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GENERAL PURPOSE STANDING COMMITTEE No. 4

Friday 20 February 2004

Examination of proposed expenditure for the portfolio area

TRANSPORT

The Committee met at 10.00 a.m.

MEMBERS

The Hon. J. A. Gardiner (Chair)

The Hon. M. J. Gallacher

The Hon. K. F. Griffin

Ms S. P. Hale

The Hon. D. E. Oldfield

Ms L. Rhiannon

The Hon. C. M. Robertson

The Hon. H. S. Tsang

PRESENT

Ministry of Transport

Mr J. Lee, *Director-General*

Mr R. Lucarini, *Director, Corporate Services*

Mr R. Christie, *Advisor, Transport Safety and Rail Regulator (now the Independent Transport Safety and Reliability Regulator)*

State Rail Authority

Mr V. Graham, *Acting Chief Executive Officer*

Ms F. McPherson, *Group General Manager, Customer Services*

Ms H. Willoughby, *Acting Executive Director, Communications*

Mr N. Al-Malah, *Freedom of Information Officer*

State Transit Authority

Mr J. Stott, *Chief Executive Officer*

Mr L. Lee, *Manager, Corporate Policy*

Mr G. Baldwin, *General Manager, Human Resources*

Rail Infrastructure Authority

Mr V. Graham, *Chief Executive Officer*

Ms I. White, *General Manager, Corporate Services, and Company Secretary*

CORRECTIONS TO TRANSCRIPT OF COMMITTEE PROCEEDINGS

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

**Budget Estimates
General Purpose Standing Committee Secretariat
Parliament House
Macquarie Street
SYDNEY NSW 2000**

CHAIR: I welcome witnesses and members of the public to this fifth supplementary budget estimates hearing of General Purpose Standing Committee No. 4. I thank departmental officers for attending. At this meeting the Committee will examine the proposed expenditure for the portfolio area of Transport. Before questions commence, some procedural matters need to be dealt with. Part 4 of the resolution referring the budget estimates to the Committee requires the Committee to hear evidence in public. The Committee has previously resolved to authorise the media to broadcast sound and video excerpts of its public proceedings. Copies of the guidelines for broadcasting are available from the attendants.

I point out that in accordance with the Legislative Council's guidelines governing the broadcast of proceedings, only members of the Committee 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 you must take responsibility for what you publish or what interpretation is placed on anything that is said before the Committee. As there appears to be extensive media coverage of this hearing, I ask the media to respect to usual workings of the Committee.

With respect to the delivery of messages to members, there is no provision for members to refer directly to their own staff while at the table. Witnesses, members and their staff are advised that any messages should be delivered through the attendants on duty or the Committee clerks. For the benefit of members and Hansard, it is important that departmental officials identify themselves by name, position and department or agency before answering each question. In respect of allocation and order of questions, the Committee has resolved that the allocation will be left in the hands of the Chair, and I intend to conduct the meeting as I have with previous hearings.

In relation to any questions taken on notice, the Committee has resolved that answers must be provided by 9.00 a.m. on Tuesday 24 February 2004. I declare the proposed expenditure area open for examination.

The Hon. MICHAEL GALLACHER: Ms McPherson, what is your current role?

Ms McPHERSON: Group General Manager, Customer Services.

The Hon. MICHAEL GALLACHER: Could you explain that?

Ms McPHERSON: It is an operational role that entails the operational management of stations, cleaning, security and eventually CountryLink. Some of those functions are in transition, currently being transferred over under my control.

The Hon. MICHAEL GALLACHER: How long have you been in that position?

Ms McPHERSON: Since September last year.

The Hon. MICHAEL GALLACHER: What was your position prior to that?

Ms McPHERSON: Executive Director of Human Resources for State Rail.

The Hon. MICHAEL GALLACHER: For how long?

Ms McPHERSON: My initial position was Executive Director, Human Resources for the Office of the Co-ordinator General of Rail. I was seconded there in June 2000 and was appointed to that position in December 2000. Subsequently I was transferred into State Rail, about November or December 2000. I acted in that position and was eventually appointed to that position.

The Hon. MICHAEL GALLACHER: You have operated in the position in charge of Human Resources within State Rail from what date?

Ms McPHERSON: From about November 2000.

The Hon. MICHAEL GALLACHER: Prior to leaving in September last year, were you responsible, as human resources manager, to maintain or keep an oversight of the number of train drivers within the system?

Ms McPHERSON: We had a work force plan in process in which the business unit's input was about their requirements. The monitoring of that was a joint responsibility of the business unit's and human resources division. That entailed a range of people's inputs, both from all operational areas and human resources. The maintaining of that work force, planning if you like, was a function of mine, yes.

The Hon. MICHAEL GALLACHER: In other words, the buck stops with you for the hierarchy of human resources within State Rail?

Ms McPHERSON: Yes, up until September.

The Hon. MICHAEL GALLACHER: From the Olympic Games until September, how many train drivers had retired from the system?

Ms McPHERSON: As I understand it, the attrition of train drivers from 2000 to 2001 was approximately 55; from 2001 to 2002 it was approximately 67; from 2002 to 2003 it was 78. Year to date, there has been an almost doubling of that number; 68 have left.

The Hon. MICHAEL GALLACHER: Do you mean this financial year?

Ms McPHERSON: Yes, this financial year.

The Hon. MICHAEL GALLACHER: From 1 July last year, 68 have left?

Ms McPHERSON: Yes.

The Hon. MICHAEL GALLACHER: When you say "attrition", do you include retirements, resignations and sackings?

Ms McPHERSON: Yes.

The Hon. MICHAEL GALLACHER: What about transfers to other sections from, say, driver to something else within State Rail? Is that also included in that figure?

Ms McPHERSON: I will have to take that on notice. I do not think it is, I think it is just drivers who have retired or left.

The Hon. MICHAEL GALLACHER: How often did you keep a running check? Was it done monthly, weekly, or daily, in terms of the number of drivers in the system?

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Ms McPHERSON: As you know—it is on the record—with the proposed introduction of the new timetable in 2002 the business identified that the introduction of that timetable would result in a shortage of drivers. So we then began a very rigorous campaign to ensure that we had a planned recruitment program. We monitored and planned it, I think on a fortnightly basis and at least on a monthly basis. As I said, there were inputs from business and the human resources [HR], recruitment and training areas. It was a joint program, and it is still in place today.

The Hon. MICHAEL GALLACHER: When you left in September how many train drivers did we have in the system?

Ms McPHERSON: I will have to take that question on notice. I can say that there was no indication at that time that our plan was not going to be met. To me, there was no indication that we would have the driver shortage that we are currently experiencing.

The Hon. MICHAEL GALLACHER: So you knew how many were leaving every year but you did not know how many were there when you left.

Ms McPHERSON: I am sorry but I just do not have that number. I know that we have about 12,057 at the moment. Is that correct, Vince?

Mr GRAHAM: It is 12,020.

The Hon. MICHAEL GALLACHER: Was that figure revised overnight?

Ms McPHERSON: No, I am sorry.

The Hon. MICHAEL GALLACHER: When you took over in the position how many drivers did you have?

Ms McPHERSON: I will have to take that question on notice. I simply do not have that information in front of me.

The Hon. MICHAEL GALLACHER: Are you in a position to give me a figure for how many drivers we had in the system during your entire time as HR manager? How many years were you there?

Ms McPHERSON: I was there from 2000. I guess when we talk about drivers we include CountryLink drivers and drivers who are driver trainers. I am sorry, I will have to take that question on notice.

The Hon. MICHAEL GALLACHER: What if I were to refresh your memory? The 2003 annual report showed that as of 30 June 2003 there were 14,028 train drivers in the system.

Ms McPHERSON: That would include CountryLink drivers, driver trainers and so on. I guess we were working on the basis that, while CountryLink drivers are important to us too, it is really the CityRail component that—

The Hon. MICHAEL GALLACHER: Does the 12,020 figure that you have given us today include CountryLink and trainer drivers.

Ms McPHERSON: No, that is CityRail.

The Hon. MICHAEL GALLACHER: How many of those are CountryLink and trainer drivers?

Ms McPHERSON: I think the CountryLink component is approximately 90 and I am not sure about the number of trainer drivers at the moment.

The Hon. MICHAEL GALLACHER: Can you give a ballpark figure?

Ms McPHERSON: I would like to take that question on notice. I would not like to mislead you.

The Hon. MICHAEL GALLACHER: Therefore, I assume that from 2000 to the present we have had a net loss in the number of drivers. We have not had a net increase, have we?

Ms McPHERSON: We have had a recruitment campaign since that time that produced a number of drivers. I think we have recruited about 270 drivers since that time.

The Hon. MICHAEL GALLACHER: How many have gone out the door?

Ms McPHERSON: As I understand it, we have lost approximately 268.

The Hon. MICHAEL GALLACHER: I suggest that that is hardly a successful recruitment campaign.

Ms McPHERSON: There are a couple of factors. One is that following the Glenbrook recommendations we raised the bar regarding the standards of our recruitment. We adopted psychometric testing, implemented more stringent health standards, including drug and alcohol testing, and introduced criminal checks. We raised the bar quite significantly and at least 50 per cent of applicants were not accepted into the ranks of drivers.

The Hon. MICHAEL GALLACHER: Therefore, is it not correct to say that, while you raised the bar, State Rail took its eye off the ball? While it was vigilant in terms of the integrity of drivers and their ability to perform and it was knocking drivers out, it was not bringing anyone in.

Ms McPHERSON: We ran numerous campaigns. I can give you the details of those campaigns. In 2002 we ran six campaigns that involved both internal and external campaigning as well as traineeships. In 2003 we ran six campaigns over a period of 12 months. As I think was said previously, there is a national shortage—indeed, a world shortage—of drivers.

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The Hon. MICHAEL GALLACHER: Would you agree with me though that if we were looking at the number of drivers who have come into the system, those six campaigns you have just told us about were failures?

Mr GRAHAM: Perhaps, given the broader role that I have now undertaken, I might just try to give you the overview of what I think you are seeking to arrive at.

The Hon. MICHAEL GALLACHER: Mr Graham, just one question you might be able to address, to save us coming back. What I would like to know from Ms McPherson is what the projected numbers were as a result of that campaign so we know exactly by how much it failed.

Mr GRAHAM: Again, let me give you this in overview. I am talking here about CityRail drivers. I am excluding from this the 90-odd CountryLink drivers. On the basis of the reviews that I have undertaken of the workforce planning model going through 2003, up until August 2003 there was a targeted number of CityRail drivers of 1,257. That was the specified target in the joint operating division and HR workforce plan, and as at August the projections—based on the assumptions of drivers who would graduate and based on the then projected attrition—indicated that that target number would be adequately maintained through this part of this calendar year. Right now we have approximately 1,220 drivers against that target of 1,257. I think that 37 shortfall is readily explained by the accelerated attrition double the previous two years' rates that we have experienced in the first half of this financial year. So of that number of 68 we would have been expecting about half of that, and that accelerated attrition explains almost the entire 37 shortfall that we are currently experiencing.

The Hon. MICHAEL GALLACHER: Going by your answer there, in terms of maintaining a figure, what your figure was aiming for was maintaining a system that relies purely and so heavily on overtime rather than trying to get more drivers into the system to take the reliance away from overtime. The point that State Rail missed is that you were aiming just for the status quo.

Mr GRAHAM: I do not think one can look back over the past fortnight and say that the arrangements were perfectly forecasted. Clearly they are not. But in understanding the circumstances of the past fortnight, we have had an overtime campaign by around 20 to 25 per cent of our drivers. That has certainly cost us, in terms of available drivers on a Monday to Friday basis, approximately 40 train crew. In addition to that we have been accelerating our training of drivers in the vigilance control system because we want all of our drivers trained when we bring on the first tranche of that at the end of March. I think in overview the amount of overtime that we can apply to our train drivers is limited by regulations within the legislation. We are not permitted under the legislation to operate drivers any more than 12 days in a 14-day nominated period.

The Hon. MICHAEL GALLACHER: We will come back to that issue in a moment. Ms McPherson, whilst you were HR manager this massive overtime bill—that we are told is somewhere in the vicinity of \$130 million—did not appear overnight; this has obviously been building for years. During the time of your stewardship as the boss of HR, what did you do to alert people further up the tree that there was a serious breach—or leading towards a serious breach of the Rail Safety Act, in particular—with the reliance on overtime, which was the glue holding the system together?

Ms McPHERSON: There was an overtime report that went to the management and to the board monthly. That looked at, by division, the amount of overtime that was being worked. Traditionally, the overtime in the operational areas is something that has been in the railways, as I understand it, for many years. What we really tried to do in breaking down that overtime was look at what was planned overtime. In other words, under the award arrangements for drivers they worked a specific amount of hours every day. What was planned in their rosters was that they would work an additional 20 or 22 minutes every day—I cannot be quite specific about that, I am sorry—and that was planned into their rosters. So every day there was a minimal amount of overtime that was worked by them anyway as part of the rostering.

That small amount of overtime every day by individuals gave us quite significant benefits in terms of economy. The amount of overtime that was worked by the drivers themselves was subject to fatigue

management principles, and they have been discussed in the Waterfall commission and there have been recommendations by some people about what that number should be. We rely on the expertise of the University of South Australia and we have been working closely with them way before my time. It is something that we have been conscious of and we have been looking at, not just the cost of the overtime and the amount of overtime, which is of course a concern and something that we were monitoring and managing, in my view, but also from a safety point of view what it meant for fatigue management and what fatigue management principles were being adopted.

The Hon. MICHAEL GALLACHER: Could I interrupt you there for a moment? Following on from that point, were you there at the time—as we have seen in the media this week—that the so-called exemption was given from the regulator to allow the drivers to work the additional overtime?

Ms McPHERSON: I was not aware of that and I was not involved in that decision.

The Hon. MICHAEL GALLACHER: But were you there at the time that was provided?

Ms McPHERSON: I am not sure when it was given. You would have to tell me when that was given. I am not sure.

The Hon. MICHAEL GALLACHER: So when you were there you were not allowing any more than the 12, is that correct?

Ms McPHERSON: When I was there it was not up to me to allow anything. I was not an operational manager; my role was to monitor and report to the management, and through the management to the board, on what was happening and to try to get an explanation, I guess, into the statistics that went up there about why it was happening. But it was certainly not my role to allow one thing or the other.

The Hon. MICHAEL GALLACHER: So at any stage did you put pen to paper and say there is a practice allowing more than 12 days and this, in your view, is a breach of the Rail Safety Act?

Ms McPHERSON: Again, that was not my role. I was not in charge of safety. I guess my role was to put a report up. There was also a safety report that went in to the board and that was probably the more appropriate place for that to occur, not from me.

The Hon. MICHAEL GALLACHER: Who was in charge of safety then?

