport corridors would allow more people to drive to their nearest station and take public transport to their destination. However, we must recognise that cars will always have a place in a mobility strategy for the area. While the goal is obviously to encourage a mode shift to public transport, providing better networks can also reap rewards. The TTF submits the road pinch-point strategy, which is already under way by the Roads and Traffic Authority, must be fast-tracked to ensure road corridors do not become car parks—remembering that this will also provide necessary flow-on benefits to bus services with opportunities for further bus priority measures.

In the medium term—three to five years—the key priority, and I guess probably the crucial component of the entire transport strategy, is the establishment of a transport coordination authority tasked specifically with planning and the operation and coordination of transport modes and services. The TTF suggests the Government looks to models such as Metlink in Melbourne and Translink in Brisbane to examine how such a body could work in Sydney. Such a body would be best placed to undertake the necessary work to ensure planning and operation are integrated with the north-west region. A key component of integration will be the implementation of integrated ticketing. This will be essential to ensuring the commuter experience is made easier and so people do not have to reach into their pockets or are penalised every time they change a mode or, indeed, change buses. This will ensure efficient transport utilisation and will encourage new ways for different transport modes to interact with each other.

The TTF supports a smartcard ticketing system, which would speed up travel times and allow for an expansion of travel demand measures, such as off-peak fare discounting, by providing that mechanism for flexible differential pricing. The Government should also consider completion of the North-West transitway. This important transport link has provided a crucial service along the transport corridors between Parramatta and Rouse Hill and Blacktown and Parklea. However, a notable exclusion from the final project was the extension of the Blacktown to Parklea section to Castle Hill. This is particularly important, not only to ensure rapid public transport services between the north-west sub regional centres but also to link with the Castle Hill to the city bus corridor, demand for which is growing rapidly.

The two key road links in the region in the medium term connect the F3 to the Sydney orbital. Both are already considered part of the Justice Mahla Pearlman review. This would complete the Sydney orbital, taking trucks and cars off arterial roads that have reached capacity long ago. The purple type A option is now firmly established as the appropriate route in the east connecting the F3 at Wahroonga to the M2, and we encourage forward planning to begin on the western type C corridor to connect the F3 at North Gosford to the M7.

The long term plans include a new rail link to the north west. TTF has been supportive of the North West Metro project and maintains this will provide a fundamental boost to public transport access in the region. The key benefit of a North West Metro line for the north west subregion is the speed and frequency of service, crucial to attracting patronage. Residents can travel to the city in just 42 minutes from Rouse Hill, as opposed to the more than an hour and a half on the bus. While there is scope for debate about the type of rail solution, the bottom line is that a mass transit option is essential to cater for the projected population growth.

Despite current pressures on the State finances, now is the time to embrace innovative thinking to ensure critical infrastructure projects are delivered at minimal cost and risk to the taxpayer. Utilising the experience and expertise of the private sector through public-private partnerships and the adoption of strategies based around the development of transport corridors can provide the necessary means to see projects come to fruition. Transit-oriented development can be utilised as a way towards the more efficient use of land and air space around transport corridors. This type of strategy can include retail, commercial and residential development adjacent to or above major transport terminals. It can also underpin value capture for transport agencies as landlords, providing an income stream to help fund transport improvements while consolidating urban activities around transport hubs. New transport hubs will provide an ideal opportunity to align priorities across a range of areas to improve liveability for residents and prosperity for businesses. To this extent, it is essential that local councils are involved in such planning strategies to ensure the best outcomes at these sites.

TTF believes that if just some of these strategies are employed, the culture of car dependency in the north west can be broken. We must better integrate the existing transport modes, utilise proven strategies of efficient land use and provide new transport alternatives. It is clear, with the forecast growth in the region, that ease of mobility will be a key contributor to ensure the north west region remains vibrant, liveable and productive. The speed of this growth also tells us that the Government must commence planning the integrated network of the future now.

CHAIR: You mentioned the need for an integrated and coordinated authority to coordinate and market public transport across all modes and gave the example of Metlink and TransLink in Melbourne and Brisbane. Are you able to give us a snapshot of how those two bodies do their work, how they are structured?

Mr PETERSEN: Basically, all the planning and operational services of those particular networks and government bodies are combined so that the marketing, planning and operational undertakings are coordinated in that central body. For instance, Metlink has the Metlink card and TransLink in Brisbane has the go card. That is a means for them to ensure integrated ticketing in those particular cities.

CHAIR: With the recent announcements of axing and delaying of various major infrastructure projects, does the TTF have a view as to what would be desirable to come out of the mini-budget? What can be saved, so to speak? What would be the priorities of the things you think should be absolute commitments in the short to medium term?

Mr PETERSEN: We were very concerned, first of all, that the duplication of the Richmond line, the extension to Vineyard, was axed or delayed. We believe that the Richmond line is completely underutilised at the moment. I think it currently runs only two or three services during the peak hour. Especially considering the population growth in the area and that is due to come, utilisation of that line, maximising the full potential of it, is crucial to moving people around the area and moving people into the city and into the other subregional centres such as Parramatta.

The Hon. DAVID CLARKE: Let us face it: The transport system in north-west Sydney is in a complete mess.

Mr PETERSEN: It is in dire straits.

The Hon. DAVID CLARKE: You agree with me on that?

Mr PETERSEN: As a resident, yes.

The Hon. DAVID CLARKE: If there was one initiative you would seek from the Government—not that I am suggesting that you will get any initiatives accepted—but if there was one what would it be?

Mr PETERSEN: The key initiative in the long term, we believe, is the North West Metro line, as I have indicated. I know that the cost of that is enormous—I believe \$12 billion was the price tag put on that. The ability to not only capture people's imaginations but also capture the potential population growth and to encourage them to use public transport and the opportunity to also employ transit-oriented development strategies such as we have seen in St Leonards—that is a very good example - that particular project is probably on my wish list as number one.

The Hon. DAVID CLARKE: Have you put your proposals to the Government?

Mr PETERSEN: Yes. We actually made a statement through Infrastructure Australia and we have spoken to government representatives outlining what we would like to see.

The Hon. DAVID CLARKE: Have you got any response worth speaking of?

Mr PETERSEN: We are waiting on the mini-budget at this stage.

The Hon. DAVID CLARKE: When did you first raise these matters with the Government?

Mr PETERSEN: At the time when the announcements were made we expressed our concern.

The Hon. DAVID CLARKE: How long ago was that?

Mr PETERSEN: September. It has only been in the last month or so when these things have occurred.

The Hon. DAVID CLARKE: Have you raised any of these things before that time?

Mr PETERSEN: We have outlined our support for particular projects. We have been on the record many times supporting the North West Metro line, for instance. The Government is well aware of our point of view on that particular matter.

The Hon. DAVID CLARKE: And the response has been hardly overwhelming—would that be a correct summary?

Mr PETERSEN: We have been disappointed with what the Government has subsequently decided to do.

The Hon. LYNDA VOLTZ: You say your preference is for the metro line.

Mr PETERSEN: Sure. Given just one project, that is what we would say, yes.

The Hon. LYNDA VOLTZ: As opposed to a heavy rail line from Rouse Hill to the existing system?

Mr PETERSEN: Sorry?

The Hon. LYNDA VOLTZ: Did you hear the previous submission from WSROC?

Mr PETERSEN: No, I came in only halfway through.

The Hon. LYNDA VOLTZ: I am wondering why a private operated rail line would be more suitable than a public, government-owned line for north-west Sydney.

Mr PETERSEN: Considering the current pressure on State finances and the situation in the global financial crisis, I think now is the time to employ different and innovative financial strategies to be able to provide services to people.

The Hon. LYNDA VOLTZ: How would you envisage it being funded?

Mr PETERSEN: In combination with the private sector and it would be on a contract obviously similar to other PPPs around the world. So it would depend on whether the private firms are able to get all the funding and whether the Government can make some sort of contribution to that as well.

The Hon. LYNDA VOLTZ: Your organisation is a member-funded CEO forum?

Mr PETERSEN: Certainly.

The Hon. LYNDA VOLTZ: From the 200 most prestigious corporations and institutions in Australia?

Mr PETERSEN: That is right.

The Hon. LYNDA VOLTZ: So some would have thought that those were the types of organisations you are talking about?

Mr PETERSEN: Yes, of course.

Mr BARKER: We also count among our members such organisations as RailCorp, Sydney buses and Sydney Ports Corporation.

The Hon. LYNDA VOLTZ: Do they pay membership fees?

Mr PETERSEN: They certainly do.

The Hon. LYNDA VOLTZ: Do they pay the same membership fees as the corporations?

Mr PETERSEN: Yes, they do.

The Hon. HENRY TSANG: Do you envisage this private-public investment similar to the railway line to the airport? Some guaranteed income and if it does not reach the Government must compensate?

Mr PETERSEN: Obviously there would have to be some service provisions and service guarantees. That is the way the system in Melbourne runs. We have also seen just recently \$1 million penalties put on operators in Melbourne if they do not reach certain service targets. Of course, that would be something similar we would hope for in the north west.

The Hon. HENRY TSANG: Who will put the targets? It will be targets by the partners?

Mr PETERSEN: These targets would be set by the Government, I would imagine.

The Hon. LYNDA VOLTZ: Going back to my questions about the funding from the private sector, how exactly would you envisage the Government's commitment to that? I mean if you take, for example, the Mandurah rail line that has been set up in Perth, which has added an extra \$60 million per year to the running costs of the train system, would there be an expectation from a PPP that there would be ongoing running costs as part of the metro system?

Mr PETERSEN: To the Government or to the private sector?

The Hon. LYNDA VOLTZ: From the Government.

Mr PETERSEN: It depends on the service contract. Obviously, if the private sector is able to do it and it is able to take on the burden of those operating costs, then why would you not give it to them? Obviously, if there needs to be some sort of government contribution, as many transport services across the world have, then that is what it needs to be. But obviously it would be all set out in the contract and you would hope that the Government would have a contract that is transparent and would detail such matters.

The Hon. LYNDA VOLTZ: But if you are going for this model as the preferred model, surely you must have an idea about the viability of it financially, based on a certain percentage of passengers per year.

Mr PETERSEN: In terms of how many passengers they can get per year, we would look at the population growth and also look at the current public transport usage, which is about 7 per cent. We would envisage that there would be a certain level of capture towards the new particular system. But as I say, in terms of who finances it and how much each person pays and all the rest of it, that would be a matter for the contract between the Government and what the Government decides to do for the particular contract. So it would be hard to say particular figures and these things at this stage.

CHAIR: In terms of funding models, in your submission you say that the Government should consider other options for funding infrastructure such as the tax increment financing model used in the United States as a way to ensure local infrastructure is built to accommodate localised growth. Can you expand on that?

Mr PETERSEN: Yes. It is a particular model that is propagated by the Property Council and we have picked up on it. They have done research with PricewaterhouseCoopers into different ways to fund infrastructure in light of the current financial turmoil and the pressures on State budgets across the country. The model basically is a way of using the forecast growth in stamp duties to pay for infrastructure or provide certain exemptions in order for private businesses to fund the infrastructure now and then pay for it over a long period. I am not an expert on tax increment financing. I note that you have Ken Morrison here next week and I would certainly say for you to speak to him about this matter in more detail.

CHAIR: One question about the road system and on your medium term list of priorities and recommendations you have said commence the F3 to the Sydney orbital, for example. What do you say to the people who say that that just adds more cars to the road and that we should stop doing that sort of connecting up by road?

Mr PETERSEN: Road measures and increased road infrastructure provide opportunities for public transport measures. As the Hon. Lynda Voltz mentioned, the Mandurah line in Perth runs down the centre of the freeway. This is a way to provide infrastructure not only for car users but also for public transport users.

CHAIR: So again it should be an integrated approach?

Mr PETERSEN: It is an integrated approach.

CHAIR: Multimodal.

Mr PETERSEN: That is exactly right.

(The witnesses withdrew)

(Short adjournment)

MICHAEL RICHARDSON, member for Castle Hill, Legislative Assembly;

WAYNE MERTON, member for Baulkham Hills, Legislative Assembly; and

RAY WILLIAMS, member for Hawkesbury, Legislative Assembly, examined:

CHAIR: I welcome Mr Williams, Mr Merton and Mr Richardson. Because as members of Parliament you have each previously sworn an oath to that office, there is no necessity for me to swear you in here today. You are on your normal oath. First, welcome, thank you for being here and thank you for your submissions. Do each of you wish to make a brief opening statement? Would that be a good way to proceed?

Mr MICHAEL RICHARDSON: Yes, I think we do. Of course, we represent different parts of the north west. The issues that affect all of us are the same but they are also different.

CHAIR: Would you like to start?

Mr MICHAEL RICHARDSON: I would be happy to do that. A week ago the Premier Nathan Rees betrayed the people of north west Sydney when he announced that the North West Metro would be scrapped in favour of a line to Roselle. It is not just me saying this; the front page of the Hills News probably said it more eloquently than I am saying it now. Its headline read "Traitor" in very large letters. The reason for this is pretty clear to see.

In December 1998 the then Minister for Transport Carl Scully in his Action for Transport Plan, promised that he would build a railway line to Castle Hill by 2010—that is, in less than two years—the Epping to Chatswood link and a T-way from Bankstown to Castle Hill. All of those are now off the agenda. There was also a four-station optional extension to Rouse Hill. It was then in my electorate of the Hills. It was to be delivered by 2014. The original cost of the two-station heavy railway line from Epping to Castle Hill was \$600 million.

In 2002, when it was announced that it would be extended to Rouse Hill the cost was around \$2.5 billion. The announcement by the former Premier Morris Iemma of a metro from St James to Rouse Hill was to have cost \$12 billion. I do not think anyone should be surprised that the line has now proved to be too expensive to build. In fact, the greatest insult was offered by the Premier last week when he said that not only would we not be getting any sort of railway line to the hills, we would be getting 100 buses—forget about the \$12 billion worth of railway line, we can have 100 buses to be delivered over four years. I think members can understand why the people of the Hills feel absolutely outraged and betrayed.

I want to give members some sort of idea of what has gone on over those 10 years so that they get a clear understanding of just how angry people are in our area. As I said, in December 1998 we had the Action for Transport Plan released with the railway line to Castle Hill by 2010, with the option to extend to Rouse Hill by 2014 and the Parramatta to Epping link plus the T-way. In March 2002, the railway line was extended to Rouse Hill, but the start and completion dates were scrapped. That is important, because if you do not have a start and completion date you do not have anything. That is one of the great problems.

However, in August 2003 they moved to set aside corridor, but they never knew how they were going to pay for the line. In November 2003, Carl Scully started to talk about redeveloping areas around the stations to pay for the line. I envisaged 50 storey blocks of flats for about a kilometre around these stations because we are talking about a lot of money and a lot of value capture for rezoning. It was not all in the Baulkham Hills shire; the Franklin Road station is in Hornsby shire.

However, in January 2004, Mr Scully said that the Government's position for the foreseeable future for north west Sydney is buses. What happened last week is real back to the future stuff. In October 2004, then Premier Bob Carr said that rail was not a viable option in the short term. In May 2005, following a campaign by the metro media—this Government seems to respond only to the media—it was announced that the Government was considering a new route for the line and it was looking closely at private funding. In September 2005, the Government scrapped the Parramatta to Epping rail link. That was really the icing on the cake. Not only did we lose one rail, we lost two.

In November 2005, the Government said it would build the north west link only after it had built a line to Bringelly and another tunnel under the harbour. All these plans became more and more fanciful as time went on. In June 2006 Bob Carr reannounced the line, shortly before he resigned. However, the completion date was put back to 2017. Well, we had a new Premier and he was pretty excited about all this. In November that year, Morris Iemma said he was going to bring forward the delivery of the north west rail link to 2015 by two years, and he was going to increase public transport options for this region. A preferred project report was released in June 2007, but once again it had no money attached to it or a start date. It said specific funding arrangements had not been finalised.

We were talking about a major infrastructure project with no dollars attached to it; no-one knew where the money was coming from. They were talking once again about the use of developer levies or value capture options. In September 2007, the Treasurer Michael Costa revealed the north west link was likely to be scrapped. At the same time, the Premier and the Deputy Premier were guaranteeing that north west rail link would be built. The two most important men in the Government both guaranteed that the north west rail link was going to be built.

At the end of 2007, then Premier Morris Iemma talked about what he was going to do with the proceeds of the power sale, which, of course, did not go through. But there was no mention of the north west link. So, once again, no-one knew where the money was going to come from. On 18 March this year, he announced that the heavy rail link had been scrapped and would be replaced with a \$12 billion metro line from James to Rouse Hill. That line was not to have been dependent on the sale of the electricity industry. Then the Government started a massive advertising campaign on TV. I have spoken to estate agents who tell me that people have come from all over Sydney to buy houses in the Hills district because of that advertising campaign and because they believed that the Government was going to build a rail line out there. How do you think they feel right now?

Ms LEE RHIANNON: Can you show us any of them?

Mr RAY WILLIAMS: I have an e-clip from the *Sydney Morning Herald*.

Mr MICHAEL RICHARDSON: There you are. It is pretty easy.

Ms LEE RHIANNON: That would be very good.

Mr MICHAEL RICHARDSON: On 5 May there was something positive. John Watkins announced in the Parliament that the Government was going to appoint a shadow operator for the North West Metro. That was terrific; we had a shadow operator for what was by then known as the ghost train. It seemed entirely appropriate to me. On 3 June 2008, Michael Costa introduced the budget and said that the North West Metro was fully funded without having to sell off the electricity industry. But ominously a footnote budget paper No. 4 stated that arrangements for the North West Metro were still to be finalised. In August 2008, John Watkins, the Deputy Premier and Minister for Transport, said that the North West Metro was the solution for Sydney and for our future. A couple of weeks later, the electricity privatisation bill failed to pass through the Legislative Council and there was a melt down. Iemma, Watkins, Costa and Meagher departed.

I move on to 7 October 2008. A *Sydney Morning Herald* story suggested there would be no federal funding for the North West Metro because there were no votes in it for Labor. Perhaps I am wrong, but I believe that governments are elected to govern for all of the people of New South Wales, or if it is the Australian Government, for all the people of Australia. Sure, there may be a little bit of pork barrelling, but when you are talking about the major growth centre in New South Wales and there is no public transport, apart from Carlingford railway station—which I will come to in a moment—surely the Government has a responsibility to do something for those people.

Of course, just had last week we had the announcement that the North West Metro was going to be indefinitely deferred and that the Government would be seeking federal government funding for a \$4 billion metro from central to Roselle—yet another line on the map. This thing kept on being extended. I heard them talking about going out to Vineyard, and even the extension to Rouse Hill was only an option to start off with. The original proposal was quite modest: Two stations from Epping to Castle Hill. Everything else that has been added on to that—which has been made necessary by the exponential population growth in our area—has added to the cost. Unfortunately for this Government, it has made it less likely that anything will be done.

As I said, we have one station in Baulkham Hills shire in my electorate. I refer to Carlingford. Carlingford was going to be on the Epping to Parramatta line. It was going to be a through line and those people were looking fairly good as far as public transport was concerned. However, the Government scrapped that in 2005. To add insult to injury, it reduced services to one direct service to the city a day and none returning. For every other service, passengers have to change at Clyde. There were all sorts of problems associated with that and they are outlined in my submission.

Baulkham Hills council, operating on the premise that the Carlingford line would be extended to Epping and that there would be a railway line at least to Castle Hill, put in place a precinct plan to shoehorn 5,000 more people in the area around Carlingford railway station, including five 18-storey blocks of flats. This is for one direct service to the city a day and none returning. Most people go to Epping station. They think the service is an absolute joke, which it is.

The whole of the Castle Hill town centre has been planned around a railway station that will never be built. The council has been forced to do that. They planned the north west sector based on a railway line that is never going to be built. That is a measure of the anger that people in our area feel.

The residents of Baulkham Hills and Hawkesbury are among the lowest users of public transport in Sydney and we have the highest level of car ownership in the country. That is not surprising. What it means is that there is an enormous opportunity to put more people on buses and trains. That is something that should not be ignored. For the past 14 years the solution has been buses. We have the Hills city express bus service, which we started in 1994 before the M2 was opened. It went down Victoria Road initially. That service carries more than 12,000 passengers a day, which is a very substantial number. Of course, there have never been enough buses to meet demand. In April 2006, Hills Buses asked for 20 buses and it was given 13. The company has been playing catch-up ever since. Members heard comments about that. At

Oaks Road bus station is in my electorate in Carlingford. It is the last stop before Lane Cover and the city. It is common for three, four or five buses to go past because they are full. People cannot get on to them so they are late for work. That is not a satisfactory public transport system. There have never been enough buses for the system. I do not think this Government understands how to keep up with a public transport system that is growing rather than shrinking. The growth level is exponential at 20 per cent a year and the government just cannot cope with that.