Ms McPHERSON: You would have to let me know what the date was when that happened.

The Hon. MICHAEL GALLACHER: At the time you were there prior to September, who was in charge of safety, to the best of your recollection?

Ms McPHERSON: There were a number of people.

The Hon. MICHAEL GALLACHER: Who was the director?

Ms McPHERSON: As I said, there were a number of people. To the best of my recollection, I think when I first began in the Office of Coordination there was a gentleman called Klaus Clemens; there was then Catherine Herriman—

The Hon. MICHAEL GALLACHER: What was her position?

Ms McPHERSON: Her position was Executive Director—Safety.

The Hon. MICHAEL GALLACHER: So she would have been the senior person in terms of safety?

Ms McPHERSON: Yes.

Mr GRAHAM: Again, could I perhaps assist you with the breadth of the answer that I think your question requires?

The Hon. MICHAEL GALLACHER: No. She answered it quite sufficiently, Mr Graham. That is satisfactory.

Mr GRAHAM: If I could. There were notifications provided to the regulator during the course of last year by the Executive General Manager—Safety. Under the regulation, operators who operate driver-only trains—which are obviously CityRail services—are required to limit the driving of drivers to 12 days in any 14-day period. At that point in time State Rail was operating to a requirement that was 12 days in a 14-day roster period.

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The regulation, however, refers to any 14-day period, and therefore 12 in a rolling 14-day period. We were not abiding by that regulation. We self-identified that to the Regulator, and as a result of that self-identification the Regulator has indicated that, in relation to the provisional accreditation for RailCorp, we have been given until June of this year to formally abide by the regulation.

The Hon. MICHAEL GALLACHER: We will shortly come back to the provisional accreditation. Ms McPherson, I note from the annual report 2002-03 you spearheaded the development and the implementation of a new train crew enterprise agreement. That would have been based on numbers of train drivers as well as overtime, would it not?

Ms McPHERSON: Certainly not.

The Hon. MICHAEL GALLACHER: Then what did that enterprise agreement involve?

Ms McPHERSON: That enterprise agreement involved some generic participation by the drivers in some improvements across the organisation. Just to explain: the drivers were separate from the rest of the organisation in the enterprise agreements because they had a 12-month agreement, taking them through the Olympics, whereas the rest of the organisation had a two-year agreement. So they were separated out. The agreement was for a 12-month agreement initially, and in that there were special arrangements for special events. Those special events could be things like, or were things like, the Olympics. We negotiated to carry some of those over into the new agreement. In particular, one of those initiatives that was agreed upon, and required a change to their normal working award arrangements, allowed us to run things like the World Cup and other special events. So there were things in there. But there was nothing about driver numbers; there was nothing about overtime. Those sorts of specific things, as I said, were not an issue for us then. We, off line, negotiated a traineeship. But, again, that was not something that was—

The Hon. MICHAEL GALLACHER: One of the issues, therefore, would have been the 19-day a month agreement, would it not, as part of the Olympic agreement?

Ms McPHERSON: I had nothing to do with that, I am sorry.

The Hon. MICHAEL GALLACHER: You had nothing at all to do with that?

Ms McPHERSON: No.

The Hon. MICHAEL GALLACHER: Not at any stage whilst you were Human Resources manager last year, trying to get the unions to renegotiate going back to a 20-day month?

Ms McPHERSON: I am sorry, I thought you meant to negotiate, Mr Gallagher.

The Hon. MICHAEL GALLACHER: So you were on at the tail end, basically?

Ms McPHERSON: I was on at the tail end, not at the front end.

The Hon. MICHAEL GALLACHER: Just refresh my memory. It was basically to go back to a 20-day a month agreement.

Ms McPHERSON: Yes.

The Hon. MICHAEL GALLACHER: Which was what was in place prior to the Olympic Games. And State Rail, or the Government, was prepared to give drivers \$5,000 approximately.

Ms McPHERSON: To buy it out. We saw that there was a cost benefit in our doing that. That was rejected by the drivers.

Ms McPHERSON: Until last week, when they grabbed the \$5,000 but did not give up the extra day. Is that correct?

Ms McPHERSON: Well, again, I had nothing to do with that. I cannot make a comment on that at all.

The Hon. MICHAEL GALLACHER: But that money has stayed on the table since last year? That \$5,000 was never removed from the Government, was it?

Ms McPHERSON: I am not sure what you mean by that.

The Hon. MICHAEL GALLACHER: That offer to go back to 20 days a month.

Ms McPHERSON: No. The offer was made, it was voted on, and that offer was rejected.

The Hon. MICHAEL GALLACHER: To the best of your knowledge, was the offer rejected, or did it just disappear, evaporate?

Ms McPHERSON: The offer was rejected. Again, to the best of my knowledge, there was a pilot done, a trial of the 19-day month. Some drivers, in some areas, already had the 19-day month. What was negotiated was that there would be a pilot and that, following that pilot, we would review that and evaluate it. There was never any way, legally, that we could say we did not want it, because it was in the 2000 enterprise agreement. What we did then was have a look at whether or not that pilot was a success. We put on the table to the unions that the arrangements were for them to go to their members and have a vote as to whether or not they accepted it. We gave them the counter-offer of that \$5,000.

The Hon. MICHAEL GALLACHER: So it is one of the great miracles of transport: they got offered a deal for \$5,000 last year to go back to 20 days a month, and they rejected it; last week there was no offer to go back to 20 days a month, but they still got offered the \$5,000, and they took it, and they are still now on 19 days a month.

Ms McPHERSON: I think the two matters are totally unrelated.

The Hon. MICHAEL GALLACHER: Why do you say that?

Ms McPHERSON: Vince would have to answer that.

The Hon. MICHAEL GALLACHER: I am interested to hear your view.

Ms McPHERSON: I just do not think those two matters are related. They are so far apart, they are not related.

The Hon. MICHAEL GALLACHER: How do you work that out, when it is the same \$5,000 from last year? The train drivers have not given up anything, have they?

Ms McPHERSON: I cannot make a comment.

The Hon. MICHAEL GALLACHER: But you did a minute ago.

Ms McPHERSON: I said they were unrelated.

The Hon. MICHAEL GALLACHER: So you were in a position to make that comment.

Ms McPHERSON: Mr Gallagher, you said to me that the \$5,000 was still on the table.

The Hon. MICHAEL GALLACHER: Well, it is the same \$5,000.

Ms McPHERSON: I cannot make a comment about whether that was the case.

The Hon. MICHAEL GALLACHER: But you did say they were unrelated. How do you say they were unrelated? Is it just coincidence that last week \$5,000 was offered again to the drivers, they do not give up their additional day, and they still walk away with the \$5,000? I do not see how that is unrelated.

The Hon. HENRY TSANG: Madam Chair, can I make a point?

CHAIR: Yes.

The Hon. HENRY TSANG: My understanding is that there was an offer, and the offer was rejected. So that offer has gone. That was a different negotiation. That is quite clear to me.

The Hon. MICHAEL GALLACHER: There was no negotiation last week. The money was put on the table, and they grabbed the money, and they did not give up anything. What I want to know is: Was it the same money? It was not new money, Henry.

The Hon. HENRY TSANG: It happened to be the same figure.

The Hon. MICHAEL GALLACHER: What a coincidence!

The Hon. HENRY TSANG: But the offer was rejected by the drivers.

The Hon. MICHAEL GALLACHER: Until last week. I have no further questions.

Mr GRAHAM: Madam Chair, can I say something?

CHAIR: Do not worry, Mr Graham. We have some questions for you.

The Hon. DAVID OLDFIELD: Ms McPherson, there are a couple of things that I am not entirely clear on following that exchange. How many drivers, apart from CountryLink drivers, were there actually in 2000, when you were driving the train so to speak?

Ms McPHERSON: I would have to take that on notice, I am sorry, Mr Oldfield. I have not got that number in front of me.

The Hon. DAVID OLDFIELD: We had an answer along that line to Mr Gallagher, did we not?

Ms McPHERSON: I think what Mr Graham said is that at the moment we have got 1,220 actual drivers. We had planned to have 1,257.

The Hon. DAVID OLDFIELD: So the 1,220 does not include CountryLink drivers, because there are another 90 for CountryLink.

Ms McPHERSON: No, that does not include CountryLink.

The Hon. DAVID OLDFIELD: So there are 1,220, and you would have liked to have 1,257.

Ms McPHERSON: Yes.

The Hon. DAVID OLDFIELD: Do I understand correctly that since 2000 you recruited 270 drivers and lost 268?

Ms McPHERSON: Yes.

The Hon. DAVID OLDFIELD: That is correct, is it?

Ms McPHERSON: Yes.

The Hon. DAVID OLDFIELD: So, whatever was the magical number of train drivers that existed in 2000, you have only had a net loss of two since 2000, is that correct?

Ms McPHERSON: Yes.

The Hon. DAVID OLDFIELD: I am sorry: in fact you are two in front.

Ms McPHERSON: Yes.

The Hon. DAVID OLDFIELD: So you have two more drivers now than you had in 2000?

Ms McPHERSON: Yes.

The Hon. DAVID OLDFIELD: So, given what has taken place in the last few weeks, did you have enough drivers in 2000?

Ms McPHERSON: Yes.

The Hon. DAVID OLDFIELD: Because you have got two more now.

Ms McPHERSON: We had excess drivers in 2000 following the Olympics, yes. The introduction of the 19-day month did absorb significant numbers of drivers.

The Hon. DAVID OLDFIELD: And we are still on a 19-day month now?

Ms McPHERSON: Yes.

The Hon. DAVID OLDFIELD: That is not bad in a 31-day month! Is that 19 days in February, by the way—19 days in a 28-day month?

Ms McPHERSON: It is a day off a month. They work an additional number of minutes each day to accrue a day off a month.

The Hon. DAVID OLDFIELD: Is this the 22 minutes?

Ms McPHERSON: That is now round about the 22 minutes that they used to work overtime. They now accrue that and get a day off.

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The Hon. DAVID OLDFIELD: Is their other overtime related and, therefore, different to the 22 minutes that works up to the day off?

Ms McPHERSON: The 22 minutes, or whatever the equivalent is for the day off, is not overtime. What is overtime now is the amount of time above and beyond their award hours.

The Hon. DAVID OLDFIELD: What are their award hours in one of these 19 days?

Ms McPHERSON: Their 19 days is part of their enterprise agreement. Their award allows 38 hours a week. Some drivers can choose not to work for the 19-day month and not to take on a 19-day month.

The Hon. DAVID OLDFIELD: Some of them have chosen not to work in the past few weeks. Are we talking about 38 hours over a five-day week or 38 hours in multiples to 19 days in one month?

Ms McPHERSON: They can be rostered Monday to Sunday for 38 hours a week. That is their award. They are shift workers.

The Hon. DAVID OLDFIELD: They can be rostered 38 hours in a seven-day week?

Ms McPHERSON: Yes, 24 by 7.

The Hon. DAVID OLDFIELD: How many hours overtime are usually related in one of those periods of 24 by 7?

Ms McPHERSON: On average?

The Hon. DAVID OLDFIELD: Yes.

Ms McPHERSON: I do not have that information in front of me. I do not know whether Mr Graham has it.

The Hon. DAVID OLDFIELD: Train drivers could be working anywhere from between five and seven hours a day over a period of seven days calculating to 38 hours in a week over a 19-day month?

Ms McPHERSON: Mr Graham will respond to that question.

Mr GRAHAM: The normal rostering patterns for train drivers over a 28-day period will be in the—

The Hon. DAVID OLDFIELD: Is a month 28 days?

Mr GRAHAM: It is 28 days. It consists of two fortnightly payment periods. In one fortnight they are rostered for 9 normal shifts and in the second fortnight 10, and half of them are on each arrangement in any fortnight. In a defined two-pay period there is effectively a 19-day, 28-day period. That is how the rostering works.

The Hon. DAVID OLDFIELD: We are looking at a definitive month of 28 days with 19 days being worked in that period—9 days in the first 14, and 10 days in the second 14?

Mr GRAHAM: Yes. The term "month" is quite loose language because it is really a 28-day period, not a calendar month.

The Hon. DAVID OLDFIELD: It is a month for some people and not for others. If you are in a situation where you actually have a couple more train drivers than you had in 2000, which is what the Hon. Michael Gallagher was alluding to earlier, how reliant was the system on overtime?

Mr GRAHAM: From the discussion we had with Mr Gallagher, I went back to around August last year and indicated what the target was at that time—the 1,257—and indicated at current levels of around 220 what has led us to that position. The vote that Mr Gallagher referred to for drivers to formally adopt or not adopt a 19-day month was taken late last year—in the last quarter of last year. Clearly, the 1,257 number at that point would not have been part of the forecast. Obviously, it was a possibility. In addition to that, as I explained, we have had the accelerated attrition, which has led to the shortfall. Our ability to use the drivers that we do have for anything more than 12 days in a 14-day paper period obviously constrained our capability as well.

The Hon. DAVID OLDFIELD: Do we have a scenario in which drivers work 12 days in 14?

Mr GRAHAM: We have some drivers who would elect to work the additional overtime that is available to them.

The Hon. DAVID OLDFIELD: Do they work 5 days in the following 14?

Mr GRAHAM: I am sorry; I do not understand your question.

The Hon. DAVID OLDFIELD: You said that they work up to 12 days in 14, and that they work a maximum of 19 days in a month, being normally 9 and 10 in the two split 14-day periods. You are now saying that they can work up to 12 in the first 14 days. Does that mean that they work another 5 to make the 19 days in the second 14-day period?

Mr GRAHAM: No.

The Hon. DAVID OLDFIELD: What do they work in the second 14-day period if they are allowed to work only 19 days in a month and they are working 12 in the first 14-day period?

Mr GRAHAM: This mathematics is getting quite complicated.

The Hon. DAVID OLDFIELD: I hope it is not. In the position that you are in you should be able to do simple maths in double digits.

Mr GRAHAM: I will try to do this without taking off my shoes.

The Hon. DAVID OLDFIELD: That will get you to 10. You will have to use your fingers as well to get you to 20—to get you past the figure of 19 in that 28-day period.

Mr GRAHAM: I explained previously that there was a 9-day and a 10-day fortnight in order to constrain the figures to 12 days. In that fortnight the driver can, obviously, work three overtime shifts if he makes himself available for that. In the 10-day fortnight the driver can work two shifts, giving him the potential in the 28-day period, simply put, to work up to five overtime shifts within a 28-day period and still maintain the requirement of 12 in any 14-day pay period.

The Hon. DAVID OLDFIELD: I come back to my earlier question. You started to tell me about the 1,220 and 1,257 drivers, rather than answer the question. How reliant on overtime was the system in 2000?

Mr GRAHAM: I cannot answer that question. I was not physically in the organisation in 2000.