Quite apart from the fact that there are no buses, the service is handicapped by the lack of bus priority. I suggested that the breakdown lanes on the M2 should be made into peak-hour bus-only lanes. It got letters back from Reba Meagher and Tony Stewart, both Parliamentary Secretaries for roads, saying that that was not possible because those lanes were needed as breakdown lanes. The Government has now converted part of the westbound lane between Epping Road and Beecroft Road into a general traffic lane and pushed the cyclist off the M2. That is just another example of the sort of hypocrisy of this Government.

I mentioned the T-way that was supposed to go from Blacktown to Castle Hill. I might add, the former Deputy Premier and Minister for Transport worked me over in question time because of a press release I put out in 2006 about this issue. It never got past Old Windsor Road. It does not go anywhere near Castle Hill. So you do not even have that connection from Castle Hill into the north west business park, which is extraordinarily important.

I mention Norwest Business Park because that is really important. This is the crux of the matter. Ten years ago when this line was proposed, Norwest Business Park, I think is fair to say, was in its embryonic stage. It now has 25,000 jobs and 25,000 workers, with another 15,000 due to go in over the next eight years. It is a major destination in its own right. What we desperately need is a rail link to Norwest Business Park, not just to Castle Hill, because what you will get out of that is back loading. It will not just be people going into the city. You actually get people coming back out again, probably as many as you will get going into the city. That will significantly improve the economics of our rail link as well as getting people out of their cars and onto public transport.

CHAIR: Mr Richardson, we have to make sure that your colleagues have time.

Mr MICHAEL RICHARDSON: Yes, I understand that. I just want to stress that the Epping to Parramatta line needs to be built. There are some very good strategic reasons for doing that. It cannot be neglected and it should not be ignored by the Committee.

CHAIR: Mr Merton?

Mr WAYNE MERTON: First of all, let me say thank you for the opportunity to appear before your Committee. I appreciate that very much. My colleague Michael Richardson in quite great detail has described the traffic and transport issues in north-west Sydney. I have in my submission raised particular issues that concern the people of Baulkham Hills: traffic intersections such as the Bull and Bush intersection, and the need for an underpass. I have spoken also about the fact that in my opinion there should be a link between the north-west transit way and the M2 motorway. I have spoken about other issues of concern to the local people and I will not go into those in great detail.

Let us just look at the overall picture. What is the main factor and the issue that really antagonises and makes people very annoyed and angry: Firstly, many people who have lived in this area and have relied on the promise and hope this Government gave them in 1998 when Minister Scully announced the north-west rail link. It has been confirmed and re-endorsed by three separate Premiers, a litany of transport Ministers but not one sod of soil has been turned; no action. The result of 10 years to date is basically glossy submissions and brochures. You will not get to work on a brochure and you will not get to Sydney with a submission to an inquiry that has probably put your papers in the bottom drawer, forgotten them and moved on. So it is an issue.

Michael has also raised the fact—and I raise this for people who have moved into the area on the inducement and encouragement of this Government that there would be a rail link. When the Government ran out of excuses as to why it had not produced the rail link and there was no action, they decided to dangle like a carrot for the people of north-western Sydney the magnificent concept and grand plan of the metro. People immediately had ideas of the network of transport in Europe, Paris and the United Kingdom. Suddenly the metro was going to be the next best thing. The other one had not eventuated but this was better, so it was worth waiting for.

When it was announced it was going to cost \$12 billion, something like four times the cost of heavy rail and they did not have the money for that anyway, but they were still going to take you on the next step to greatness with transport, as it were, and offer you this big incentive if you are still going to remain a true believer and you were not completely disillusioned, had sold your house or were thinking of selling. The dream was created of the metro.

Of course, the metro was doomed from the day it was announced because there simply was not money for it. The ultimate betrayal of the people of north-west Sydney came only within the last 14 days when it was announced that the metro was no longer on the radar; the metro was finished. "We had talked about it and we were going to build it but we cannot afford to." The Government could not afford to build it when they announced it and I would suggest to you, with the greatest of respect, that throughout the years of this Government, since 1995, there has been no real commitment to provide a rail link, whether it be heavy or metro, for the people of the north-western Sydney.

The people of north-western Sydney have been repeatedly tormented and you are tormenting people who are desperately transport starved. They have to go to work, and many go to the city while others go to Parramatta. In a lot of cases they cannot go to the north-west transit way because there is nowhere to park the car. I encourage the use of public transport—and the only public transport to Sydney is buses—but the Government has effectively nationalised the bus industry. The local bus company applied for more buses but they simply did not get them. That means that some mornings at the Baulkham Hills junction there are queues of 100 to 200 people fighting to get to work. That should not be so but the Government seems to be indifferent. It is a very serious situation.

The world changed under the previous Labor Government when Bob Carr as Minister for Planning in 1985 announced the north-west sector. Immediately we had on our doorstep a city the size of Canberra. At the time it was promised that people would not be thrown into an area without infrastructure; that services would be available. That has not happened. People have arrived and all we have is buses, buses and more buses; buses fighting with cars on gridlocked roads so people can go about their business, whether it is to work, a medical appointment or to take the kids to school. It is a chaotic situation. Residents of north-western Sydney have had enough.

Businesses in the Norwest Business Park, which employ some 25,000 people, are now talking about moving, going back closer to the city. This is a major source of employment for the north-west and it is being

jeopardised by ineptitude, by the deceit and lack of commitment of the State Government. I represent the people and they believe they have been actively discriminated against because they do not have the same transport options as most residents of other metropolitan areas.

Ms LEE RHIANNON: Madam Chair, when Mr Williams speaks, could he outline what the Coalition parties are proposing? We have heard what the problem is, but what you are actually saying should happen?

Mr RAY WILLIAMS: What I might do, just in opening, is to go back to the question raised by Ms Rhiannon in relation to the people who had moved into that area declaring that they bought in the Rouse Hill area, as Mr Richardson, the member for Castle Hill, pointed out, stating that they moved into that area for a rail line, and I refer to today's *Daily Telegraph* and an article giving a planning report card on behalf of the New South Wales Government in terms of infrastructure and transport, for which I believe they received a "D"; maybe not a "D" for dummies but a "D" on a scale of "A to D" is not very good. In an article, Anthony and Jermaine Depalo, two schoolteachers, said they moved to Rouse Hill with their two daughters, Ella, five and Alix, two, because of the promise of the train line to that area. One of the selling points of moving here was the plan for the railway.

I am looking at the oath, "I swear that the evidence now about to be given by me shall be the truth, the whole truth and nothing but the truth, so help me, God." You said that I had already taken that oath. I just wonder whether the two previous Premiers in New South Wales were cognisant of that oath or whether they lived by it when they stood in front of the people of New South Wales and pledged to build a north-west rail link to the areas of Castle Hill and Rouse Hill.

The single most significant piece of infrastructure required in the north-west sector is a heavy rail line. I have outlined in my submission a metro or a heavy rail line. I do believe a heavy rail line would be the only suitable means of public transport to cater to the needs of the population that has moved to the north-west area, in particular, the Rouse Hill development area since 1993, over the past 15 years, and what is projected to go into that area. When I talk about that area, I talk about covering a host of electorates from Castle Hill, Baulkham Hills, indeed, my area of Hawkesbury, which has absorbed the majority of development across the State of New South Wales over the past 15 years and importantly the electorate of Riverstone. I am surprised the member for Riverstone is not here today because his residents will suffer enormously from the lack of a north-west rail link.

It is projected that there will be an additional 200,000 people within that north-west development area over the next 10 to 20 years. At this point in time we have a gridlocked road system, a bus systems that caters to less than 5 per cent of the people who expect to use public transport and if we are going to cater to the needs of that area, to transport those people to the central business district of Sydney, to Macquarie and to places such as Epping, Castle Hill, et cetera, we need a heavy rail line. Our area is heavily car dependent but when one looks at the public transport on offer, it is no wonder that it is car dependent.

This area was identified as far back as the 1950s for development. Land was actually acquired along the sides of Windsor Road to cater to the widening of that road back as far as 1958. Large dairies and other large land holdings in that area were purchased prior to the 1970s and throughout the 1970s. The major purchaser of land in that area was the New South Wales State Government of different political persuasions. Land such as Peel's Dairy where Stanhope Gardens suburb now resides and also land where the Rouse Hill regional centre now sits were both purchased by the New South Wales State Government. The New South Wales State Government was the largest developer in that area.

When we look at the figures such as the \$17 billion windfall above budget expectations over the last decade, much of that expected windfall, much of that achieved windfall, came from this area. It came by way of State taxes; certainly stamp duty played a major and significant part of that revenue but also—and this is one aspect that really needs to be looked at because nonetheless we do understand the history, we cannot work towards the future—the land that was actually sold by the Government reaped an enormous amount of revenue for the New South Wales Government. Not only did they reap a massive revenue; they failed to implement a satisfactory corridor for that growth, recognising that it was a major growth area the New South Wales and indeed for the north-west areas of Sydney. They failed to even recognise a single corridor to cater to the needs of public transport for that area.

Recognising that is a problem and the way forward, how do we resolve these issues? With great difficulty, but if we procrastinate any longer the area will suffer and what will suffer as a result is the New South Wales economy because a strong economy and a strong housing sector go hand-in-hand. I believe it will stifle

development in that area. As pointed out before, people moved to that area knowing that there was going to be suitable public transport. That has now been stifled so the whole housing issue out in that area will be in jeopardy. We have a contradiction at this point in time between a couple of departments and Ministers where we have the cancellation of public transport to that area and the new Minister for Planning stating that she intends to free up land and to smooth out the rollout of affordable and perhaps even orderly land development in the future.

Whatever that means, that is a massive contradiction because the development already there in Castle Hill and in Baulkham Hills—as pointed out members for Castle Hill and Baulkham Hill—was prefaced largely on this rail line. If I look to the new development areas such as the Balmoral Road release area and the North Kellyville areas, which do not have houses on them at this point in time, or the Ponds development in the Riverstone electorate, which only has a couple of homes at this point in time, all of those areas were prefaced on this rail link being delivered to that area.

What do you say to those people? What do you say to those residents that are moving in? What do you say to those developers who are now faced with paying massive infrastructure charges, such as the State infrastructure charge imposed on the development of \$500,000 per hectare? What do you say to those people paying that infrastructure charge and not achieving a rail link to that area that has been cancelled? Do you remove that levy and allow the housing to go forward? Do you leave that levy in place and not provide public transport?