The Hon. DAVID OLDFIELD: Ms McPherson, how reliant on overtime was the system in 2000?

Ms McPHERSON: When I talked to Mr Gallagher my understanding was that the figures relating to overtime were held at a level that was seen as appropriate. Again, as I understand it, railway systems worldwide rely to a certain extent on overtime.

The Hon. DAVID OLDFIELD: Is this a worldwide bad practice that Australia has followed?

Ms McPHERSON: There are a couple of issues. In 2000 we had excess drivers. We had drivers left over from the Olympics. In the original plan of the former management there might have been an offer of voluntary redundancy following the Olympics.

The Hon. DAVID OLDFIELD: You are saying that you had an excess of drivers after September 2000?

Ms McPHERSON: Yes.

The Hon. DAVID OLDFIELD: But you have two more drivers now than you had in 2000. What happened to the excess? Where is the excess?

Ms McPHERSON: I think there have been some changes. First, the 19-day month absorbed approximately 52 drivers. I think that was the number that it absorbed.

The Hon. DAVID OLDFIELD: So it is spreading the same number of drivers over fewer days in a month.

Ms McPHERSON: They took out 52 drivers. That is what we calculated that they took out. We then tried to accelerate the campaign that would address that.

The Hon. DAVID OLDFIELD: What you are really telling me is that based on the reduction to the 19-day month, with the excess drivers and the two that you picked up through recruitment against the losses since 2000, you are 50 behind the excess that you had in the last quarter of 2000?

Ms McPHERSON: The numbers are actually under what we require at the moment. It has been said that at the moment we have 1,220 and we actually require 1,257.

The Hon. DAVID OLDFIELD: As the Hon. Michael Gallacher alluded to earlier, obviously the key factor is: How reliant was the system on overtime in 2000?

Ms McPHERSON: I do not believe there was a reliance on overtime in 2000. As I said, in 2000, we had an excess of drivers because of the recruitment campaign leading up to the Olympics. We recruited, I think, approximately 200 additional drivers for the Olympics. To the best of my recollection that is about the number that was recruited.

The Hon. DAVID OLDFIELD: If you recruited 200 for the Olympics, can we reasonably presume from that that you had an excess of 200 in September?

Ms McPHERSON: Again—and I do not have what actually happened around that time— there was very little recruitment in 2001 because of those numbers. In other words, we held those numbers and allowed attrition, which was approximately about 70 to 80 a year at that stage. From memory, I think we ran only two or three campaigns in 2001.

The Hon. DAVID OLDFIELD: This is tending to add up to your not having enough drivers in 2000.

Ms McPHERSON: No, we had more than enough drivers in 2000.

The Hon. DAVID OLDFIELD: It seems as though you had more than enough drivers, but you took on the 200 drivers for the Olympics, essentially for the busy period.

Ms McPHERSON: Sure.

The Hon. DAVID OLDFIELD: Since that time you have had a net gain of 2 less 52 on the basis of the soak-up for the 19-day period, which leaves 50 behind. You are missing 150 from the 200 extra that you took on in 2000. So you are 150 out in your figures. You should, in theory, have 150 more drivers than you need on the basis of the 2000 figures that you have given me.

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Ms McPHERSON: No, what I am saying is that in 2000 we did not recruit to the extent that we have been recruiting since then and we allowed attrition to take its natural toll on the drivers.

The Hon. DAVID OLDFIELD: According to your attrition figures, since 2000 you have lost 268 drivers and picked up, through recruitment, 270 drivers. That is a gain of two drivers. You explain that you have lost the equivalent of 52 drivers because of the change to the 19-day month. You are saying you had 200 more drivers recruited in 2000 than you needed. That means, on your calculations, 150 drivers are missing.

Ms McPHERSON: I would have to take that question on notice and have a look at all of that. What I am saying is that as at 2000 we had more than enough drivers. To allow those drivers to remain with us, in 2001 we let natural attrition take place. So we did not begin recruiting again properly until the start of 2002.

The Hon. DAVID OLDFIELD: What you are saying simply does not stack up with the figures you have given and which you seem to be confident about. The figures we are working on, of which you are confident, are that you took on 200 extra drivers in 2000, since 2000 you have lost 268 and picked up 270, and you have lost the equivalent of 52 as a consequence of the 19-day month. I put it to you that 150 driver positions are missing.

Ms McPHERSON: No.

The Hon. DAVID OLDFIELD: I will leave it at that and move on to the next question.

Ms McPHERSON: I said to you that I would take that question on notice and I would come back to you with an explanation. When we talk about 2000, we are talking about the recruitment drive leading up to the Olympics and there was a significant lead-in time for training. I would have to come back to you with a specific period over which those numbers came in.

The Hon. DAVID OLDFIELD: You force me to go back to that issue. Did you not clearly tell me that in 2000 you took on 200 extra drivers?

Ms McPHERSON: I said we recruited for the Olympics approximately 200 additional drivers. Whether that period was over 1990 and 2000 I would have to take that question on notice and come back to you with that information.

The Hon. DAVID OLDFIELD: You will have to do a great deal of figure jumbling because the figures you have given and which are on the record today—which you say you are confident about—do not stack up. Given the fact that overtime seems to be an issue—although there does not seem to be much acknowledgement of that fact—how are you placed to cover the drivers who are absent from work due to sickness, injury or holidays?

Ms McPHERSON: That is all part of the work force plan. The holidays are rostered for and, I guess, there is an allowance for sick leave. That is all monitored and looked at, as Mr Gallacher asked about previously, in a monitoring arrangement.

The Hon. DAVID OLDFIELD: Mr Graham, have you been alerted about the fact, or are you aware of any intention by other rail staff that they will be conducting rolling strikes over the next few weeks following on from the drivers' strikes?

Mr GRAHAM: Since the announcement of the drivers' package last week, I have sat down with the union representing the other areas of rail operations—the Rail, Tram and Bus Union [RTBU] which represents the signalling, station and train control areas, that is, the broad gamut of the remainder of the operations. In my discussions with those groups, they clearly understand that the package offered to train drivers had a number of elements to it. It certainly did have the bonus for the overtime shifts, but it is also predicated on recruiting to a staffing number of 1,350, which effectively has been designed to eliminate the levels of overtime that have been worked. Prior to the disruptions that we have experienced, we were operating train crew at approximately 140 overtime shifts per day.

We have put in place in the agreement an arrangement whereby the recruitment target is now 1,350 against the current levels of around 1,220. The drivers clearly understand that that is designed to bring them back to a very low level of overtime. In an environment of a low level of overtime, obviously an overtime bonus is not paid in that circumstance. The bonus is being paid for the period to allow us transition to that level. When I explained that and other elements of the package to the other staff, although they are going back to discuss it with their membership, there was not an enthusiasm by any other group to adopt the totality of the drivers' package. I have not yet sat down with the metals union or the Electrical Trades Union. I will be having some discussions with both those groups early next week.

The Hon. DAVID OLDFIELD: So we may potentially see strikes from other groups as a follow-on in the next few weeks?

Mr GRAHAM: No. As I said, on the basis of discussions I have had, I certainly am not anticipating that at all.

The Hon. DAVID OLDFIELD: Will the rail network reach a point when it is not overtime dependent?

Mr GRAHAM: The State Rail Authority spends \$80 million per year on overtime, the Rail Industry Corporation [RIC] spends \$50 million per year on overtime and, in totality, we have a little over 15,000 employees. Relative to the police force, it has 14,500 employees and, on my understanding, spends about \$30 million per year on overtime. The overtime levels historically in the rail organisations are extraordinary by any industrial measure.

Ms LEE RHIANNON: Mr Graham, given that you have known and the public is now hearing that for years there has been a driver shortage, how can we be confident that you will achieve that figure of 1,350? Will you come back in a few months' time and say that you could not find the extra drivers?

Mr GRAHAM: First of all, I will correct the assumption in your question that we have known for some time that there would be a driver shortage. In response to Mr Gallacher's questions to Fran McPherson earlier, I indicated that as late as August last year the work force planning model was not projecting the current level of shortage and that there had been two significant changes: a doubling of the attrition rate in the first half of this financial year and the 19-day month issue, which was voted on in the last quarter of last year.

Ms LEE RHIANNON: I am not an expert on this issue. However, I just looked at the clippings to prepare for today's hearing. At the time of the discussions relating to the introduction of a new timetable, I understand that the excuse given for not being able to do that was an insufficient number of drivers. I understand that there have been discussions by the Minister, through the department, about a driver shortage. Do you dispute that fact?

Mr GRAHAM: No, I agree with those facts. I understand that the new timetable could not be implemented around April 2002 because there were insufficient drivers to run it. That new timetable was quite different in its structure to the current timetable. It required more drivers because of the issue of increased turnaround time at terminating locations. The decision was made to stay with the existing timetable, where the driver numbers at that time and subsequently through to the last quarter of last year were adequate to continue to run that timetable. Clearly, with overtime levels that required more than 100 overtime shifts per day. That has clearly been the most significant issue that has led to the serious consequences over the last fortnight.

Ms LEE RHIANNON: Can you dispel the perception from the Minister down that you have not been serious about recruiting additional drivers and that you have been willing to rely on using overtime because you are heading towards slashing services and, therefore, more drivers will not be needed?

Mr GRAHAM: We have incorporated in our arrangements with the RTBU a target of 1,350, which is 130 higher than the current levels. That will take us into a situation of a low reliance on overtime. Clearly, the pre-existing operations—not only in the drivers' area—have, on the basis of the evidence of the last fortnight, relied far too heavily on the willingness of drivers to perform overtime.

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Ms LEE RHIANNON: What is the timeline to achieve the 1,350 target?

Mr GRAHAM: We currently expect approximately 105 drivers to graduate during the course of this calendar year. We have approximately 150 in total in training. Through the course of this calendar year we are recruiting approximately 250 drivers to start their training. We will simply keep going at maximum monthly recruitment rates of train drivers on the basis of attrition. Bear in mind we still have to see the full impact of the new medical standards being applied across the work force. We have agreed within the arrangements with the RTBU to look at the current 26-month period that it takes to train a train driver, and that is an essential part of the planning process as well.

Ms LEE RHIANNON: That sounds quite specific. Do you have a date in mind to achieve those numbers?

Mr GRAHAM: Yes, and that 1,350 over time is going to have to increase. We do bring on additional services on the Illawarra line in late 2005 when we complete the Bondi Junction turn-back. We have a capacity shortage of trains on the Illawarra line in the peak periods and that will consume additional drivers. Approximately three years later we will commission the Epping-Chatswood rail link which again will require an increase. So the 1,350 target is certainly a target through to the end of 2005 but that target will clearly be reviewed in light of additional services and the opening of additional lines.

Ms LEE RHIANNON: How many of the 90-odd CountryLink drivers have been stood down from duty after failing a health test since the new safety regime was introduced?

Mr GRAHAM: We commenced applying the new national health standards on 2 February. As at the close of business on Wednesday we had tested 53 drivers from the combined CityRail and CountryLink, and while pathology remained outstanding for approximately 12 of the 53, we experienced 13 temporary medical failures out of the 53 for whom results were known. We have had three of those 13 since returned to active driving as a result of more specialist medical examination that is required by the standards. I understand within the group of 13 we have of the order of two or three CountryLink drivers.

I am concerned about the CountryLink driver area. Of our total driver population of a little more than 1,300—CityRail/CountryLink combined—because we are applying the new medical standards we have developed a priority group of drivers that we believe should be the first go through the new standards. Approximately 300 drivers are in that priority group because of an assessment of age, body mass index and the areas where they operate. Those 300 represent approximately 25 per cent of our total driver population but, importantly, in the CountryLink group approximately 70 per cent of our CountryLink drivers are in that

prioritised group. I am concerned and clearly we need to get through the examinations of that group as quickly as we physically can.

Ms LEE RHIANNON: Last year there was a lot of distress about the Minister's announcement of what appeared to be a plan to move CountryLink from a train-based service to a bus-based service and then he announced a 12-month reprieve. Would you outline what process you are going to follow in the next 12 months? Is there a community consultation process? Is there an economic study or an options paper? How will you take this matter forward? Will any of this information be made public? The Minister's statement is one thing but how is it playing out?

Mr GRAHAM: Yes, I can take you through the way that is being currently processed within RailCorp. The Government has clearly made an announcement about maintaining the routes that are currently operated by CountryLink services. The intention of the Government, while maintaining the routes that are currently operated, is to focus on how we might improve the financial performance of the business. We are doing that in consultation with a number of CountryLink solutions teams that have been set up within the communities around Tamworth, New England, North Coast and Canberra/Queanbeyan.

As a result of those consultations we are focusing our attention on what needs to be done to improve revenue yield and reduce overheads associated with operating the business. We will be pursuing that process that identifies all of the possible financial savings that can be gained in CountryLink while maintaining the routes on which Country Link services currently operate.

Ms LEE RHIANNON: Did you mention anything about the public, any interaction, documents being released or any process in that answer? Is it a bit like the Minister's Ports growth plan: it does not actually exist, it is a bit of spin and media coverage but does not play out in any real way with which the public can interact?

Mr GRAHAM: You certainly cannot assume that from anything I have said.

Ms LEE RHIANNON: Did you mention the words "public" or "consultation" in your answer?

Mr GRAHAM: I mentioned three CountryLink community-based solutions teams established by the Minister in Tamworth, the North Coast and Canberra/Queanbeyan.

Ms LEE RHIANNON: I do not think it is fair to say that the Minister established them. They came out from the community but I am referring to the process flowing on from this 12-month reprieve announced by the Minister?

Mr GRAHAM: I have explained the process that we are going through internally. My obligation from that point is, following board consideration, to provide advice to the Minister that he has requested that would implement the strategy that he has outlined, that is, a strategy that would see a continuation of CountryLink services operating on the routes on which they currently operate, while improving the financial performance. That would then be a matter for further government consultation.

Ms LEE RHIANNON: Will you be advising the Minister on a process that you could then take forward publicly?

Mr GRAHAM: I would be advising the board. The board of RailCorp would be advising the Minister on the options that the board considers would fit within the parameters announced publicly by the Minister, that is, a continuation of CountryLink on the routes it currently operates, while improving the financial performance by looking at the revenue yield and reducing the cost of operation, particularly the overhead costs.

Ms LEE RHIANNON: When will that happen?

Mr GRAHAM: I would expect that we would go back to the Minister within the next six to eight weeks on that particular issue.

Ms LEE RHIANNON: The web site of CountryLink is quite out of date. How many CountryLink services have you had to cancel?

Mr GRAHAM: As a result of driver shortage flowing from the new medicals my understanding is that we have cancelled a service in each direction this week between Werris Creek and Moree. On a daily basis we operate a service out of Sydney, normally a five-car set that divides Werris Creek—two cars go to Moree and three cars go to Tamworth/Armidale. Because of a temporary medical failure as a result of the new tests we have cancelled during the course of this week the leg between Werris Creek and Moree and replaced that with a road coach on that day.