The people of the north-west area have been lied to for the past 15 years by this New South Wales State Government and it is a disgrace. It is a disgrace that no departments are here today to answer to this inquiry as to why the corridor and the plans and the money that has been spent and, indeed, the literature, the brochures and the television advertising that has been spent on the North-West Rail Link to date, why the Roads and Traffic Authority is not here, why State Rail is not here, why the Ministry for Planning or the Ministry for Transport are not here to answer as to why they have been party to the advertising to the people of the north-west sector, why they have not turned up here today, why the New South Wales Government has not allowed them to appear here today. I think those questions need to be answered. I also think for the people of the north-west it is an absolute disgrace, first, that the rail link is now not going to be built at all and, second, it is a disgrace that the New South Wales Government is not here to answer for its actions.

The Hon. DAVID CLARKE: You are aware that we did ask those departments to attend here today?

Mr RAY WILLIAMS: I am not aware of that, no.

The Hon. DAVID CLARKE: I can inform you that we asked representatives of the Ministry of Transport, the Department of Planning, the New South Wales Treasury, RailCorp, the State Transport Authority and the Roads and Traffic Authority, and the Premier's department vetoed any of them attending here today. We were told it was because of the mini-budget and because there was also a process of change under way within the department, in the form of restructure and reporting which should be concluded during November 2008. They are the reasons that were given for a refusal by the Premier's department to allow representatives to come before the committee on which the Coalition is only a minority. This is an all-party committee and we wanted to ask things that did not even apply to the mini-budget but matters that we wanted information about that occurred in the past. That is just to clarify to you that I moved that those bodies be invited to be here.

Mr RAY WILLIAMS: I appreciate that explanation, thank you.

The Hon. DAVID CLARKE: I just want you to know that we did our very best to do that.

Mr WAYNE MERTON: No show.

Mr MICHAEL RICHARDSON: It would have been helpful had they turned up because they might have been able to explain to us exactly how all of this growth is going to be accommodated in the future.

The Hon. DAVID CLARKE: We now have to ask you questions because we cannot get the information from the departments involved.

Ms LEE RHIANNON: Well you should ask questions then, Mr Clarke.

The Hon. DAVID CLARKE: I will be.

Ms LEE RHIANNON: You only have two minutes.

The Hon. Lynda Voltz: Point of order: We want to move forward here. There is a mini-budget process. While I appreciate the speeches of the Hon. David Clarke, it is very difficult for government agencies to come along and answer questions in the middle of a mini-budget process.

Mr RAY WILLIAMS: With all due respect, they have undertaken a lot of the planning. There is a corridor identified for the heavy rail link to Castle Hill and Rouse Hill. A lot of planning has been undertaken.

The Hon. LYNDA VOLTZ: They do not make government policy and you cannot ask them in the middle of the mini budget process.

The Hon. DAVID CLARKE: I will ask you a question, Mr Williams, that I would have asked one of those departments and it does not refer to the mini-budget. For instance, we have had massive growth in north-west Sydney at the direction of the Government, we heard earlier from the Mayor of Baulkham Hills, but we have not had a growth in the transport infrastructure to deal with this. There are a lot of infrastructure levies that the Government receives from development in the north-west. What was that supposed to pay for? Where has that money gone? That is the sort of question I would have liked to ask but I was told they cannot be here because of the mini-budget.

The Hon. Lynda Voltz: Point of order: I am not sure that we should be expanding on questions we cannot ask. I am sure we are interested in hearing from the members out there what their proposals are and the way forward. I appreciate that people are frustrated about it but we have got a very short time and I actually do want to know what your preferred options are.

The Hon. David Clarke: Point of order:

The Hon. LYNDA VOLTZ: We have not had a ruling on the last point of order yet!

CHAIR: Mr Clarke can ask the questions that he wants to ask but can we just speed it up.

The Hon. DAVID CLARKE: Yes.

Mr RAY WILLIAMS: Very simply, just to answer your question, Mr Clarke. The State infrastructure charge was imposed on every block of land to be developed in the north-west sector that was proposed back a couple of years ago, two years ago, and over the next 20 years.

The Hon. DAVID CLARKE: Including transport infrastructure.

Mr RAY WILLIAMS: The basis for that infrastructure charge being imposed on development was to pay for large infrastructure in that area and that was particularly to pay for the North West Rail Link.

CHAIR: Gentlemen, can I follow up on a question that Ms Lee Rhiannon suggested she would ask in relation to the Opposition's position? Is it not correct that on 4 November, for example, after the bus re-announcement Mr Barry O'Farrell said:

The New South Wales Liberal-Nationals remain committed to a North West Rail Link.

Mr WAYNE MERTON: Yes.

CHAIR: Did he not also say:

We are committed to linking infrastructure delivery to planning policy and we will have an integrated transport authority.

Is that not correct?

Mr WAYNE MERTON: That is correct.

Mr MICHAEL RICHARDSON: That is pretty much Coalition policy and I guess the timeframe for delivery of that North West Rail Link will depend on the State's finances when we get into government. I think you can take it as a given that we are actually committed to doing that. Going back to what I said before, the first stage must go to the Norwest Business Park because of all the jobs there—that is absolutely axiomatic.

Ms LEE RHIANNON: Would one of you indicate why Coalition promises on north-west public transport issues are any different from Labor, and why should the people believe you? I have asked that question in the context that in recent weeks Liberal Party policies on transport have been removed from the Liberal Party's website and also in the context of comments that Mr Greiner made in *The People's Choice*, the editors of which are Michael Hogan and David Clune, which were very relevant in relation to transport issues:

We ruthlessly separated the issues of getting elected from the issues of government. I literally had a drawer for elections and a drawer for government. In the drawer for getting into government we had truth in sentencing, and populous things that were liable to win votes, in the drawer for governing we had microeconomic-type steps, ones that were difficult to sell politically even though they prove to be right and successful. We had directions rather than policies that avoided the pitfalls of detail. I remember the transport one, which managed to convey in positive terms the directions in which we were going to go rather than we are going to shed 33 per cent of the workforce. In most cases we had a direction policy, which we published, and in most cases we had a policy behind it, which we did not publish.

Mr WAYNE MERTON: Can I answer that question?

CHAIR: Yes, Mr Merton.

Mr WAYNE MERTON: The reality is this; the Coalition has been committed to building the rail link from Epping to Rouse Hill since John Brogden was at least the Leader, if not before then. We have been utterly consistent with that. We are consistent with it today. We said when the metro was going to be signed off—and I believe the Government said that they had signed a contract for the metro, although there were no plans and specifications—we would honour that commitment. I would believe our preference would be for the heavy rail link, mainly because it is more feasible as far as the cost factor is concerned, but we are committed to building a rail link—whether it be heavy or metro I do not know. As for Mr Greiner, well Mr Greiner, with the greatest respect Ms Lee Rhiannon, is no longer the Premier.

Mr MICHAEL RICHARDSON: It has been 16 years.

Ms LEE RHIANNON: But your party has a bad track record on public transport.

Mr WAYNE MERTON: No, no.

Ms LEE RHIANNON: You removed rail lines in the north-west of the State.

Mr WAYNE MERTON: Let me just answer the question. As far as public transport is concerned, why should you believe the Liberal Party? The reality is that we have not been in government since 1995 but we have been committed to building a rail link and that is still is our particular situation.

Ms LEE RHIANNON: How will you pay for it?

Mr WAYNE MERTON: We will have to look at the circumstances as they arise. Obviously we would deal with it—

Ms LEE RHIANNON: Surely you must know that by now!

Mr WAYNE MERTON: No, not at all. We are not in government now.

Mr MICHAEL RICHARDSON: We are waiting for the mini-budget.

Mr WAYNE MERTON: We are not in charge of the Treasury. Let's just have a look and see—

Ms LEE RHIANNON: So you really have no idea?

Mr WAYNE MERTON: No, I do not say that at all. I am saying when we get into government we will have a look at the Treasury, we will have a look at the figures, and we will see how much money is in the purse. If you have not got the money in the purse you cannot spend it straight away. But we have got that

commitment to build it and we will arrange to finance whatever needs we have to do it because we believe in the cause. That is the difference with this mob; they don't believe in the cause.

Ms LEE RHIANNON: So will you borrow the money?

Mr WAYNE MERTON: I do not say we will borrow the money at all. When we get into government we will look at the purse, we will look at the feasibilities, and we will look at the best possible way of building it at the least cost to the taxpayers of New South Wales. There is one big difference between them and us; we will build it.

Mr MICHAEL RICHARDSON: Could I just add one thing to that?

CHAIR: Mr Richardson.

Mr MICHAEL RICHARDSON: This Government, or the Labor Party when they were in Opposition, opposed building the M2, which I said before is a major public transport corridor, as well as a road corridor, with 12,000 passengers a day—not to be sneezed at. The Labor Party opposed that.

Mr WAYNE MERTON: They did not go to the opening of it—Senator Maroney opened it.

Mr MICHAEL RICHARDSON: The most important debate that I have participated in this Parliament was a debate in which the Labor Party wanted to set up yet another committee of inquiry into the M2 in 1984. We were actually sitting there, and I remember Wayne was doing the same thing, watching where the Independents were going to go and fortunately they supported us so we got a public transport corridor. Labor would not have ever given us that. You would have had those 150,000 people who have gone in there going into the north-west sector using Epping Road as a means of getting into town. It would have been absolutely appalling. It would have been chaos.

Ms LEE RHIANNON: No, you would have had more public transport now and you know that.

CHAIR: Order!

Ms LEE RHIANNON: You would have more public transport now if we did not have that motorway and you know that.

Mr WAYNE MERTON: I do not believe that.

Mr MICHAEL RICHARDSON: I do not believe that at all.

Mr WAYNE MERTON: You have had 12 years to do that.

Mr RAY WILLIAMS: It might be worthwhile pointing out that the only significant piece of infrastructure to the north-west of Sydney was delivered to us by way of the Greiner government prior to 1995—that being the M2. I might also add, in terms of public transport, that they also permitted the operation of the Hills Bus to the city bus route, which gives us an enormous benefit in public transport. Given that is the only public transport we have, it is a very good way to access the city where a lot of people go. I might just add to one point that my colleague Mr Wayne Merton has made; on any given day there can be hundreds of people lined up waiting to get buses to access that public transport and only a mere five or six kilometres down the road at Rouse Hill we have the case where up to 100 buses are travelling around the suburban streets of Rouse Hill with nobody on those buses. This is due to the Ministry of Transport now organising our strategic routes in that area and not the private company that did it in the past.