Ms LEE RHIANNON: Are you reviewing the CountryLink timetable overall as a result of the shortage or is it only a spot change and the trains will come back on? Is there a review of the timetable?

Mr GRAHAM: No, we would expect that depending on which driver is undergoing a medical, from which depot and on which route they operate, there is a need from time to time during the course of this medical examination process to temporarily cancel other services. It will be considered on a day-to-day basis as we get the results of those medicals.

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The Hon. MICHAEL GALLACHER: Following on from the points you made in relation to Mr Oldfield's question, Ms McPherson, what is the basic wage for a CityRail train driver without overtime?

Ms McPHERSON: I would have to take that question on notice. I think it is approximately \$45,000 to \$50,000, but I will confirm that.

The Hon. MICHAEL GALLACHER: You said you did not think there was a problem with the reliance on overtime. Is that correct?

Ms McPHERSON: I did not say that. I said that in my experience in State Rail and RailCorp there has been for many years an amount of overtime that is allocated out as part of the normal running of the business.

The Hon. MICHAEL GALLACHER: Do you think that is acceptable?

Ms McPHERSON: The level of overtime being worked is unacceptable. In terms of monitoring that and looking at ways to reduce it, an effort has been put in. But, as I said, significant unplanned absenteeism occurs. Of course, that creates a need to reallocate someone else to drive that train.

The Hon. MICHAEL GALLACHER: You have said you have concerns about the overtime. What steps did you take as director of human resources to stop that practice?

Ms McPHERSON: I went over that before.

The Hon. MICHAEL GALLACHER: It was unclear. It did not look very good; it did not look as though much was being done.

Ms McPHERSON: I was not in an operational role.

The Hon. MICHAEL GALLACHER: You brought it to the attention of the safety people.

Ms McPHERSON: I brought it to the attention of the executive, board and the operational management. It was monitored and it was then a matter for the chief executive of the day and the appropriate operational manager to look at it and do something about it. I was not in an operational role.

The Hon. MICHAEL GALLACHER: Were you concerned about public exposure of the fact that Mr Zeides' annual salary was about \$100,000 given that his base wage was \$45,000 to \$50,000? That is a doubling of his wage.

Ms McPHERSON: I was not aware. I hesitated about giving you the normal wage. The average wage for a train driver is about \$65,000. I was not aware that Mr Zeides' salary was \$100,000.

The Hon. MICHAEL GALLACHER: There has been a fair bit of public discussion about it.

Ms McPHERSON: I was not aware of that. If it is the case, it is an anomaly. As I said, the average wage for a train driver is about \$70,000 to \$75,000.

The Hon. MICHAEL GALLACHER: What did you do when you saw the Auditor-General's report in 2001 citing the example of a safety-critical worker who worked 110 days consecutively with one day off? What did you do as the human resources manager to say that alarm bells were ringing and that that was not on?

Ms McPHERSON: As I said, we have had reporting on that in place for some time.

The Hon. MICHAEL GALLACHER: I want to know what you did, not what was in place.

Ms McPHERSON: That was brought to the attention of the appropriate manager.

The Hon. MICHAEL GALLACHER: Who was?

Ms McPHERSON: I am not sure who the top earner was; I cannot recall.

The Hon. MICHAEL GALLACHER: Did you bring that to the attention of Catherine Herriman, the director in charge of safety? That looks pretty serious to me.

Ms McPHERSON: It would have been an operational matter. As I said, the fatigue index scores were monitored, particularly for drivers. I am not sure if that was a driver. From memory, it probably was not. I do not think our drivers are ever up there in the—

The Hon. MICHAEL GALLACHER: It was a train controller. That is a fairly important position.

Ms McPHERSON: That would have been a concern.

The Hon. MICHAEL GALLACHER: It would have been, but it was not, was it?

Ms McPHERSON: Yes, it was of concern.

The Hon. MICHAEL GALLACHER: I put it to you that information has come to light on two occasions, most recently in regard to Mr Zeides and the case mentioned in the Auditor-General's report, and all you have told us is that you have reported it up the food chain. You have made a few calls and told a few people further up. I put it to you that there was a culture of turning a blind eye to it and letting it roll.

Ms McPHERSON: I do not accept that at all.

The Hon. MICHAEL GALLACHER: Did you put forward documentation raising your concerns about this issue or did you do it by telephone?

Ms McPHERSON: As I said, there were reports on a monthly basis to management and to the board about overtime.

The Hon. MICHAEL GALLACHER: Therefore, when I look at the records at State Rail I can be guaranteed that I will see documentation from you saying, "This is a breach of rail safety, this is not on"? Is that what I will see?

Ms McPHERSON: No, you will not. As I said before, that was not my role.

The Hon. MICHAEL GALLACHER: Whose is it? Do you all walk around with your eyes and ears closed? Does anyone stand up in the organisation and say, "The buck stops with me"? As the human resources manager you are responsible for looking after the wellbeing of those troops, from the bottom to the top. Correct me I am if wrong. You look after the personnel and you allowed them to do this.

Ms McPHERSON: Line and operational management are responsible for the day-to-day operation of their divisions.

The Hon. MICHAEL GALLACHER: I see three wise monkeys—everyone turning a blind eye and saying that it is someone else's problem. No-one stood up and said, "The buck stops with me." I do not like going down this path, because it gets tacky, but you are on a fairly good remuneration.

Ms McPHERSON: Yes, I am.

The Hon. MICHAEL GALLACHER: You earn more than \$200,000 and you are saying that it was not your responsibility. You are allowing people to work 110 days straight. You cannot look me in the eye and tell me there was not a culture in that place to a turn a blind eye to this sort of behaviour. I will move on to another question because we will not get any answers on this. Mr Graham, you referred earlier to provisional accreditation. Can you tell me whether, when I FOI-ed that document, I am guaranteed to see the words "Exemption was given to State Rail"? On the other hand, will I hear "Conceptually, if you interpret it a certain way" or "Holistically you will get this result"? I want to know that when I read that document I will see the words "A specific exemption was given to exceed the 12 days"? Yes or no?

Mr GRAHAM: Yes. You will find in the documents that twice in the course of last calendar year State Rail formally wrote to the regulator very clearly saying, "We do not meet the letter of 12 days in any rolling 14-day period." When you FOI the information you will see in the provisional accreditation of RailCorp that the regulator has given us until June of this year to be compliant with the letter of the law.

The Hon. MICHAEL GALLACHER: Is that not in regard to the whole issue of fatigue management, not specifically in relation to this issue?

Mr GRAHAM: No, specifically in relation to train drivers. The requirement for the 12 and 14 applies to the safety-critical workers in the category of driver-only operations.

The Hon. MICHAEL GALLACHER: Therefore, we will see written in there "An exemption is given to State Rail to work more than 12 days."

Mr GRAHAM: No. You will see precisely what I said—twice last year the organisation self identified to the regulator that it could not meet the letter of the law of 12 in rolling 14. We were implementing, we have implemented 12 in any 14-day pay fortnights. We are not meeting the rolling 14-day standard. Furthermore, you will find in the provisional accreditation of RailCorp a requirement for it to be compliant by June this year.

The Hon. MICHAEL GALLACHER: Am I correct in assuming that I will not see the words "You are exempt from working more than 12"?

Mr GRAHAM: Because the regulator was not prepared to modify the regulation to provide what would have been an exemption.

The Hon. MICHAEL GALLACHER: I will explore that. He was not prepared to modify it. What does that mean? Who made the decision to modify it?

Mr GRAHAM: No-one has made that decision. The legislation remains as it originally was.

The Hon. MICHAEL GALLACHER: Do not the media comments made by a spokesperson during the week indicate that permission was given to work more than the 12 days? Is that correct?

Mr GRAHAM: Only on the basis that we have between now and June according to the regulator's correspondence to become compliant with the letter of the law.

The Hon. MICHAEL GALLACHER: Mr Christie, who was the spokesperson for the Independent Transport Safety and Reliability Regulator referred to in the article that appeared on 18 February 2004 entitled "Rail safety regulator bent rules on overtime"?

Mr CHRISTIE: I imagine it would have been Matthew van Tempest.

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Mr CHRISTIE: He is working in the corporate strategy area of the new regulator.

The Hon. MICHAEL GALLACHER: Where did Mr van Tempest come from before he appeared at the new regulator?

Mr CHRISTIE: He was employed by State Rail and was previously working in Carl Scully's office.

The Hon. MICHAEL GALLACHER: So he is most certainly part of the organisation in more recent times?

Mr CHRISTIE: That is correct.

The Hon. MICHAEL GALLACHER: When he spoke to the media, who was he acting on behalf of when he said an exemption was granted for the agency to continue operating despite the breaches of overtime?

Mr CHRISTIE: Let me explain what went on here as best I can. All this took place towards the end of last year under the old regulator or the old structure. I was not chairman at that point, and even now the chairman does not make regulation or grant accreditation. Under the Act that rests with the chief executive officer and that is delegated to a certain individual.

The Hon. MICHAEL GALLACHER: That is?

Mr CHRISTIE: That is Kent Donaldson. I have asked the chief executive to look at how some of those decisions were made but the regulator has the power under the Act to place on the operator special conditions relating to its accreditation. In this case the operator has indicated an inability at the present time to comply with the requirements for working only 12 shifts in 14 days for drivers. What we have established, though, and I will go on to mention this later, is that through audits and some commitments given by RailCorp it appears that no driver is now working more than 12 shifts straight. So, there is a transition period towards getting full compliance. My advice from the regulator is the decision to give RailCorp more time to become fully compliant is based on the fact that RailCorp has in place a number of strategies to effectively manage fatigue.

The Hon. MICHAEL GALLACHER: I am intrigued by the fact that Mr Donaldson is in a position to give exemptions.

Mr CHRISTIE: The Act allows that.

The Hon. MICHAEL GALLACHER: So when we FOI the document we will see the exemption from Mr Donaldson? Is that correct?

Mr CHRISTIE: I do not know what you are going to see. I have not seen the document, so I do not know.

The Hon. MICHAEL GALLACHER: Have you queried this at all?

Mr CHRISTIE: No, let me explain. At that point I had no official position in the regulator.

The Hon. MICHAEL GALLACHER: But have you not queried this in the past week?

Mr CHRISTIE: I am querying it now and I am telling you what I found out so far, and I am still querying how the decision was made.

The Hon. MICHAEL GALLACHER: Are you concerned about it?

Mr CHRISTIE: Yes, I am. I am concerned to know how the decision was made by the regulator.

The Hon. MICHAEL GALLACHER: It is simply not on, is it?

Mr CHRISTIE: What is not on?

The Hon. MICHAEL GALLACHER: These decisions by the regulator to allow these exemptions.

Mr CHRISTIE: No, the regulator can make those decisions under the Act.

The Hon. HENRY TSANG: Chair, can the witness be allowed to answer?

The Hon. MICHAEL GALLACHER: Well, he has some concerns. Can you tell me what your concerns are, Mr Christie?

Mr CHRISTIE: I just want to know more about it. I want to know how he arrived at the decision. I am entitled to ask him that now as chairman. I was not chairman then.

The Hon. MICHAEL GALLACHER: And we are entitled to ask you what your concerns are, why you want to know.

Mr CHRISTIE: Yes, I wish to know more about it.

The Hon. HENRY TSANG: Chair, I am entitled to listen to the answer. Can you give the witness a chance to answer?

Mr CHRISTIE: I will not be verballled by you. I am entitled to tell you the facts. The facts are I was not chairman, I had no statutory position, and even now the chairman under the new Act does not accredit or make regulations. The person who reports to the chairman is the chief investigator, which is separate from the regulatory part of the authority, and that is done for a very good reason.

The Hon. MICHAEL GALLACHER: But when you read on, let me draw your attention—

Mr CHRISTIE: Let me answer. You do not want me to answer.

The Hon. MICHAEL GALLACHER: No, you have made a point there and unfortunately you have said it has nothing to do with you, the decision was made beforehand. But the next paragraph in this press release says:

RailCorp spokeswoman Helen Willoughby said, "On occasions there are times when people are rostered 13 to 14 days. There are still occasions when we are in breach."

You are CEO, it is occurring on your shift.

Mr CHRISTIE: I am not the CEO.

The Hon. MICHAEL GALLACHER: You are the chairman; it is occurring on your shift.

Mr CHRISTIE: No, it did not occur on my shift.

The Hon. MICHAEL GALLACHER: It is occurring now.

Mr CHRISTIE: It is occurring now, but let me finish the answer. We are currently auditing RailCorp to see how it complies. So far in the audits we have not found a driver working more than 12 consecutive shifts but they are still not compliant with the requirement to work 12 in 14. Throughout last year the regulator became aware of the fact that whilst they may have been working not more than 12 in a fortnight, an overlapping fortnight, the SRA was obviously interpreting that it did not have to get down to the 12 in 14. So, the regulator became aware of that. You asked me what I am looking at. I am looking at how it became fully accredited the year before if this practice was going on. Did the then regulator know about it? That is what I want to know. It has been downgraded to a provisional accreditation and some milestones have been placed in there. One of those is that it must be fully compliant by June this year.

The Hon. MICHAEL GALLACHER: Mr Graham, today, in evidence from Ms McPherson, we have heard about what I consider to be some serious matters in relation to overtime being raised with the former director of safety within State Rail, Catherine Herriman. Can you indicate to the Committee the grounds or reasons behind her departure?

Mr GRAHAM: Yes, I believe I can. I came to the organisation around April because with the private consulting business I left I had some matters to tidy up, and effectively I took up in State Rail in early June. I had been appointed to the co-ordinator general role in April. At that time, in the process of sitting down and discussing with senior executives where they were up to, my expectations along with all the other senior executives, I had that discussion with Catherine Herriman. Some months later Catherine approached me and said she was interested in joining the staff of the regulator, would I have any serious objections to that? I said I

would be disappointed, particularly at this time, to see her leave the organisation. I accepted why there would be a professional challenge for her to seek to join the regulator, and I indicated that if that is what she wanted to do with her future career I would be supportive of that, but that I would not be able to release her until it was clear that alternative arrangements were able to be put in place.

The Hon. MICHAEL GALLACHER: Was that following Ms Herriman giving evidence at the Waterfall inquiry when she indicated that she was basically one of the very few people in the entire organisation that did not know about the dead man's hand, although she was the director in charge of safety?

Mr GRAHAM: Mr Gallacher, it had absolutely nothing to do with any evidence that Catherine Herriman gave before the Waterfall commission. You asked me what were the circumstances? I explained to you what the circumstances were. We can keep coming back to that but unfortunately they were the circumstances.