They will not listen, they will not answer telephone calls, and they certainly do not respond to my letters. When you have got that situation we have wastage of buses in one area and a shortage in another. So how would we manage the public transport needs of the community? Can I tell you, we would undertake some community consultation, and we would get out of our ivory towers and go out and have a look at where the transport is needed and then provide public transport to the passengers in need. Our financial credentials are there for everybody to see.

Ms LEE RHIANNON: The contract that the Liberals signed off on for the M2 does not allow public transport in that area.

Mr WAYNE MERTON: I do not believe that is right.

Mr MICHAEL RICHARDSON: Absolute rubbish. That was a furphy.

Mr WAYNE MERTON: That was a furphy that has been around for years.

CHAIR: Order!

The Hon. LYNDA VOLTZ: Can I just ask some questions on behalf of the Government? Let us put aside—

Mr MICHAEL RICHARDSON: Do you support the M2?

Ms LEE RHIANNON: I did not say that.

Mr WAYNE MERTON: What about the M7 that the Howard government built?

CHAIR: The Hon. Lynda Voltz.

The Hon. LYNDA VOLTZ: Let us put aside the experiences of the past—

Mr WAYNE MERTON: I think in your case I would be agreeing with that.

The Hon. LYNDA VOLTZ: Well I have been here for 18 months and I am happy to put any of my experiences in the past aside. Going forward, if the money is not in the pot—let us face it, the revenues are not great. Revenues are not great not only in New South Wales but also across the country and across the world—we are in difficult times. I do not think from either Labor or Liberal governments that I have complete confidence in public-private partnerships [PPPs]. I have a concern that the people of western and north-western Sydney get to pick up the pieces for infrastructure and other parts of the city have had infrastructure put in place. What will you do if there is no money in the pot? I think I would ask the same question of my own people, as I ask of you. If we are going to build this kind of infrastructure let's face it—personally I think this kind of infrastructure should be built. I do not think that anyone argues that there should not be some kind of rail to the north-west. The crux of the issue is: how are we going to fund paying for this?

Mr RAY WILLIAMS: I am happy to step up first of all and put something firmly on the record. I am certainly not against public-private partnerships. I would suggest that the one great example of that was the M2 and how that has worked out. That has worked to be beneficial to everybody in the north-west and perhaps beyond, but I would have to say that your Government has an appalling track record of entering into contracts that have blown out, that have doubled and have given us huge failures right cross the city.

The Hon. LYNDA VOLTZ: Let's look at the transport lines. The only other example, of course, is the airport line, which was put in place in the Greiner government, and the difficulties that were there within the contracts. I am not completely opposed to PPPs—

Mr WAYNE MERTON: Well your government specialised in them.

The Hon. LYNDA VOLTZ: I think in certain areas these things can work. For whatever reason the light rail has been an ongoing PPP and it is there, but let's look at north-western and western Sydney and the amount of infrastructure we want to put in there and whether a PPP is suitable or not suitable. Is your option, if the money is not in the pot, that it will be a PPP?

Mr WAYNE MERTON: It is a hypothetical question. I have tried to explain. When we get into Government we will have a look at the purse, we will have a look at how much money is in the bank. We have a commitment to build it and that is where we differ from your Government. When we have looked at what money is in the bank we will look at the best possible way of financing it. If that means PPP, so be it. It may not necessarily be PPP. I think your own Government's submission justifying the north-west rail link was very good—I agreed with that one—and also some mechanism about financing it out of general revenue and things

like that. We would not dismiss that either. You are asking a hypothetical question. You said earlier that the world is in a state of flux. No-one knows what the situation is going to be in March 2011, hopefully when we return to Government. We will look at the situation then and you will be given an answer. There is one thing I can be certain about: we have a commitment to build it, you did not. You gave the people 10 years of deceit.

The Hon. HENRY TSANG: It is therefore fair enough for the Government to say that noting there is no money in the pot, let us get the buses moving in the meantime.

The Hon. DAVID CLARKE: There has been money in the pot for the past 10 years.

Mr WAYNE MERTON: You have blown \$17 million, Henry.

Mr RAY WILLIAMS: The former Premier stood up in this Parliament not long ago and stated unequivocally that the North West Metro line—

Mr WAYNE MERTON: Which Premier?

Mr RAY WILLIAMS: Mr Iemma. He said it would be delivered—this is only a couple of months ago—to Castle Hill and Rouse Hill by 2017, and it was fully funded and not premised on the sale of the electricity utilities.

[Interruption]

Mr WAYNE MERTON: You are masters.

The Hon. LYNDA VOLTZ: We are not masters at anything. If you want to be serious about government and if you want to be serious about what the revenue pot is you have to look at what the revenue pot is at the moment. The Government is not doing a mini-budget on a whim. The Government is doing a mini-budget because we have to have a serious look at where the revenue is at the moment and what we can do in the future. All of us as members of Parliament would be realistic about that. The reality is that to build infrastructure like this costs a lot of money and it needs to be paid for. I am not being critical of the way forward. I am really asking whether it is the biggest sin to go into debt, is it the biggest sin to go to a PPP, is it a bigger sin to just leave it until such time as the revenue base allows you to build it out of consolidated revenue? That is what I am saying. What is the optimal point for you guys at which you would like to build it?

Mr MICHAEL RICHARDSON: I just point out, Linda, that what we are talking about here, even if it went only to the north-west business park, is \$2.5 billion. The Government's proposal was \$12 billion, so that in itself is a saving of \$9.5 billion. That is a lot of money.

The Hon. LYNDA VOLTZ: I am glad you agree with Michael Costa.

Mr WAYNE MERTON: Linda, in your last question you made a lot of sense. You spoke about looking at the whole situation and the contingencies and what will be in the pot when we get to Government. That is exactly what we will do. We will look to see what the best option is to build the rail. For the third time, so that everyone here can understand, we have a commitment to build it. I do not believe you ever did.

CHAIR: Thank you for that. That brings us to the conclusion of this interesting interchange.

The Hon. LYNDA VOLTZ: When you say that you do not mean me personally?

Mr WAYNE MERTON: Not personally, of course. I would have helped you dig it. I would have been out there driving a bulldozer for you to get it going.

Mr MICHAEL RICHARDSON: That is what Tanya Gadiel said she was going to do with Parramatta to Epping. She said she would dig it herself. I went down there with a shovel and offered it to her.

Mr WAYNE MERTON: Only the unborn will see the first train pull up at Castle Hill.

The Hon. LYNDA VOLTZ: I was born in Dural, by the way.

Mr RAY WILLIAMS: We will not tell anyone in Dural that. We will make a commitment not to spread that around, Linda, trust us.

CHAIR: Thank you to all three of you. We appreciate your presence.

KENNETH DOBINSON, Director, 10,000 Friends of Greater Sydney, 15 Help Street, Chatswood, sworn and examined:

CHAIR: Welcome. We appreciate your being here. If at any time certain evidence you wish to give or documents you may wish to tender should be heard or seen only by the Committee please indicate that to us and we will consider that request. If there are any questions on notice to you we would appreciate them back by 26 November. Do you have an opening statement you would like to present?

Mr DOBINSON: Yes. I read the terms of reference and thought you would want me to say a couple of things just to focus the discussion. After the last session I will not play politics but I will give you information and facts and figures and anything else you might need to help your inquiry. I believe if this inquiry is serious about doing something for the north-west sector it needs to be adopting strategies to focus not only on what you might do in the future but what you should be doing now because this particular sector of Sydney is not well served with transport. I am sure others have said that.

I have three points I would like to make, and then I will explain them. The first is that if we are going to do anything in the north-west sector the most important thing is establish an independent group to develop an integrated transport plan for the sector. I did this for the Olympics and I think it was a great success. I would go a little further in this case and say that you should not only ask that tiny group to develop a plan but to take it through to the detail stage because having been involved in the Olympics and done the strategic planning, there were other things that could have been done in that area to make that Olympic event even more successful by carrying it to the next stage. After that hand it back to the authorities to implement because the authorities are pretty good at doing things. They are just not good at planning. That is the first point I would like to make.

The second thing is that in establishing a group to do this you must insist that they undertake a comprehensive transport demand analysis of the needs of the sector both now and in the future, in 25 years. This is not being done by Government, and I say that advisedly because we know it has not been done by Government, so we are flying blind. That should be related to the land use planning for the area, which the Department of Planning has done quite well, and then work out the right solution for this area. We get sick of hearing ideas shot from the hip—"A train is the solution; now what is your problem?" That is rubbish and that is not the way to deliver a good transport system to an area anywhere, particularly the north-west sector.

Just to explain the demand side, and I use this word advisedly, the primary movement in the north-west sector is inside the sector. That is where most of the movements are. You need to be thinking about what you are going to do to improve that as the highest priority. The second demand for people who move outside the north-west sector is to Parramatta. The third is to Macquarie Park and in the future the fourth will be to the Norwest. Where does the CBD come into this? We all talk about building a damn railway line from the north-west sector to the CBD, but why? Only 3 per cent of the people make those sorts of journeys. I would rather think of the other 97 per cent plus that 3 per cent. That is fact, not fiction. That is the first thing I would like to get across.

The second thing is that a transport system incorporates walkways, cycleways and, dare I say it, roads, and a genuine public transport system would incorporate buses, light rail and trains. They all fit into part of the north-west sector planning. A public transport system that I believe is a true public transport system, not a joke, is one that runs at 10-minute frequency 16 hours a day, not just in the peak hours with a half-hour or hourly service. That is a joke. That is not an alternative. I am still going to travel in my car if that is what you are going to deliver. You have to get a genuine alternative. If you cannot afford to operate a system like that, and you have talked about money, or you cannot afford to pay for a system that operates at 10-minute frequency 16 hours a day, you have got the wrong solution. Look at alternatives. That is what you should be doing. If you want to put the icing on the cake in this area, also have a look at a high-speed rail network to link it to the other regions outside the north-west sector. We have done the financial viabilities of that, which I am sure you are going to ask me about.

The third point is that not only do you need to prepare this long-term plan, which is a vision for what is going to happen in the north-west sector, but also you need a short-term plan, one that can help this sector. I do not care what you do. If you are going to put a road solution, a rail solution or any other solution in the north-west sector it is not going to happen for a decade, probably two decades. I am sorry. I have to live in that area. You cannot wait that long. Once you start to think of the short-term solution there is only one solution you can look at: it has to be a bus network. It is possible to deliver the north-west sector an effective bus network in this term of Government. I think that is vital.

Correct me if I am wrong but I think Chris Stapleton is making a presentation to you. He has gone to the trouble—I have only just seen it—to actually define the bus network for the north-west sector. You could not have a better start. I am not saying it is right or wrong. That is a wonderful start and if you have an independent body to review that and put it in practical down-to-earth terms you have amazing stuff for the north-west sector. It is really something the people there can believe in because they are going to have it and it is going to happen. I notice he has also done the future one, which is rail. He calls it—he is being clever—light rail metro. That means he cannot quite decide whether it should be a light rail system or a metro system, and neither he should, but it is a wonderful start. Tear it to pieces. Get this independent group that I am talking about to tear it to pieces and come up with a practical solution. A practical solution in my terms includes not only a way to build it—if you cannot pay for it, you cannot build it—but also includes funding.

CHAIR: Thank you.

The Hon. HENRY TSANG: I think that is a good summary of the report.

CHAIR: Could I ask you to refresh us as to your role with the Sydney Olympics?

Mr DOBINSON: I was called in when the government people and a private sector group were planning the Olympics and they could see that the transport system for the Olympics that was being handled by the authorities—as the chairman of the authority said when I asked him why, "My tummy rumbled every time I looked at it", so he called in an expert group of four people, of whom I was one, to review the system. After that we produced a report, which was very kind and nice, but I can now summarise it all these years later and say that we told them to virtually rip up everything they had done and start again. Then I was appointed to do the strategic plan for the Sydney Olympics. I worked through the strategic plan and developed the system that incorporated changes to the rail system there. It introduced for the first time a bus network system to serve the Olympics and it refined the road network. I left them with it at that stage. It was the beginning of my retirement, which I now have every weekend. That was my involvement. After that it went back to the authorities plus a lot of consultants who did a very good job both in refining the strategic plan and then building it.

The Hon. DAVID CLARKE: Have you offered your services to the Government for this north-west mess?

Mr DOBINSON: No. I try to be retired most weeks today. I also worked for the Government for too long. I now tend to work only in a financial capacity for the private sector; but I work for FROGS, which is a volunteer organisation.

The Hon. DAVID CLARKE: Have you offered your proposals to the Government?

Mr DOBINSON: Yes, of course.

The Hon. DAVID CLARKE: What response did you get?

Mr DOBINSON: The proposals that were presented to the Government were in two forms. First of all, we did a complete strategic review of Sydney back in 2000 and 2003. That was delivered to the government of the day. Hence you have a metropolitan strategy. We developed the City of Cities plan for the Government.

The Hon. DAVID CLARKE: What was the response to that?

Mr DOBINSON: The Government adopted the principles and the name. A lot of the detail they have never adopted, but they took our name. The metropolitan plan is called the City of Cities. They have done a lot of good work on the land use side of that: very good work in planning Sydney. They have not complemented that, in our view, with an effective transport plan. As a consequence, the Warren Centre at the University of Sydney did this original study. It established 10,000 Friends of Greater Sydney to continually follow that plan through to its ultimate implementation stage. We have produced a number of plans. We have not done one for Sydney, but we have embraced a plan that was developed by Chris Stapleton for us for nothing and we have put that out for public discussion. A lot of the ideas in that plan we totally support; some we do not. But that is what life is about. We have also developed a strategic plan for the Central Coast, which has been presented to the Government and discussed with all of the local members on the Central Coast. You will find that the

Government's edition of the Central Coast is totally consistent with what we presented, which we are pleased to see. I do not think it was entirely a coincidence.

The Hon. DAVID CLARKE: Have you proposed a plan specifically for the north-west?

Mr DOBINSON: No, we have not produced a specific plan for the north-west; we have looked at elements of it. We would be prepared to look at that, but again we are a volunteer group. We have a limited capacity. If the Government would like to ask us to do it, we would be only too happy to lead it, but we would then ask them to fund us.

CHAIR: I am interested in your proposal for a north-west region transport board, which you said would be a very small group. Would that be a statutory body? Do you have a model in mind as to who would be on it? Would it comprise local government people or independent experts?

Mr DOBINSON: Since we made a submission to you I have thought about it. I thought about it coming here today. I do not think it needs to be a statutory board. I think it needs to be a very small group of people, as they did for the Olympics. Select a group of half a dozen people who really know what they are talking about in planning for transport. Then have an advisory panel to that, which will comprise the various government bodies involved so that you can draw on their knowledge and data, but independently review this with people who have been in this game for a long time and know what they are talking about. There are quite a lot of people in that field today. Not me; I am too old for that, I think.

CHAIR: You said there had been some viability studies done with respect to the very high-speed train concept?

Mr DOBINSON: Yes. We are talking about the whole of Sydney now. When you are talking about buses, metros, rail and roads, you are talking about largely regional movement with some interregional movement. We suddenly saw the opportunity to put the icing on the cake because the interregional movement in Sydney is largely confined to freeways at the present time. We have some problems with it. We could not see the future for continually meeting that demand by road transport. So, we looked at a very high-speed rail network. We actually produced a plan showing a network. We costed it. We said how it could be paid for. We have produced that plan and it is on the table now. It was costed as best we could at a strategic level, not a detailed level. When you do strategic plans and time rolls on, everybody says, "Oh it's much dearer"—well, that is true. So we have taken that into account, but it is still a financially viable proposition for Sydney. It is a long-term plan; it would take you 20 years to implement it, but it is the icing on the cake that sits over everything else.

Probably the best example is the component that goes from Sydney to Central Coast to Newcastle. But that is only part of it. Someone is going to suggest that if we do not look twice we widen the F3 to eight lanes. It has been widened to six. Someone will suggest it go to eight. I built the F3; I hate to think of anyone widening it. I hated to think of them widening it to six lanes to be quite honest, but to widen it to eight is a nonsense when you could put in a rail system up there, run a high-speed rail system that, when we modelled it, took all the traffic off the F3 because it was so good and people could get on to it. If you could get from Newcastle to the Sydney CBD in 35 minutes, who would drive a motor car? It is that good. You would still have people on the road, but that is looking at the long-term future. That is the vision thing. That is not now. We have been actively pursuing that, mostly with the Federal Government, because the same system applies in Brisbane and Melbourne. We would love them to give each of the States a billion dollars to start it off and in future you link them all up and then you do not need to fly to Melbourne.

Ms LEE RHIANNON: I was interested in your comments about buses. You said that it could be effective in this term of government. Do you also mean that it could be effective in solving the transport issue totally in that area?

Mr DOBINSON: No.

Ms LEE RHIANNON: Could you expand on your comments?

Mr DOBINSON: Yes. The public transport system in the north-west sector now—or the lack of it really—is buses. In Sydney we have traditional buses, which we have had for many years, and it is very limited. It tends to serve the peak hour traffic and after that they forget you. What we are saying, and what we have done

some work on, is that we should be putting in networks of buses. So it is a maze of bus networks. It is no more buses and no more routes; it is less routes but much more strategically focused so anyone can get from anywhere to any other place. The network that Chris has produced, as he says, will provide you with a bus stop within 400 metres I think of 95 per cent. He has done it for the whole city of Sydney, but it has to run on a 10-minute service. Now that costs money. You have to get money to run those buses. In the north-west sector you do need to buy more buses because there is not enough. But people say if you have to run it all day, you have to have a lot more buses. You do not. It is the same buses, you just do not stop them after the peak. You run them all day. You have to buy more drivers and at the present time that would be a damn good thing because we are running into an unemployment situation. It is not a big cost.

Ms LEE RHIANNON: How do you factor in the looming oil shortage if you are advocating such a reliance on buses?

Mr DOBINSON: There was a conference two weeks ago on that, I think. The oil crisis, of course, is real and we are going to bring in a carbon credit system and all of those things. But the technology has been there for many years to alter the energy power that is used in transport. It is now coming very rapidly. It is not only new fuels; it is generally power based, which is exactly the same power base you use for trains or whatever else you are using, but it is much more efficient. That is the whole point of it. So, if people are going to continue to move, we are still going to have to use energy. We are going to use the same energy. In fact, the prediction now is that by 2010 the whole of America will have converted to production of plug-in hybrids, which, for journeys to work, do not use any fuel. But you are still burning energy. In this country you are still burning coal, which is a problem. So, we have to get a lot smarter as to how we produce electricity because it is not only going to be used in the conventional ways, but also used in transport.

The problem with electricity is that you cannot store it very well and you have peaks and troughs, but if we are very clever—I saw a system the other day—you will draw on one of the troughs where you still have the capacity to produce energy for transport. The conference the other day suggested that the batteries in the cars are the storage. It becomes a storage source for fuel. So I think there are solutions in transport to the oil energy problem and also the emissions problem. They are there, but there are no solutions in Sydney for how we use all these things and how we get an effective integrated transport system. In our forecasts, whatever you do in Sydney, you are still going to have most of your travel by car. We are not talking about big shifts. People get carried away with this. In the city of Sydney 80 per cent of our travel is by car and 20 per cent is by public transport.

Ms LEE RHIANNON: So you do not see that changing?

Mr DOBINSON: Yes, of course I do, but it does not have to change in the other direction. We will never achieve that. If we could get 30 per cent instead of 20 per cent by public transport, walking and all these other modes and 70 per cent by car, we have Utopia. That is the difference.

The Hon. HENRY TSANG: I am very impressed with your contribution. With the present Government's mini-budget announcement that the income is going to be limited and in looking at an integrated bus service, can you comment on a solution for the time being? Is there a better way to measure other recommendations to be implemented when the Government can get more support from the Federal Government?

Mr DOBINSON: There are two things there. We have a major problem in this State, and I am sure you all are very aware of it. We do not have integrated transport planning and that means integrated transport funding. On the one hand you have bus organisations, really the Ministry of Transport and the State Transport Authority with a budget that big; you have a road authority with a budget this big. When you start to think about planning an integrated system, you have to think about one budget and you must use it in the best way. I ran the road authority, God, I ought to know. You can do this. The Government will say that you cannot, but you can do this. I heard talk earlier about the M2. When that road was planned I insisted that we build the first stage of the public transport system from Chatswood to Parramatta—you have heard that before—on the M2. It had to be built with a central busway over the central section and able to be converted into light rail when it was needed because that is what the demand showed. That is there today; that is built. Who paid for it? We paid for it out of the road budget. Now, that is not happening.