The Hon. MICHAEL GALLACHER: You have now become aware of concerns about the issue of overtime and the overreliance on overtime being raised with the director of safety. Is this new to you or were you aware of this for some time?

Mr GRAHAM: Sorry, was I aware of what?

The Hon. MICHAEL GALLACHER: The fact that she was, in her position as director in charge of safety, aware or conscious of reports that came through from the human resources director of these extraordinary amounts of overtime being performed?

Mr GRAHAM: Mr Gallacher, I cannot be aware of what someone else might have been aware of.

The Hon. MICHAEL GALLACHER: But now that you are aware of it, now you are aware of what you have just heard this morning—

Mr GRAHAM: Well, I am not sure that what you think Ms McPherson said is actually what she said. But if we are going to start rolling on to what the third person may be aware of—

The Hon. MICHAEL GALLACHER: I am interested now that Catherine Herriman—

Mr GRAHAM: I am happy to talk to you about the actions I have taken about the environment of overtime in the organisation. If you want to ask me a specific question about what I have done about overtime in the period I have been chief executive of the organisation, I am happy to answer such question.

The Hon. MICHAEL GALLACHER: Given what you have heard today about the overtime situation, given your knowledge of the evidence Ms Herriman gave to the Waterfall inquiry—that she knew nothing about the dead man's hand issue even though she was the director of safety—do you have 100 per cent confidence in her maintaining her position at the ITSRR, which is all about safety?

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Mr GRAHAM: That is a question that is directed to the professional reputation of an individual. In the small number of months I had a chance to interact with Catherine Herriman she demonstrated herself to be not only an extraordinarily dedicated person but a very, very professional person in the area of safety and safety management.

The Hon. MICHAEL GALLACHER: So the answer is yes?

Mr GRAHAM: I think that most definitely says that in the period of time that I interacted with Catherine Herriman she demonstrated herself to be a very, very professional and dedicated officer.

The Hon. MICHAEL GALLACHER: My colleague will explore that a little further. Were you involved in last week's negotiations over the \$5,000 back-to-overtime bribe by the Government?

Mr GRAHAM: I do not think I was. I was involved in a—

The Hon. HENRY TSANG: Madam Chair, I object to this line of questioning.

CHAIR: Mr Graham was answering the question.

The Hon. HENRY TSANG: To ask the witness about the Government being involved in a bribe is offensive.

The Hon. DAVID OLDFIELD: Only to the Government.

The Hon. HENRY TSANG: I am a Government member, and that line of questioning should not be used.

CHAIR: Mr Graham was answering the question.

The Hon. MICHAEL GALLACHER: It is commonly agreed in the community that that is exactly what it was. Mr Graham, I was not trying to offend you at all; I am simply trying to find out whether you were at the negotiating table when the issue was raised.

Mr GRAHAM: The answer is yes.

The Hon. MICHAEL GALLACHER: Who first raised the issue of \$5,000? Who was the first to say, "Let's talk about \$5,000"?

Mr GRAHAM: Let me take you through the process of last week that led to the discussions that were held. During the course of Wednesday the Rail, Tram and Bus Union [RTBU] engaged in a day-long consultation with its delegates and members, I think adequately reported, resplendent with whiteboard, on the Channel 7 news that evening.

At around 7.00 p.m. on Wednesday night I was asked by the Minister for Transport to attend his office for some discussions with two RTBU representatives, Mr Bob Hayden and—I am struggling to think of the other gentleman's name; it will come to me shortly. That discussion went through to around 11 o'clock that night, and the union put on the table a range of issues of concern to it. During the course of that discussion the issue of the bonus payment for additional overtime shifts when worked was discussed.

The Hon. MICHAEL GALLACHER: Who raised it?

Mr GRAHAM: I cannot precisely recall who raised it. There were four of us around the table. In that discussion, at that time of night—

The Hon. MICHAEL GALLACHER: No-one was taking minutes, I take it?

Mr GRAHAM: We were trying to establish the areas of difficulty that were leading to the ban on normal overtime and the significant disruption to the service. Following that three-hour session we again reconvened with a broader group of delegates to discuss the full range of issues. I think seven or eight issues were subsequently documented, including that bonus.

During that morning discussion, when we were talking about that particular issue of a carrot to encourage drivers, I put a structure and an amount of money as to how that might be done. The structure that I put to them at that time was that in the event that, in a 28-day period, they worked one additional overtime shift there would be a certain payment made, if they worked a second shift there would be a further payment made, and if they worked a third shift there would be an additional payment made.

At that point in time there was much discussion as to whether this would be for drivers making themselves available for overtime shifts, or whether it was actually going to be for worked overtime shifts. That was not a point in the discussions that I was particularly prepared to take any further. Indeed, the ultimate conclusion that was reached in that discussion was that if in that defined period of time drivers take sick leave for any reason, the sick leave would be netted off. In other words, you cannot have three days sick in the 28-day period and work three overtime shifts and still expect to be paid the bonus for working the three overtime shifts.

In the circumstances that we were in with the travelling public, it was important to get a real incentive for drivers to make themselves available. The amount of money that I initially put on the table for the structure that

I proposed was somewhat less than what was ultimately agreed, but in the course of that deliberation I think the numbers of \$100, \$250 and \$400 came from that.

The Hon. MICHAEL GALLACHER: There were four of you in a room. The \$5,000 figure was raised by someone other than that you, obviously, which means it was one of the other three?

Mr GRAHAM: While this concept of \$5,000 may have been in there as a discussion, the reality is that a driver who is actually taking his prescribed amount of annual leave can, at maximum, get 10.5 months worth of \$400. So there is not a mathematical equation between—

The Hon. MICHAEL GALLACHER: When did you start back with State Rail?

Mr GRAHAM: As I said, I took on the co-ordinator general's role in early April last year.

The Hon. MICHAEL GALLACHER: So you were well and truly part of that process, trying to get the unions to negotiate to go back to a 20-day per month agreement?

Mr GRAHAM: No. Let us go back and establish what the process was—

The Hon. MICHAEL GALLACHER: I am simply asking: Were you part of that process last year?

Mr GRAHAM: It was not an issue in which State Rail had any decision-making powers. The agreement that was already on the table when I walked through the door in April was very clear: the drivers had an option as to what they wanted to decide. If they wanted to decide to go back to a 20-day month after the trial, they attracted a \$5,000 lump-sum payment.

The Hon. MICHAEL GALLACHER: Where was that \$5,000 lump-sum payment coming from back then? Was it coming from within State Rail's budget or from Consolidated Revenue?

Mr GRAHAM: State Rail is a taxpayer-subsidised budget. There is no concept here of any additional moneys coming out of some pool of State Rail money; we rely on State Rail revenue.

The Hon. MICHAEL GALLACHER: So it came out of Consolidated Revenue. Once the offer was knocked back, what happened to it then?

Mr GRAHAM: That was the deal. They could either accept it or reject it, and they rejected it.

The Hon. MICHAEL GALLACHER: So it just disappeared?

Mr GRAHAM: It went off the table.

The Hon. MICHAEL GALLACHER: Then it came back again in a different form?

Mr GRAHAM: That is your equation. As I said, a driver taking normal annual leave on the basis of \$400 for a 28-day period does not quite equate.

The Hon. MICHAEL GALLACHER: I was interested to hear your earlier comment in answer to the Hon. David Oldfield's question about other train workers not going into a strike but certainly working to rule with regard to issues. You said that in order to prevent that you have met with the union. You said that you have met with the RTBU to discuss concerns of other rail workers.

Mr GRAHAM: Yes.

The Hon. MICHAEL GALLACHER: Correct me if I am wrong. When this entire train issue blew up in the first place, the RTBU knew absolutely nothing about it, and it had no control over the so-called recalcitrant drivers. How can we be assured, therefore, that the RTBU is going to have any understanding of what is occurring with potentially recalcitrant guards?

Mr GRAHAM: You asked me what I know about what the RTBU knew and, as I have said, I cannot put myself in their minds.

The Hon. MICHAEL GALLACHER: Is it not correct that at the commencement of this shemozzle with the drivers last week and the week before, the RTBU knew nothing whatsoever about it, and that it kept saying publicly it did not know who these fellows were and it had no communication with them?

Mr GRAHAM: That is the union's public statement. I am not going to either support or defend anything that anybody else may have said. I am happy to deal with what I have said.

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The Hon. MICHAEL GALLACHER: Therefore, potentially we could have the very same situation occurring with other rail workers who are operating or caucusing outside the Rail, Tram and Bus Union [RTBU], based on what we have seen during the past fortnight. Is that correct?

Mr GRAHAM: All I can relate to you is the discussions that I have had, which I did in answer to Mr Oldfield's question.

The Hon. MICHAEL GALLACHER: I am trying to extract a little bit of information for the travelling public on this point. I think it is fairly important for them to know whether there is the potential for this set of circumstances to play out again. Again on this issue, it is like trying to draw teeth from you. At the end of the day the travelling public wants to know. They are the ones who will be buying tickets, catching trains and preparing themselves in the hope that next week this cloud that has hung over public rail transport has gone. They want an assurance from you, not a 50-50 each way bet. You are completely and totally confident that we will not see this being played out again by other rail workers?

Mr GRAHAM: Mr Gallacher, when we are talking about other rail workers—

The Hon. MICHAEL GALLACHER: Guards.

Mr GRAHAM: —the guards or the drivers even, you ask me am I 100 per cent totally capable of predicting the future on this issue. Clearly, I am not. I am taking the considerable work that the union has done, the agreement that they have signed with me, at face value. That is all I can reasonably do in these circumstances: take the agreement at face value. Clearly the considerable work that the union has done with its members has led to a resumption of normal overtime work, commencing next Sunday. If you are asking me to predict the future accurately on this issue, I cannot do that.

CHAIR: Mr Graham, how many drivers have so far failed the medical tests?

Mr GRAHAM: As at close of business Wednesday night, of the total of 53 CityRail and CountryLink drivers that we tested, we have had since 2 February 13 failures that have made drivers temporarily unavailable for duty. We have had three of about 13 subsequently return to work, following specialist medical examinations.

CHAIR: In regard to the three who have gone back to work, how did they fail the tests?

Mr GRAHAM: Privacy considerations do not allow us to be privy to the detail of the precise medical reasons. That is contained within the national standards.

CHAIR: Do they pose any safety risk going back to work?

Mr GRAHAM: No. Clearly, that is what the national standards are there to do—to ensure that those tougher medical assessments do ensure a far lower risk profile than the previous medical standards.

CHAIR: You told Ms Rhiannon that you were concerned at the very high proportion of CountryLink drivers falling into the high priority category for medical testing. Does that have any implications for the future viability of CountryLink services?

Mr GRAHAM: No. Can I just, as I hope I did previously, reinforce to you that the strategic issues that have been dealt with by the Government on CountryLink as a result of the Parry inquiry and the commitments

that the Government has given in relation to maintaining CountryLink services on routes for the period of the review are totally unrelated to the short-term circumstances that we may have to react to, given that we could have CountryLink drivers temporarily medically unfit. Some may be even permanently medically unfit.

CHAIR: How can it not have some implications?

Mr GRAHAM: Clearly it will have implications if there are significant numbers at different depots. But again—

CHAIR: So how long will it take for us to know? How long will it take for them to be processed through the medical testing?

Mr GRAHAM: I am attempting to get through the priority group of 300 by the end of April. That is the target I have set, and that includes the CountryLink drivers.

The Hon. MICHAEL GALLACHER: Mr Christie, are you concerned about yesterday's accident involving the ferry at Cockle Bay? Is it your role as chairman to look into that?

Mr CHRISTIE: It is, and the chief investigator is on the job in relation to that accident. Obviously yesterday the police and the Waterways Authority were involved in looking at it, but the chief investigator is setting up an investigation into this accident.

The Hon. MICHAEL GALLACHER: I take it he is going to be busy. You probably do not know, but another ferry has just ploughed into Circular Quay.

Mr CHRISTIE: I did not know that.

The Hon. MICHAEL GALLACHER: What is going on with these ferries? We have had 29 incidents involving ferries since 1996. The *Betty Cuthbert* had its third collision yesterday. We are told publicly that it is to do with maintenance. With rail, it is maintenance. What is going on in public transport?

Mr CHRISTIE: Mr Gallacher, we are going to find out. I assure you that there will be a very thorough investigation of this accident and a report will be provided to the Minister which he will need to table in Parliament, in accordance with the Act.

The Hon. DAVID OLDFIELD: Ms McPherson, it has been nearly 30 years since I worked in a job that provided for overtime, but back then you were paid time and a half for the first four hours over shift, double time from then on, double time for Sundays and public holidays, and triple time on Christmas Day. Is it pretty much the same?

Ms McPHERSON: Basically it has not changed.

The Hon. DAVID OLDFIELD: How many hours maximum would be worked in one shift, taking overtime into account?

Ms McPHERSON: I would have to take that on notice, I am sorry. I have not got that information, Mr Oldfield.

The Hon. DAVID OLDFIELD: What about an average shift? Obviously that is beyond you?

Ms McPHERSON: I would not want to mislead you. I would have to take that on notice.

The Hon. DAVID OLDFIELD: Can we get from you at some stage an indication of the maximum period that a driver would be driving, and the average?

Ms McPHERSON: I could get back to you on that, Mr Oldfield.

The Hon. DAVID OLDFIELD: Is it reasonable to assume that the average is beyond the normal working day? They are doing the extra 22 minutes anyway. Are there any train drivers who are not doing at least a reasonable level of overtime?

Ms McPHERSON: Yes. Some drivers actually do not work any overtime, as I understand it.

The Hon. DAVID OLDFIELD: They just do the 22 minutes?

Ms McPHERSON: If they want the 19-day month. They take the 19-day month and that 22 minutes is not taken as overtime. They take a day off in lieu at the end of that period.

The Hon. DAVID OLDFIELD: I understand that.

Ms McPHERSON: And some of them, if they do not want the 19-day month and their shift has that 22 minutes extra a day, would be paid overtime for that.

The Hon. DAVID OLDFIELD: Does that mean some drivers are on the 20-day month, or do they cross backwards and forwards from the 19-day month?

Ms McPHERSON: Some drivers prefer the 20-day month, but as I understand it—again, I have not been in that area for some time, for some six or seven months—the majority of them do take it.

The Hon. DAVID OLDFIELD: Is there the option for them, for example, to do 19 days one month and 20 days the next, and move backwards and forwards or are they either on one or the other?

Ms McPHERSON: As I understand it, yes.

The Hon. DAVID OLDFIELD: I also understand that you would not have that number, but can we also find out just how many are on each: the division between 19 and 20 days?

Mr GRAHAM: Following a vote that was taken last year, my understanding is that all drivers and guards are now working a 19 days in 28 days roster.

The Hon. DAVID OLDFIELD: So no-one is working 20 days?