Okay, there will be a fight and a big scramble, but you are used to that in politics; I saw one earlier. What is wrong? The road authority knows these things, but it is focused on roads. If you said to the road

authority, to Les Wielinga tomorrow, "You are now responsible for all road transport and you will use your budget for it" he will build you a busway system and provide the buses for it out of his budget, without more money. I read somewhere that the Government is buying 300 more buses for the north-west sector. That is probably enough, if you use them correctly and use them all day. Okay, your costs then come, so hire a few more drivers. The Government is already saving money because it has canned that student transport scheme, or modifying it—which has been a proposal for 20 years to my knowledge—because it is wasting a hell of a lot of money that does not have to be wasted. Okay, the State is not broke; it is just bent. You can do these things. It is rather fascinating, but when we did the Sustainable Transport and Sustainable Cities project in 2000 and 2003, we looked at all the money the Government was spending on transport in this city and we looked at what it needed to spend. We would have got the biggest shock of the lot because they were the same figure. We did not need any more money. We were just spending it so badly. It is not quite as simple as that, but we are just using the money badly.

The Hon. HENRY TSANG: You said that the costs were obligated to road budgets because it came from the Federal Government for the fuel excise; it had to be spent on the roads. The Federal Government dictates how we spend it. The State depends on Federal money, which says that it must be spent on roads. Perhaps Federal-State relationships need to be changed?

Mr DOBINSON: Yes, they do. When I was in the road authority I could build that story very, very successfully as to why you should not take any of that money away from me. If I had been in the public transport body I equally could have built a good story as to why you should not. You have to have someone who takes these things on and challenges and does something about them, not just accept what people say. For the people who are interested in roads, you have to realise as a Government—and I am sure both sides of the Parliament realise it—you cannot afford to upset the road people because just about the whole community uses roads. The worst feature, the biggest problem we have is freight. Freight is so important to our economy. The publication we put out in 2003 was headed up, "There's no votes in freight", because there aren't. Therefore, it does not get funded properly. You guys have to do something about this, not us. It is the same problem with transport, you have to move that agenda slightly.

The Hon. HENRY TSANG: Do you recommend that this Committee should recommend to the Government to look at the road and rail budgets as a package?

Mr DOBINSON: Yes.

The Hon. HENRY TSANG: And this Government must discuss and negotiate with the Federal Government autonomy about how the money can be spent on the road funding?

Mr DOBINSON: Yes. The best example of that are the Olympics. With the Olympics, if you look at the figures and turn them up, they are still available, you will see how the Olympics were funded. There are great stories from both sides of Parliament about how much they are spending on the Olympics. I am sorry, but I do not believe any of them because the Government said to the road authority, "You, Mr road authority, shall pay for all the road things we need for the Olympics" and to the rail authority, "You shall pay for all the rail things." It was not coming out of the Olympics budget. It has been done before.

CHAIR: We appreciate your submission and attendance today to answer our questions. It has been very interesting.

(The witness withdrew)

DAVID ROBERT BELL, Sydney Convenor, Australian Association for the Study of Peak Oil and Gas, 39 Lee Road, Beacon Hill, sworn and examined:

CHAIR: Mr Bell, if you should consider at any stage that certain evidence you wish to give or documents you wish to tender should be heard or seen only by the Committee, please indicate this fact and the Committee will consider your request. If you take any questions on notice we would appreciate it if you forwarded your responses to the Committee secretariat by 26 November 2008. Do you have a brief opening statement?

Mr BELL: Yes. I would like to say the world we live in today is very different to the world of the past. We all face more challenges. If the State Government or any government of the future thinks they have problems today, these will only be small change compared to the problems of the future. The lack of availability of oil, which is the main driver of our whole transport economy, will create enormous problems. So it is, therefore, imperative that whatever political party we belong to we as a community must get off oil. It is so important and I cannot explain that enough in my evidence today.

CHAIR: In your submission you said, "We do not see sufficient action at State Government level to address concerns" and you went on to say this compares to the Queensland Government, which has already begun to address its oil vulnerability. Would you expand on what you said in your submission and also give us an insight into what you think the Queensland Government is doing?

Mr BELL: What the Queensland Government has effectively done is create an oil vulnerability task force at the State Government level to look at the impact of the declining availability of oil on the Queensland economy, the total thing. Oil is everything to us today. For argument's sake, we all got up this morning and we ate food. That food was provided by oil. It was transported. We live in a hydrocarbon age. Therefore, the impact of declining availability of oil will create enormous social and economic problems for the Queensland economy. This is something that the Queensland Government has implemented. I think it is important. I do not say it is the panacea for all things. I am sure if we went through all of it today, we could talk about it for days and go through all the things. But it is a start. That is what is important—to realise that we have to start to address what our vulnerabilities are. What effect will it have on tourism and transport? What effect will it have on health care and the availability of providing health? What will be the impact upon rural producers and rural communities? We live in an oil age. I cannot stress enough the impact that declining oil will have.

What will be the relationship between our neighbours when we get into the serious implication of fighting over remaining oil resources around the world? It sounds dire but we have already seen this year two impacts of it. We have seen the effect in Georgia where Russia has literally squeezed both sides of Georgia. Why? Because Georgia is where the Baku-Tbilisi pipeline runs. That availability of oil from Azabyjan and Kazakhstan is the future of new production within the world to offset declining oil. It is not going to solve the whole problem but if you control that pipeline you control the flow of oil to the countries that are important to your neck of the region. That is the serious world we are living in. The other thing is Nigeria—120 kilometres off the coast of Nigeria the Bonga Field in the deep waters of Nigeria was attacked by the Members of the Emancipation of the Niger Delta. These people were stuck in the Niger delta. They have now gone offshore 120 kilometres and attacked a floating offshore platform. We do not have energy security the way we have been used to. So, therefore, we must insulate our economy by reducing our demand for oil.

CHAIR: As far as you are aware, is the New South Wales Government undertaking any initiatives to seriously address our cities dependence on oil?

Mr BELL: Not that I am aware of. There may be, but I do not see it in what I read in the papers. I think we are still living in fool's paradise, all of us. I do not think even we in the association realise the impacts, and we study every day what the impact of oil depletion will be upon our economy. At a Government level, at this stage I do not believe it has given sufficient consideration. That is my honest opinion from what I have seen.

The Hon. DAVID CLARKE: Have you made representations to the Government regarding your concerns?

Mr BELL: Many of our members have written letters to their local people. When we had Roger Bezdek out here, he briefed some of the department people. For people who do not know who Roger Bezdek is,

he was the co-author of the Hirsch report for the Department of Energy. We have started to make noises where we can. We have also been focused at a Federal level as well.

The Hon. DAVID CLARKE: As I understand your submission, you believe that oil is going to run out in due course.

Mr BELL: Oil will never run out.

The Hon. DAVID CLARKE: It will decline.

Mr BELL: Absolutely.

The Hon. DAVID CLARKE: You are saying because of this we need to invest in rail and other forms of public transport?

Mr BELL: Absolutely.

The Hon. DAVID CLARKE: And walking and cycling. Setting aside walking and cycling, because I do not know how far that will fly, and dealing with investment in rail and public transport, you have suggested in respect to north-west that we should build on the Epping to Chatswood line by extending to Rouse Hill. Is that what you are saying?

Mr BELL: In our submission, yes, that is correct.

The Hon. DAVID CLARKE: Are you saying that communities in the future should not be built around the use of a car?

Mr BELL: Absolutely. What is going to happen, David, is that at some point in time either oil will get so damn expensive or it will not be available in quantities we have been used to. We have been used to filling it up. If you have an 80 litre tank you can put 80 litres in. It is a pain in the arse to pay \$1.40, \$1.50. We could get to the situation where it is not available in the market at an available price or we may well be cut off because some hoons have decided to put a hole in the side of the shipment that was coming from Singapore.

The Hon. DAVID CLARKE: You are saying that we should build the communities—

Mr BELL: Around rail, absolutely.

The Hon. DAVID CLARKE: You tie in that we should have some form of rail link going along the Victoria Road corridor.

Mr BELL: Yes, a light rail. At this stage we did not look specifically at it but I have seen a proposal by Matt Muchalik, who is here today. I have seen his presentation. We would like to see something like that. What form it takes, whether it is light rail, lighter rail, light-heavy rail, we are not transport experts. We are mainly concerned with the availability of oil.

The Hon. DAVID CLARKE: The core of what you are proposing in respect to the north-west situation is extending the Epping to Chatswood line out to Rouse Hill?

Mr BELL: Absolutely. You already have stage one built. It depends on what you call west—west of Chatswood, west of Sydney. It is already partly built. Why do you not take it the whole way? We need flexibility. We are walking into a situation that we do not know. To quote Donald Rumsfeld, there are known knowns, there are known unknowns, and there are unknown unknowns. So we need to have flexibility in our transport system that allows us if we have to switch. At the moment oil dependency does not give us flexibility.

The Hon. DAVID CLARKE: Do you believe the Rouse Hill proposal will make a substantial contribution?

Mr BELL: Absolutely, at this stage, yes.

The Hon. DAVID CLARKE: Is there anything you would add to that, specifically relating to the north-west?

Mr BELL: At this stage I suspect that because of the lack of availability of oil in the future you are going to get major mode shift as well. People are not going to be able to get around. A lot of the planning is based upon energy availability today. It is tomorrow that we do not know about. Therefore, what I would say is that the north-west, from what I see, will be highly affected.

The Hon. DAVID CLARKE: In addition to the Rouse Hill proposition, how do we translate those concerns into specific proposals for the north-west?

Mr BELL: Get on and build it.

The Hon. DAVID CLARKE: Is there anything else you would add as part of a package of proposals with regard to the north-west?

Mr BELL: We probably need more electrified light rail from say Parramatta to Castle Hill. But that is only my opinion. I would need to talk with other members of the group.

The Hon. DAVID CLARKE: That is not a proposal that you come here today with?

Mr BELL: It is not. I was more wanting to raise the fact of energy availability in relation to any proposal going forward. No matter what side of politics we are on, it really does not matter, because if we do not have oil we are all in the same boat. I wanted to say they have to take into account—any government, whether it is this Government, the next government, future governments, because they will have to deal with this problem going forward—we need to start to put oil vulnerability studies in the planning process. It is something we have never thought of before.