Mr GRAHAM: On normal master rosters, no. That is correct.

Ms McPHERSON: I am sorry. I did not mean to mislead you about that.

The Hon. DAVID OLDFIELD: No, I did not think you did. Mr Christie, the Hon. Michael Gallacher was asking questions previously, and I know you were a bit reluctant. It has been very heated here today, and I did not quite understand the reluctance in general. With regard to the media report you said that you were not the chairman at the time. You are now the chairman and you have concerns, so you will be looking into it. Can you give us an idea of the directions in which those concerns lie?

Mr CHRISTIE: Yes. I mentioned the fact that RailCorp has been given provisional accreditation as from December last year. When that organisation started in January it had provisional accreditation. Its predecessor had full accreditation. One of the things that I mentioned to Mr Gallacher was that I would like to find out about when the level of working which required rosters to exceed 12 in 14 days came about. It is not clear. We know when we were notified about it, which was last year, but the question I want to get an answer to is how come that was not revealed in the last accreditation—bearing in mind, of course, that I believe this requirement did not come into the Act until about 2002, I think. I do not think it was in the Act prior to that period.

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The Hon. DAVID OLDFIELD: In relation to the ferries, is there any likelihood that the Manly to Circular Quay run will become either an all ferry or all JetCat run, or is it the intention to continue with the combination of the two at different periods?

Mr CHRISTIE: I cannot answer that. That is an operational decision for the STA. I think you need to direct that to Mr Stott.

Ms LEE RHIANNON: Mr Graham, have you read Action for Public Transport 2010 lately?

Mr GRAHAM: No, I have not read it lately. I do not think I have actually been through it in detail at all. I am aware of the document but it is certainly not one of the documents I have focused on in the past few months.

Ms LEE RHIANNON: The document, which is still on your web site, outlines many plans, including the Hornsby to Newcastle high-speed rail, the high-speed rail down south and a whole lot of what once would have been called quite exciting extensions to our rail service. Do you think that it is appropriate for this information to be presented to the public, considering the way rail services are being wound back?

Mr GRAHAM: I am sorry, I am not quite sure of your question. Should it be on the web site?

Ms LEE RHIANNON: When you read Action for Public Transport 2010 you are left with a very clear impression. The Government has said that all these rail extension projects will be undertaken, but what we are seeing is a retraction in services. So my question is: Considering that many of these projects have been cancelled, and that you would now expect many others to have a question mark over them, is it appropriate to have this information presented to the public, that the ship is still on course?

Mr GRAHAM: As I understand it, there were intended investigations to be undertaken for the high-speed links to both Wollongong and Newcastle, and there has been some engineering investigation into both the feasibility and the costs of those. I am more than happy to provide a written response in terms of the stages of those investigations. But might I say that my personal view is that there should be a focus of resources, of ensuring that the existing system we do have is developed so that we can provide reliable services and the required capacity on that existing system. Certainly, my focus over the next few years is on matters related to ensuring that the existing network is adequately developed for the capacity that is required and that the longer term projects are now projects that should properly be undertaken by the department of planning in the broader context of developing metropolitan and regional areas. But my focus is very clear.

Ms LEE RHIANNON: Can I take it from your answer and emphasis on resources that the resources are only sufficient to maintain the system, rather than expand the system as Action for Public Transport 2010 clearly outlined?

Mr GRAHAM: I do not think you can come to that conclusion. For example, with about \$1.5 billion being invested in the Epping to Chatswood rail link I do not think you can draw that conclusion, no.

Ms LEE RHIANNON: With all due respect, it is certainly a wonderful project if we get the full extent of it, but it is only one project of the many that were outlined in Action for Public Transport 2010. In your answer, from what I heard, you placed great emphasis on existing programs. So I go back to my point: Are we seeing this retraction of services, and is that not being misrepresented on the web site?

Mr GRAHAM: Not at all. Certainly, the Government has focused over recent months on the proposed clearways program for the CityRail network and the amount of expenditure required for the clearways program. That certainly makes a lot of sense and savings from a significant investment in the existing network. That program is being rolled out with both the Bondi Junction turnback project, \$55 million worth, and a significant number of other infrastructure projects that are all designed to untangle the current complexity of the CityRail network and create defined operating sectors in much the same way as the London underground operates.

Ms LEE RHIANNON: One area of CityRail the Minister seems to have a passion to close down is Newcastle rail. Would you say that the key reason for closing that section of the Newcastle rail line is financial?

Mr GRAHAM: That is not a matter that I have proposed or canvassed in the public forum. I think those questions should properly be put to the Minister.

Ms LEE RHIANNON: So you are not happy about answering any questions on the proposed closure of Newcastle rail?

Mr GRAHAM: I am happy to take any questions on notice about the proposals for the Newcastle branch line.

Ms LEE RHIANNON: Why is that? I am very surprised. Is it because you consider it as part of CityRail? It has been a very controversial issue. A working party has been set up to look at the issue. Have you not had any hands-on response? Why, as the key person—

Mr GRAHAM: I think for the very reasons you have outlined. There has been a proposal and very extensive discussions and consultations with the local community on that specific issue. I think that consultation and process are very proper.

Ms LEE RHIANNON: I am still surprised by your answer, considering that the Lower Hunter Transport Group released its final report at the end of last year. Presumably you have read that report.

Mr GRAHAM: No, I have not read that.

Ms LEE RHIANNON: Would that not be part of your job, considering it is part of CityRail?

Mr GRAHAM: It may very well be, but given the volumes of reports that are produced about the network in total, and given the matters that have been my priority over the past six months, I simply repeat what I said: I have not read that report.

Ms LEE RHIANNON: Can I ask you why? Newcastle is such a busy centre. It has not been a priority for you, has not been included in your daily, weekly work load.

Mr GRAHAM: Yes, you can, and I simply say to you that that matter has clearly been the subject of a proposal, extensive community consultations, and that matter is being more than adequately addressed and handled in respect of the public consultation. It is not something that I am personally taking an active role in.

Ms LEE RHIANNON: If you are not taking an active role in it, given that the Lower Hunter Transport Working Group had no rail experts on it, what support did the ministry and the SRA give to the Lower Hunter Transport Working Group, and who was responsible for interpreting SRA data so that it could make that decision that you are now saying you are happy with?

Mr GRAHAM: I am more than happy to take those specific questions as to who provided that data and to provide that on notice.

Ms LEE RHIANNON: I have a question about the north-west rail link joining Epping to Castle Hill, which was due to be completed in 2010. At what stage is that line now?

Mr GRAHAM: Again, given the restructure of government responsibilities after the last election, that is a matter that is properly being dealt with by the Department of Infrastructure and Planning, which is responsible for the development of those longer term infrastructure projects, not Railcorp.

Ms LEE RHIANNON: I will try another one. Are there any plans to scale down the Southern Highlands line?

Mr GRAHAM: Sorry, to scale the railway line down?

Ms LEE RHIANNON: Yes. What are your plans for that line, because there are many rumours about it? Are you looking to scale down or close that line?

Mr GRAHAM: If you are talking about whether there is any intention to look at closing the main southern line between Sydney and Melbourne, no, there is no intention of closing that railway line.

Ms LEE RHIANNON: What about the Carlingford line? I was out there yesterday and the rumours are rife that that line will be—

Mr GRAHAM: Again, there is no intention to close the Carlingford line.

Ms LEE RHIANNON: What about restoring services? At the moment services have been slashed enormously—I think it has gone from 59 down to 2 a day.

Mr GRAHAM: Yes, that is a direct consequence of the recent issues of driver overtime that we have been suffering. The reduction in services that has occurred there and on other lines is a direct consequence of the current issues.

Ms LEE RHIANNON: So you expect them to go back to full services at Carlingford?

Mr GRAHAM: Most certainly.

Ms LEE RHIANNON: What about the Cumberland and Richmond lines?

Mr GRAHAM: Again, the same. All of those lines have been adversely affected in the frequency of services that we are providing by the current overtime issues.

Ms LEE RHIANNON: In terms of the Carlingford line, when will it go back to its 59 services a day?

Mr GRAHAM: On the basis of the indication I have of the number of drivers making themselves available for normal overtime, I am expecting that there will be no planned cancellation of services commencing next Monday.

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Ms LEE RHIANNON: Next Monday?

Mr GRAHAM: Yes.

The Hon. HENRY TSANG: What is happening on Monday? What services will you provide?

Mr GRAHAM: I expect we plan to operate our normal timetable services. It is our intention to not have any ongoing planned cancellation of our peak services. The only exception I would put on that is our current Olympic Park services, which are 10 minutes in frequency; and just depending on our assessment there may be a 20-minute frequency. That is the only current indication I have of anything other than normal operation. That is based on what I understand to be the availability of drivers for normal operations next week.

The Hon. HENRY TSANG: That is good news.

The Hon. MICHAEL GALLACHER: Ms McPherson, earlier you mentioned a number of recruitment drives. As this is a budget estimates committee, looking at the amount of money spent, how much was spent in total for the recruitment drives under your control?

Ms McPHERSON: I will have to take that on notice, Mr Gallacher.

The Hon. MICHAEL GALLACHER: Do you have a rough idea?

Ms McPHERSON: No, I have not, I am sorry, Mr Gallacher. I will get back to you with that.

The Hon. MICHAEL GALLACHER: Mr Graham, we seem to invariably witness you as the one who has to come out and explain the bad news to the travelling public. I suspect that is probably a very difficult and awkward position in which to be. Why are we not seeing the Minister trying to instil confidence in the system, rather than forcing you out, day after day? Are you asking for a \$5,000 apology bonus, because you have to apologise virtually every day now for the Government's inactivity and incompetence?

Mr GRAHAM: Mr Gallacher, I was active in representing the organisation's position on many issues during the time that Bruce Baird was transport Minister. I consider it, in terms of operational matters, to be an appropriate role for the chief executive to explain the operational issues associated with his organisation.

The Hon. MICHAEL GALLACHER: You are quite happy to take the hospital pass for the Government in regard to apologies on a daily basis?

Mr GRAHAM: Mr Gallacher, your earlier question went to where does the buck stop. In terms of this organisation, I am the chief executive and in that respect the buck stops here.

The Hon. MICHAEL GALLACHER: Within the organisation, but in the minds of the public, there is one person further up the food chain and we just do not see him when it comes to bad news.

Mr GRAHAM: I am sure you have other forums to address those issues, Mr Gallacher.

The Hon. MICHAEL GALLACHER: I ask Mr Stott to come forward, please. Ms McPherson, you are excused.

The Hon. DAVID OLDFIELD: I wish to ask Ms McPherson another question.

The Hon. MICHAEL GALLACHER: I am sorry. I was a prosecutor, I am used to acting as Chair.

The Hon. DAVID OLDFIELD: What sort of recruitment do you undertake, for instance advertising? Briefly, how do you go about it?

Ms McPHERSON: We advertise internally as well as externally. We run quite significant sized advertisements. We also have sourced places such as New Zealand and interstate. We run normal public advertising campaigns.

The Hon. DAVID OLDFIELD: What do you think is the most successful area? Do you get a lot of success from internal referrals, from existing train drivers?

Ms McPHERSON: We have a merit-based situation. In addition, we have standards that, no matter who refers them, the applicants for drivers have two parts. It is around about more than a 50 per cent failure rate for our applicants, which is unfortunate and is a problem for us. What we do not have is an eligibility list that we can call them up from, Mr Oldfield. I guess in previous days freight drivers used to be able to just come across. Mr Graham would have more knowledge of this than I do; it was before my time. I am reliably told that freight drivers used to nominally transfer over into the CityRail area. That does not happen anymore. As you know, FreightCorp is not part of our organisation; it is now part of Pacific National. What happens now is that all drivers, no matter where they come from, have to undergo quite rigorous standards of testing. So that, in itself, has raised a problem in terms of the numbers to get through.

The Hon. DAVID OLDFIELD: As far as applicants are concerned, do you find all applicants coming as a consequence of external or internal advertisements?

Ms McPHERSON: I would have to take that on notice and come back to you. I will come back to you with the ratio.

The Hon. DAVID OLDFIELD: I am particularly interested in referrals from other rail workers. Briefly, what sort of criteria do you have? Is there a minimum and maximum age?

Ms McPHERSON: No, there is not an age limit because of legislation that is in place. As I said, it is really about aptitude. It has broad criteria, about having aptitude. For drivers to come straight in, it is about having driving experience. Drivers with previous driving experience would need to go through our psychometric testing and our medicals. People off the street who are not drivers need to undergo standard testing. I guess that has two parts to it: One is about whether they have what we see, in our best endeavours, the technical knowledge to become a train driver—and we have tests available that we got from overseas—and their aptitude for safety. Then they work their way through the rail network. They work on stations, they spend time in a signalling box, they do guard duties, and they actually get a broad knowledge of what is quite a complex railway.

The Hon. DAVID OLDFIELD: How long does it take from street to graduation?

Ms McPHERSON: At the moment, I think it is 26 months. I understand—but again Mr Graham would be better to answer than me—that there are negotiations to try to shorten that time.

The Hon. DAVID OLDFIELD: Mr Graham, how do you negotiate a reduction in training time? How does that work?

Mr GRAHAM: The current 26-month period to take an individual off the street to become a qualified person to drive a CityRail train on their own contains a 12-month period in which they operate as a guard. In attaining driver competencies we have a question mark over whether that is too long, but as well as that the other elements of the course, benchmarked against a broad range of other organisations. Not every railway is as complex as this in terms of the route knowledge required by a driver. But we will undertake that review and, of course, that review has to be discussed and agreed with the regulator prior to us being able to permanently modify.

Ms LEE RHIANNON: Mr Graham, I return to a sort of process point with regard to the future of the Newcastle rail line. Earlier you said that you had not read the report and would take questions on notice, which I appreciate. In bringing down this report it has been quite an unusual situation in that the Lower Hunter Working Group—and I mentioned a little about that earlier—which is made up of the Lord Mayor, John Tate; trades hall secretary, Gary Kennedy; and Hunter business chamber chief, Glenn Thornton. All three of them are members of the Honeysuckle Development Corporation Board. In establishing that Lower Hunter Working Group, was any consideration given to the conflict of interest in having a group of people who are responsible for developing Newcastle as the same people who are looking to the future of the Newcastle rail line? In some people's mind that is prime real estate land.

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Mr GRAHAM: I had no involvement in the establishment of that particular group so I cannot assist you with that.

Ms LEE RHIANNON: The Lower Hunter Transport Working Group in its findings concluded that:

The Honeysuckle Development Corporation could be appointed by the Minister for Infrastructure and Planning and Natural Resources to act as the agent for urban renewal in the project area. The current Honeysuckle Growth Area includes all potential interchange and urban development sites—meaning that Honeysuckle could undertake this task without seeking additional powers.

Does it concern you that this report from the Lower Hunter Transport Working Group has effectively recommended that its own group undertake that development? Did you see that there is a conflict of interest there?

Mr GRAHAM: Again, I had no involvement in the establishment of that group or in the processing of its recommendations that you have just alluded to. I am not the individual who can help you with that issue.

Ms LEE RHIANNON: So even if you took this question on notice you say that you could not help.

Mr GRAHAM: I am happy to take on notice any questions that relate to the tasks that I have been assigned and have been involved in. That is not one of them. It may be directed more appropriately either to the Transport ministry or to the Minister.

Ms LEE RHIANNON: Do you care to comment on the conflict of interest issue?

Mr GRAHAM: No, I have no comment about that.

The Hon. MICHAEL GALLACHER: For the information of Committee members, can you indicate when drug testing will commence for train drivers?

Mr GRAHAM: Yes, our drug-testing program that we are required to bring in under regulation was obviously part of the alcohol and drug program. We brought in the random testing for alcohol late last year. I would expect that we would do our first testing late this month, and therefore we would be testing a range of employees during March.

The Hon. MICHAEL GALLACHER: Is it correct that you have a moratorium for self-reporting right now and that you are calling rail workers to come forward to self-report and self-test?

Mr GRAHAM: Yes, but it is not a moratorium. We think it is sensible to have in place on an ongoing basis the opportunity for employees who have a problem with drugs or alcohol to self-identify. We would obviously then support them through the appropriate process.

The Hon. MICHAEL GALLACHER: How many have self-reported for drug abuse at this stage?

Mr GRAHAM: I cannot tell you the number. I am aware of at least one who has done so. At a location I visited recently the manager informed me that an individual there had done so. I have not sought numbers as to how many so obviously I cannot answer your question. I am happy to take it on notice and to provide that information if it exists.

The Hon. MICHAEL GALLACHER: If I were to assist you by telling you that it is greater than 12 or 13 at this stage, could you indicate to the Committee—working on the basis that my figures are correct, and I assure you that they are—where those people are in regard to the unfit-for-work figures? Did they fall into the same category as the Homer Simpsons who we are told are driving trains but are unable to perform train duty?

Mr GRAHAM: They are quite separate to the new national medical standards that we will have. Each individual who self-identifies would undergo an appropriate support and counselling process. On the basis of their self-identification, we would also ensure that their role in the workplace was modified if necessary to ensure the continued self-operation of the location.

The Hon. MICHAEL GALLACHER: How many drivers have failed advanced health screenings as of now?

Mr GRAHAM: I will go back over—

The Hon. MICHAEL GALLACHER: No, just give me the number. I am conscious of the time and I want to ask Mr Stott several questions. However, I want to clarify first a point with regard to rail.

Mr GRAHAM: As at Wednesday night we had tested 53. There were 13 temporary medical failures and three of those returned to duty after specialist medical assessment. That was quick.

The Hon. MICHAEL GALLACHER: Yes. If my figures are correct, can we be confident that the 12 or 13 people who have self-reported for drug use are not driving trains today and will not be driving trains until they return a negative test?

Mr GRAHAM: Clearly, we would ensure that safe operation is protected by any self-reporting or self-assessment. I would expect the 15,000 employees of our organisation to represent a cross-section of the Australian community.

The Hon. MICHAEL GALLACHER: There is no doubt about that. I just want to make sure that there is no blending of the figures.

Mr GRAHAM: They are two totally separate groups in terms of the processes.

The Hon. MICHAEL GALLACHER: So we are down a number of train drivers: ones that are unfit because of their health and others that are unfit because of their drug abuse.

Mr GRAHAM: I have not indicated to you any numbers regarding the self-identification of employees who have come forward to say that they have a drug problem. By not providing any numbers, I have obviously given no categorisation of them.

The Hon. MICHAEL GALLACHER: Mr Stott, I believe that there will be alcohol self-testing facilities at bus depots.

Mr STOTT: That is correct.

The Hon. MICHAEL GALLACHER: What will happen to somebody who turns up for work on a Monday morning after a big weekend and self-tests?

Mr STOTT: If someone self-tests and reports to management as being unfit for work they will be stood down. Depending on the situation, they may be sent home; otherwise they might be stood aside. They would almost certainly be asked to provide further information.

The Hon. MICHAEL GALLACHER: They will be paid of course?

Mr STOTT: That depends on the situation.

The Hon. MICHAEL GALLACHER: The self-testing?

Mr STOTT: It depends. By and large we are not in a blame situation: we are really about helping people to self-test and self-identify. But I can envisage that there may be cases where it could be more complex than that.

The Hon. MICHAEL GALLACHER: Are you involved in developing the protocols governing how the breath testing will take place?

Mr STOTT: Yes, as far as State Transit is concerned.

The Hon. MICHAEL GALLACHER: In terms of State Transit, do you envisage concerns like those we heard earlier with regard to rail that signs will be erected outside bus depots that say, "Alcohol testing taking place today" as a warning for drivers who turn up?

Mr STOTT: That is not part of our protocol. At the moment we are negotiating with providers to supply random breath testing processes. They may be in the workplace or they may be at other places. I certainly was not planning to advertise it.

The Hon. MICHAEL GALLACHER: We hoped that was the case but one never knows what the final outcome will be as a result of the enterprise agreement now being negotiated with the unions.

Mr STOTT: I think the forthcoming legislation is quite clear about the drug and alcohol plans and I do not think it foresees random breath testing [RBT] being advertised. If it were advertised it would not be random.

The Hon. MICHAEL GALLACHER: Will the random breath testing as you know it at this stage take place at the depot?

Mr STOTT: Our plan is to test in all of our workplaces, including layovers for instance.

The Hon. MICHAEL GALLACHER: What about on the road?

Mr STOTT: It is unlikely that we will breath-test our drivers on the road. For many years the bus industry has relied on the police service and its random breath testing process. My preference is to have a system that prevents anyone who is alcohol impaired getting on the road in the first place.

The Hon. MICHAEL GALLACHER: Will the RBT take place at the beginning of a shift?

Mr STOTT: It could occur at the beginning of a shift or mid shift. We are not going to be hard and fast; we are not going to put something in concrete. We want to have a flexible system that will make sure that we have a good measure of what is happening in our workplace.

The Hon. MICHAEL GALLACHER: Is the union using self-testing as a negotiating tool in the enterprise agreement discussions?

Mr STOTT: No, not at all. The self-testing is not a matter for negotiation with the unions. We are installing self-testers and making them available to those staff who want them. There is no compulsion.

The Hon. MICHAEL GALLACHER: Have the protocols been finalised?

Mr STOTT: The protocols are in draft form and they are in circulation between management and the unions.

The Hon. MICHAEL GALLACHER: The union states very clearly on its web page that the development of the protocols will depend on an agreement between the Labor Council, the union and the Government. So we still have a long way to go.

Mr STOTT: I think the Labor Council and the unions recognise that legislation is to be implemented on 31 March that will make it necessary for State Transit to have a drug and alcohol program. I think they recognise the requirements for those programs. I have to say that I think the unions' response to our draft protocols has been very positive so far.

The Hon. MICHAEL GALLACHER: On a separate issue, were you at Circular Quay yesterday when the press conference was held regarding Sydney Ferries?

Mr STOTT: No, I was not.

The Hon. MICHAEL GALLACHER: So it was not your judgment call to use the *Lady Heron* as a backdrop to indicate how safe the system is?

Mr STOTT: Mr Gallacher, you may recall that last year the Government legislated to establish Sydney Ferries as a State-owned corporation. Sydney Ferries has been functionally separate from State Transit since 1 January.

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So the only connection that I have with Sydney Ferries now is in terms of major expenditure decisions that go beyond that area's current delegations.

The Hon. MICHAEL GALLACHER: Mr Christie, in your role as the chairman down at the regulator: two crashes in two days; speculation yesterday that it was a maintenance issue; we have got a crash today with extensive damage done to the *Lady Heron*. It must be of incredible concern.

Mr CHRISTIE: My advice is that the *Lady Heron* is not extensively damaged.

The Hon. MICHAEL GALLACHER: The media reports suggest it is at this stage. It has crashed right into a barrier. You are probably right but—

Mr CHRISTIE: My report here says that there is no extensive damage to the *Lady Heron* but some damage to the wharf.

The Hon. MICHAEL GALLACHER: We have "extensive damage", therefore—extensive damage to the wharf. I correct my earlier comment. This seems to be a trend in that within 24 hours we now have two accidents involving ferries. A fortnight ago we had a maintenance problem involving a train. What are you looking at? Are you looking at just negligence or are you looking at something worse?

Mr CHRISTIE: I say this: I think we are better equipped now to look at these sorts of accidents. The chief investigator is gathering a team of people around him. He started on the accident yesterday and no doubt he will also institute an investigation into this accident. I do not know the details. I do not want to speculate because I just do not know, but obviously, apart from looking at the causes of the accident, he will look for systemic issues as well. I just do not know at this stage what will come out of that.

The Hon. MICHAEL GALLACHER: How many investigators have you got? And field officers?

Mr CHRISTIE: No field officers. You are talking about the regulator now, are you?

The Hon. MICHAEL GALLACHER: Investigators down at the Independent Transport Safety and Reliability Regulator [ITSRR]? And how many field officers do you have? Because you have got ones who are out there now reacting to this incident, and we have ones out there who should be preventing it.

Mr CHRISTIE: I just think we ought to be careful about what we are talking about here. I was talking to you about the investigators office—which is separate from the regulator—and he has, I think, four investigators at the moment, building up to eight. One of those investigators is seconded from the Australian Transport Safety Bureau. The regulator—I have a figure I can get for you somewhere as far as authorised officers for inspections.

The Hon. MICHAEL GALLACHER: So the chief investigator's team that is springing into action now is different?

Mr CHRISTIE: That is separate from the regulator.

The Hon. MICHAEL GALLACHER: How many have they got in that team?

Mr CHRISTIE: The chief investigator has got four investigators and he is going to about eight. The regulator has 32 authorised officers for inspections. The old regulator had 13, and we would anticipate that we will probably have, in the final analysis, about 46 authorised officers for inspections. Some of those people are being employed now and a number of them are being trained.

The Hon. DAVID OLDFIELD: Mr Stott, I asked Mr Christie a question that you suggested would be best directed to you. That question was with regard to the general future of ferries and JetCats on the Manly to Circular Quay run. Is there a foreseeable situation where it will become all JetCats or all ferries, or are we going to continue as is with sort of a combination of both at different times?

Mr STOTT: I think that general principle of service development in Sydney Ferries now lies with the new board for the new State-owned corporation. I am not personally aware of any proposal to make major changes to ferry services.

The Hon. DAVID OLDFIELD: To ferry services at all?

Mr STOTT: I am not aware of any proposal for major changes to ferry services. But public transport service provision is something that changes from time to time, both in bus and ferry, and it is a matter for the new management and the new board of the ferries corporation.

CHAIR: Mr Graham, could I ask you a question about Mr Arthur Smith, who was the Deputy Chief Executive, Operations and Infrastructure, at the State Rail Authority [SRA] and who was dismissed after the Waterfall inquiry. When was Mr Smith's senior executive service [SES] contract last renewed?

Mr GRAHAM: His last SES contract renewal—I could not give you the date of that—that would have been well prior to my arrival at State Rail.

CHAIR: So it is quite some time before he was dismissed?

Mr GRAHAM: I just cannot indicate.

CHAIR: Could you find that out for us?

Mr GRAHAM: I most certainly can. Could I just be clear on this, because I do not want to in any way mislead? The question you asked me was: When was his last SES contract renewed?

CHAIR: Yes.

Mr GRAHAM: Mr Smith, of course, was part of a group, including myself and my direct reports, who were formally appointed to RailCorp with its legal establishment on 1 January this year. He, along with myself and around 10 level 2 executives, all entered into contracts with the new RailCorp, but because RailCorp is an organisation under the State Owned Corporations Act, the SES title, incorporating your answer, does not apply. But the renewal of his previous SES contract would have been well before my arrival.

CHAIR: And you could track that down for us?

Mr GRAHAM: Most certainly.

CHAIR: Could you tell us who made the decision that he be dismissed?

Mr GRAHAM: The board of RailCorp.

CHAIR: Did you support the board in that decision?

Mr GRAHAM: Yes, I did.

CHAIR: Was that your recommendation?

Mr GRAHAM: It was a decision of the board of RailCorp.

CHAIR: And when was that decision made by the board, do you remember?

Mr GRAHAM: Yes, I think it was within a couple of days of the findings of the report coming down.

CHAIR: What were the reasons for his dismissal?

Mr GRAHAM: I do not intend to canvass those. It was a direct consequence of the findings of the Waterfall inquiry.

CHAIR: Was there any legal advice from the Crown Solicitor's office sought either prior to or immediately after the sacking?

Mr GRAHAM: The board did take legal advice in conjunction with the decision that it made. It was not legal advice from the Crown Solicitor's office. That sort of advice would not normally be from the Crown Solicitor's office.

CHAIR: It would not normally be from the Crown Solicitor's office?

Mr GRAHAM: Not for issues relating to contract law, et cetera.

CHAIR: So there was not any such advice?

Mr GRAHAM: Yes, there was certainly legal advice. It is just that the external legal adviser was not the Crown Solicitor's office.

CHAIR: Are you able to provide that advice to the Committee?

Mr GRAHAM: No, I am not.

CHAIR: There were two officers sacked after Waterfall. Why were there only two officers dismissed?

Mr GRAHAM: They were considerations of the RailCorp board as a result of the findings of the Waterfall commission.

The Hon. MICHAEL GALLACHER: Why did you wait so long? Based on evidence that was given, there were no surprises in terms of the evidence. We will use Mr Smith as an example: Was it not the case that the Government had to leave him there, and the board had to leave him there, until the findings were presented, to give a public display of doing something rather than dismissing him at the time he gave the evidence—and it was quite apparent then? Why did you wait so long?

Mr GRAHAM: The consideration of possible reactions to the Waterfall evidence as it was unfolding clearly meant that at that point in time there had been no opportunity for the relevant parties to make final submissions on the basis of the evidence that had been tendered. The organisation and the board clearly monitored those proceedings and the evidence given, and once the findings of the Waterfall commission came down the board considered those findings and took the decisions that it did.

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The Hon. MICHAEL GALLACHER: Do you agree with me that it was a case of looking for a sacrificial lamb—or, in this case, sacrificial lambs—based on the fact that Mr Smith had his contract renewed only weeks before? Surely the board was in a position to hold his contract aside on the basis of, "Let's wait and see what the findings are of the royal commission, let's wait to see what the McInerney findings are?" Rather than enter into an agreement with him, two weeks later he, together with another gentleman, was taken out and summarily dismissed. Surely it was a case of looking for sacrificial lambs.