The Hon. DAVID CLARKE: Thank you for that. That is an important matter to factor into any planning for the future.

Mr BELL: Absolutely.

Ms LEE RHIANNON: I would like to bring the issue of oil vulnerability back to the north west. I am not sure if you were here for some of the earlier debate, but often when there are discussions about the urgent transport issues for the north west, there are obviously issues about the north west heavy rail and the metro, but then in the immediate term buses come up. How much emphasis would you give to buses as part of the solution to the transport problems for the north west, considering we have an immediate problem?

Mr BELL: Put it this way, if we had an oil crisis tomorrow or even in six months time, a bus is as good as anything. We will not build light rail or heavy rail within such a short time. All the buses I have ever seen—I come to work on the bus from the north east but my parents live in the north west and I grew up in the north west so I understand; it is not like it is foreign territory to me—all run on diesel and availability of diesel may not be there in the future. There are no gas buses. I have never seen a Westbus or a Hills bus or a Glenorie bus or any of the other names that they call the buses out there running on compressed natural gas. In this State we will have relatively good reserves of coal seam methane, and in Australia we still have relatively good supplies of gas. Over in the north west we are shipping it off for electricity generation overseas. We should be starting to use some of that gas.

As our name implies, we realise that peaking of gas will also happen but we need some sort of transitional fuel. I see buses as part of the solution. This is a whole, and I think I have said it in plenty of speeches I have done, we have no silver bullets in this, we only have silver buckshot. Gas buses are part of that, but they are not all of the answer. They will not solve it. It might solve it in the first couple of years, but as we get into the real steep declines of the future, and the International Energy Agency is already starting to ring bells, we have to have something else. I suspect it will need, if we are to buy buses tomorrow, let us start thinking about gas in the short term. Electric plug-in hybrids will not be here. I cannot go out and buy electric plug-in hybrid buses tomorrow. They do not exist in the quantities that we start to need.

Ms LEE RHIANNON: Can you also comment in terms of the oil vulnerability that we are facing in the building of the various transport modes? I am not just addressing this to motorways but in terms of the metro

and above-ground public transport. A lot of the metros we have seen outlined would require considerable tunnels. That is fairly oil intensive, is it not? How do you weigh up public transport modes in terms of the oil vulnerability we are facing?

Mr BELL: That is part of the thing. There has been huge debate even within our own, like political parties, sporting organisations, as far as a political organisation like us all. We have had long debates about availability of oil for tunnels and what we needed to actually construct it. We realise that oil underwrites our whole infrastructure at the moment. Even carting the cement to the tunnels. Even if we are doing building on the road we will still need oil to build that infrastructure. That is why it is important that we get going now. My understanding—and there is still a lot of debate about this, and I do not want to bore you with how many emails I have got on the subject—is that there is a problem. Some of those tunnel boring machines run on electricity and we should be using it. As I say, we should be trying to electrify as much as we possibly can, that we pull the stuff out of the tunnel. If we are going to build tunnels we pull it out using—we used to have a lot of electric freight locomotives. I think RailCorp still has two or three, from my understanding. We should be using those. If we get into the situation we leave it too late, then all of those opportunities go out the way. We still have time but the time is running out, and that is my most important thing.

Ms LEE RHIANNON: And I know the time analysis varies. What is your time line?

Mr BELL: I suspect that when the troubles—I guess the real thing is where the troubles start. If you look at my graph over here, in exports, I think the problem starts about 2010, 2011, which should be just in time for the next State election. I do not mean that to belittle any of us because it is all our problem. It is not one side of politics; it is all of our problem as a society. It depends on how deep and how nasty this recession is. It may give some little bit of time. We may kill demand. That is what is happening but the problem is that it has not been growing.

Ms LEE RHIANNON: By that do you mean that the demand right now might drop in the short term and therefore the oil vulnerability crisis does not hit so quickly?

Mr BELL: Absolutely. Put it this way, Ken Dobinson was talking about people being 80 per cent, 90 per cent using their cars. Even if they are driving around the north west to get to work, if they lose their job, guess what, they do not drive any more because they do not have to drive as much. That is a fairly brutal way that the market will dictate. That is not what we want. We want to be able to have a sustainable economy where we lessen our thing before the troubles start and we start to ratchet down. It is the old saying, you would rather go on a diet before the doctor tells you that you need to do it because you have been eating the wrong things. The real cruncher for all of us, and this is something that we all need to understand, is the International Energy Agency, in the past couple of days—I have a whole pile of goodies for you; I thought if I was going to come here and talk about I would give you some presents—is already talking about oil declines in natural fields of 9 per cent. Most of our models work on 3 per cent and 4 per cent.

If it is 9 per cent, we will be in a lot of trouble very, very quickly. To give you an understanding of the amount of what we would do to keep 9 per cent—what they are saying is that these are the current fields. They will decline at 9 per cent because they are getting older or we have been pushing the new fields harder so they decline. Some of these rates like Cantarell are 12 per cent and 16 per cent. We all baulked about a year ago when Andrew Gould was saying 8 per cent. We thought, "Oh my god", but 9 per cent should absolutely scare the hell out of us. It is literally like adding a new Saudi Arabia to every 18 months and if you take exponential growth, 12 months and in 8 months. There is no way we can find that amount of oil and bring it to market and get it into production to offset these declines. That is absolutely massive.

Losing 8 per cent will create enormous problems. We can handle 2 per cent and 3 per cent. That is a nice gentle slope, but 8 per cent is an absolute monster, and that is coming out in the next two weeks. Now the IEA saw it and hosed it down. This was in the *Financial Times*—there was a leaked copy. If that comes out next week and says 9 per cent or even anything above 6 per cent, we better all get in a room real fast and start thinking about what in hell we can do real fast because we will have more problems than we know. To be honest, if it comes to having to leave my car at home or ensuring that we have fuel for our farmers, I will tell you which choice I would make. I am not joking. It is this serious.

This is all going to happen in my kid's lifetime. I have a six year old, and all these graphs of energy falling off the cliff happens before he is 20. He will be voting. What will he say to me? "What in hell did you do

in your lifetime to stop this problem that I'm going to have to deal with as an adult?" I think that should all scare us into thinking very seriously about the future.

The Hon. HENRY TSANG: Thank you for that wonderful information. It is a good warning to all of us. Earlier, Ken said that, because we are short of oil, therefore we should think clever technology itself. Conversion from oil to gas is not difficult. All this tapping of electricity from the peak and all these cars will be out in 2010. He is a bit more optimistic. My question to you is that perhaps we should prepare ourselves but not be alarmed.

Mr BELL: I think the Prime Minister once said we should all be alert but not alarmed. By the same token, I do not think we should lull ourselves into believing that we have the answers. I think this is why we need to be doing oil vulnerability at a State level in our planning to really think about it. Ken was saying about plug-in hybrids being here in 2010. Let us think about it this way. I think the Chevrolet Volt, which is a total plug-in, has a cost—I think at the moment they are talking about \$100,000. I might be wrong. A plug-in Prius is \$45,000. I could be wrong. It might be a bit more. If you put extra batteries in, that will cost you, say, another \$5,000 or \$6,000. So we are talking about a \$50,000 motor car. If you lose your job tomorrow will you rush out and buy one of these things just because the price of petrol has gone back up to \$2? No way! So that is a problem.

We also have a car fleet that is nine years old. The average fleet, 25 per cent of those cars in that fleet are over 20 years old. You and I, unless we have a war tomorrow where we line up the cars and start putting batteries in them and start ripping out their internal combustion engines, what we have got is what we have got. And we will not be able to grow biofuels or any of those things in those quick time frames. That is my biggest concern. Again, markets can sometimes give us the wrong thing. You read the paper, oil is down to \$62 today, problem solved, peak oil has gone away. When it comes back, it will come back, and even the IEA today said, "IEA sees \$100 oil, urges massive effort and change". This is today on the AFP site. I will just quote this. "World's energy is at a crossroads. Current global trends in energy security and consumption are patently unsustainable environmentally, economically and socially." Just to give you an example, huge investment is required in oil and gas. We are talking by 2030 cumulative investment in oil and gas has to exceed \$US26 trillion. That is what the world economy has to invest to keep oil production growing.

CHAIR: Did you want to table some documents?

Mr BELL: I would love to. As I said, I have lots of goodies. This was done by the Senate—the big house about 300 kilometres down the road. They came to Sydney and they had Dr Ali Bakhtiari, who has passed away. It is well worth reading. I think one of your cohorts, Barnaby Joyce, enjoyed talking to him. That is another goody. This came out this week: "The Oil Crunch: Securing the United Kingdom's Future Energy". I sent a copy of that to one of your colleagues in the big house down in Canberra, Mr Clarke. I also have a document entitled "Energy agency denies oil output falling". That might be good news. If it is 8 per cent we can still panic, but not as much.

This is a good one—Proposition 1A, from California. They elected Obama, but the Californians decided that they as people would act as citizens. Perhaps we should think about this. The article is headed "Voters approve high speed rail bonds". We cannot even get slow speed for the north west. They have approved \$US10 billion and they have said to their Federal Government that they are going to raise it at a state level and it should provide another \$US10 billion. Perhaps there is some good news. That is why I see the future as rail. I saw that Mr Duncan could not be here, which is a bit of a pity. I have spoken with Mr Duncan. I have some nice colour slides here. This shows our oil imports.

CHAIR: Can you table them?

Mr BELL: Yes. I just thought I would explain what I am giving away. The graphs demonstrate what is happening.

CHAIR: That is great.

Mr BELL: I did some extra study on the north west. I have done travelling to work. Car use declines when we put in a station. The figures were 50 per cent driving in Epping and 17 per cent using the train. In Castle Hill and West Pennant Hills—which I know very well because my folks live there—61 per cent were driving and 6 per cent were using buses, which Mr Dobinson said were a bit of a joke—and I agree with that.

However, at Kellyville, Stanhope Gardens, Rouse Hill and Beaumont Hills 68 per cent travelled by car. That is why I say we need to get on with rail.

This joint economics committee document is worth reading. It says that to get out of its mess America should deal with infrastructure. We must do infrastructure. IEA expects oil to come back. I have piles of stuff by my favourite economist Jeffrey Rubin. He says that the recession is not because of dodgy lending in Cleveland, but because of the flow of oil. I think that is about enough.

Documents tabled.

CHAIR: We appreciate your attendance here today and your assistance.

(The witness withdrew)

(The Committee adjourned at 5.20 p.m.)