Mr GRAHAM: All I can say to you is that the board of RailCorp has properly considered the evidence of the Waterfall commission and made a judgment on the basis of that specific report, and taken the decisions that it did for two individuals.

The Hon. MICHAEL GALLACHER: Does the board now believe that, as a result of the dismissal of Mr Smith and the other gentleman—I think it was Mr Bruce—

Mr GRAHAM: Mr Ron Bruce.

The Hon. MICHAEL GALLACHER: Does the board now believe that all the problems at that level of the organisation have now been fixed?

Mr GRAHAM: I think if you go to the statement by the board—both after the announcement of the dismissal of Mr Smith and Mr Bruce, and there were further considerations on a range of other individuals in the week following—again the board made a public statement as to the reasons and the continuing issues in that statement, and I would refer you to that public statement.

CHAIR: Mr Graham, when did Mr Arthur Smith sign the new contract with RailCorp?

Mr GRAHAM: I could give you the specific date. It would have been fairly close to 1 January. But, if you would like an accurate date on that, I am happy to provide that.

CHAIR: That would be good. And also the amount that he was paid under that contract.

Mr GRAHAM: The amount he was paid under that contract was \$290,000.

CHAIR: Did you determine that there were any other officers who should be removed as a result of the Waterfall inquiry?

Mr GRAHAM: I am sorry? Did I determine?

CHAIR: Yes. Did you in your own mind believe that there were any others who should be sacked, apart from those two?

Mr GRAHAM: The determinations on officers who were dismissed and other officers who were involved in giving evidence to the Waterfall were all considered by the board of RailCorp following the release of the special commission of inquiry report, and I have fully supported the board's decision in all of those circumstances.

CHAIR: Did you make any recommendations to the board that any others be dismissed?

Mr GRAHAM: I do not intend to canvas that. The decision of the board is a decision of the board, and I supported the decisions of the board.

CHAIR: But a recommendation of you is a recommendation of you. Did you make any other recommendations?

Mr GRAHAM: As I say, the board has made its determinations as a board, and I fully supported the decisions of the board in both circumstances.

CHAIR: Did the board reject any suggestions by you as to the dismissal of any other officers?

Mr GRAHAM: I do not believe the board did reject any decisions or recommendations.

CHAIR: As for Mr Arthur Smith, what was his payout figure? Was there any redundancy? Was there any arrangement? What was his payout figure at the time of the termination of his services?

Mr GRAHAM: In the media release of the board on Mr Bruce and Mr Smith there is a very clear statement that, apart from the legal entitlements, there was no redundancy payment made in association with that. So Mr Smith and Mr Bruce would have got their legal entitlements in terms of accrued annual leave, long service leave, et cetera, but there were no period-of-notice payments or no redundancy payments associated with those terminations.

CHAIR: Can you provide us with the actual amounts of the payouts made in accordance with those legal provisions?

Mr GRAHAM: We most certainly can.

CHAIR: Thank you. Mr Al-Malah, can you describe your role to the Committee? You are the FOI officer.

Mr AL-MALAH: I am the FOI officer and privacy officer of the State Rail Authority.

CHAIR: Are you the only person in such a position?

Mr AL-MALAH: I am the sole office-bearer.

CHAIR: Can you tell us what your salary is and your grade?

Mr AL-MALAH: I believe it is 5D Clerical, and it is approximately \$61,000.

CHAIR: How long have you been in that position?

Mr AL-MALAH: Since August 2002.

CHAIR: To whom do you report?

Mr AL-MALAH: I report to the Executive Director of the Communications and Marketing Division, Helen Willoughby.

CHAIR: Do you have an FOI management plan?

Mr AL-MALAH: Could you explain that question?

CHAIR: Do you have a written process as to how to handle FOI applications?

Mr AL-MALAH: We have a system that draws from the Ombudsman's guidelines and the Premier's guidelines in relation to the FOI Act.

CHAIR: Can you provide those guidelines to the Committee?

Mr AL-MALAH: They are not guidelines. It is a system.

CHAIR: Are they written down?

Mr AL-MALAH: They draw from a number of documents, mainly the Ombudsman's procedures and the Premier's procedures in relation to FOI.

CHAIR: Can you provide those to the Committee?

Mr AL-MALAH: I am happy to make those documents available.

CHAIR: Before you send out FOI documents from your office, do you advise the Minister's office of the applications? What is your relationship with the Minister's office?

Mr AL-MALAH: I do advise the Minister's office of FOI applications received by the State Rail Authority.

CHAIR: So they all get advised to the Minister's office, regardless of what is in them?

Mr AL-MALAH: Pardon?

CHAIR: You automatically refer them to the Minister's office?

Mr AL-MALAH: Not every request, no.

CHAIR: Which ones do you refer?

Mr AL-MALAH: You could categorise them as being non-personal FOI requests.

CHAIR: Non-personal?

Mr AL-MALAH: That is right. So when someone makes a request, for example, for an employee file, those requests are not drawn to the attention of the Minister's office. Non-personal.

CHAIR: So what are personal ones? How would you describe them?

Mr AL-MALAH: As I said, personal FOI requests would be requests for documentation relating to a current or ex employee, predominantly.

CHAIR: And they are just put to one side and not sent to the Minister, is that right?

Mr AL-MALAH: It depends on the circumstances. But, predominantly, the non-personal FOI requests are not drawn to the attention of the Minister's office.

CHAIR: Has the Minister's office ever given you advice or a briefing as to how you to deal with an FOI application from their point of view?

Mr AL-MALAH: Never.

CHAIR: We have, under FOI, a memo relating to the Premier's Department's advice on FOIs, it is said, from you. Is it true that you produce a summary of contentious FOIs every couple of weeks and that that is sent off to the Minister's office?

Mr AL-MALAH: There are two reports that I generate. They have been referred to as group 1 and group 2, or contentious and non-contentious.

CHAIR: Can you describe what contentious is and what non-contentious is?

Mr AL-MALAH: Predominantly, contentious FOI applications are requests for non-personal information; and G2, or what are referred to as non-contentious FOI applications, are applications for personal information. For example, a person may be injured at a station and their solicitor is requesting a document in relation to the incident. They would fall under personal, non-contentious FOI applications.

CHAIR: What is the use to which that summary is put? Why is it put together?

Mr AL-MALAH: My understanding is that it is a report that is generated to allow the ministry to ensure that I comply with the Act in terms of timeframe, and I believe it is to monitor my compliance with the Act.

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CHAIR: Does the Premier or the Premier's department get advice of all contentious FOIs?

Mr AL-MALAH: Between those two reports? They document all FOI applications I receive in my capacity as freedom of information officer.

CHAIR: It goes off to the Premier's office as a matter of course?

Mr AL-MALAH: I make the reports available to the ministry. Where they go to from there I do not know. My understanding is that, in accordance with previous practice dating back to the introduction of the Act, those documents and those reports are made available to the Premier's office. But you need to confirm that with them.

CHAIR: You just send them off to your Minister's office?

Mr AL-MALAH: To the ministry.

CHAIR: To the best of your knowledge, how long has the process that you have been managing been in place?

Mr AL-MALAH: Sorry, which process?

CHAIR: The one you have just described to us.

Mr AL-MALAH: The reporting?

CHAIR: Yes.

Mr AL-MALAH: Since I assumed the role in August 2002, and I believe that it has been in place under previous governments.

CHAIR: Can you tell the Committee how the cost of an FOI is determined? Is it based on the number of hours of work?

Mr AL-MALAH: There is an application fee of \$30 and an hourly fee of \$30 per hour. The hourly fee is for the time spent processing the request, which involves identification of documentation, consultations, and copying and transferring. Basically, it is the time spent processing the request. There is a provision in the Act for a public interest reduction of 50 per cent, and there are other grounds for the reduction as well.

CHAIR: Do you make the estimate of the number of hours that such work would take?

Mr AL-MALAH: I receive advice.

CHAIR: From whom?

Mr AL-MALAH: From those who actually identify the document. I receive the request. I make the request for the documentation. The custodians of the documents will retrieve the document and make them available to me, and I ask for advice as to how much time they spent processing the request. I then also include the time I spent assessing and consulting in relation to the application.

CHAIR: How do you know that the time they spend is really the time that they spent processing? Is there any check on that?

Mr AL-MALAH: A check?

CHAIR: Do you take the estimate at face value?

Mr AL-MALAH: I seek advice about the time they spent processing the request, and I accept their advice.

CHAIR: Do you make contact with the Minister's office when you receive an FOI from, for example, the State Opposition? You automatically ring up or contact the Minister's office about such a request?

Mr AL-MALAH: Not automatically, no.

The Hon. MICHAEL GALLACHER: Do you notify your boss?

Mr AL-MALAH: I advise the person I report to, yes.

The Hon. MICHAEL GALLACHER: To whom do you report?

Mr AL-MALAH: The Executive Director of Communications and Marketing.

The Hon. MICHAEL GALLACHER: And that is?

Mr AL-MALAH: Helen Willoughby.

CHAIR: What is the budget that you have for dealing with FOIs?

Mr AL-MALAH: The budget?

CHAIR: Yes.

Mr AL-MALAH: I do not understand your question.

CHAIR: Apart from your salary, do you have anyone assisting you?

Mr AL-MALAH: In relation to the resources that I use or rely on?

CHAIR: Yes.

Mr AL-MALAH: I am the sole officer. I do have other resources within the office.

CHAIR: Such as?

Mr AL-MALAH: Such as a person to help photocopy material or documents.

CHAIR: Have you ever had to seek legal advice in determining how to process an FOI application?

Mr AL-MALAH: At times.

CHAIR: Is it more than once? Has that happened very often?

Mr AL-MALAH: I have referred to previous advice we have received, and I have also sought legal advice as I am processing, if I require that advice.

CHAIR: Where do you get advice from and how much did it cost?

Mr AL-MALAH: I seek advice from our corporate counsel, our legal department.

CHAIR: That would be within their budget, I guess?

Mr AL-MALAH: That is right, and if there is need for external advice they engage our studies.

The Hon. MICHAEL GALLACHER: For the assistance of Mr Graham and Mr Christie, they are no longer required, unless Government members have further questions that they would like to ask. I ask Ms Helen Willoughby to come forward, if she is present. You went into this position in 2002?

Mr AL-MALAH: That is right.

The Hon. MICHAEL GALLACHER: What was your background prior to that?

Mr AL-MALAH: My background?

The Hon. MICHAEL GALLACHER: Yes. What did you do before you went into this important position as FOI officer?

Mr AL-MALAH: I have a degree in law. When I assumed the role I was in my final year of a combined economic and law degree.

The Hon. MICHAEL GALLACHER: You went straight from university into that position?

Mr AL-MALAH: I have had other part-time work.

The Hon. MICHAEL GALLACHER: Was it related to this sort of work? Could you tell us what it was?

Mr AL-MALAH: I think what I do in my leisure time is a matter for me.

CHAIR: But you said that it was part-time work, not leisure. We are just asking you about work.

Mr AL-MALAH: That is part of my leisure time.

The Hon. MICHAEL GALLACHER: I am trying to get an understanding of the experience that you bring to this position. Could you indicate to the Committee the part-time work you undertook prior to coming to this position? We are looking at experience.

Mr AL-MALAH: Experience?

The Hon. MICHAEL GALLACHER: Yes, your job experience.

Mr AL-MALAH: I have experience in managing a large organisation, which involved—

The Hon. MICHAEL GALLACHER: Sales, service industry?

Mr AL-MALAH: Both sales and services, yes.

The Hon. MICHAEL GALLACHER: What did you focus on in the service industry?

Mr AL-MALAH: Catering.

The Hon. MICHAEL GALLACHER: There are no problems with these sorts of questions, are there?

Mr AL-MALAH: Sorry?

The Hon. MICHAEL GALLACHER: There are no problems with these sorts of questions?

Mr AL-MALAH: I think they concern me when they are about my leisure time and the way I choose to spend my leisure time.

The Hon. MICHAEL GALLACHER: You have an important job.

Mr AL-MALAH: Thank you.

The Hon. MICHAEL GALLACHER: I would have thought that it was extremely important for the Parliament and, indeed, the Committee to have confidence in FOI officers and their experience for that position. It appears that you have that, with your degree. I was interested only in your work experience.

Mr AL-MALAH: Thank you.

The Hon. MICHAEL GALLACHER: You should not take umbrage that that.

Mr AL-MALAH: I have also assumed a number of other roles.

The Hon. MICHAEL GALLACHER: What are they?

Mr AL-MALAH: I have worked for my father.

The Hon. MICHAEL GALLACHER: I do not want to go into the details, but in a professional sense what organisations have you worked for?

Mr AL-MALAH: For offices, Stadium Australia. I have worked in a number of offices in various capacities.

The Hon. MICHAEL GALLACHER: You mentioned the group one [G1] and group two [G2] proposals. You said that if a lawyer wrote in about a client who was injured at a railway station that was a G2.

Mr AL-MALAH: That is right.

The Hon. MICHAEL GALLACHER: If a member of Parliament writes in about a constituent injured at a railway station, is that a G2 as well?

Mr AL-MALAH: I have not received that.

The Hon. MICHAEL GALLACHER: But if that were to happen, under your classification is that a—?

Mr AL-MALAH: It would depend on the terms of the request.

The Hon. MICHAEL GALLACHER: If they wanted the circumstances surrounding the injury of a person on a railway station, who makes a call on it, you or Ms Willoughby?

Mr AL-MALAH: I believe that when a solicitor is engaged, and is instructed by his or her client, he is acting on his or her behalf in law. If a member of Parliament were making representations on behalf of a constituent I would have to assess the terms of the request before I made a decision as to where that application would fit in.

The Hon. MICHAEL GALLACHER: So you get to make the call?

Mr AL-MALAH: It may fit into G2. I have not come across that situation yet, but it could very well fit into G2. It depends on the terms of the request and the content, and what documents they are referring to.

The Hon. MICHAEL GALLACHER: You have been there since 1992. I am sure that your recollection is such that you might be in a position to tell us. Can you tell us off the top of your head of one inquiry in regard to any FOI that has come from a member of Parliament that has qualified as a G2?

Mr AL-MALAH: I do not keep track of all those FOI applications off the top of my head. I cannot answer that question.

The Hon. MICHAEL GALLACHER: What about the media? If something came from the media could you remember whether it was a G2?

Mr AL-MALAH: As I said, it would depend on the terms of the request.

The Hon. MICHAEL GALLACHER: I am right in assuming that anything that comes from the media or anything that comes from a member of Parliament becomes a G1 without a doubt.

Mr AL-MALAH: Not necessarily.

The Hon. MICHAEL GALLACHER: Can you give the Committee an undertaking to produce your records to show exactly how many inquiries have come from members of Parliament, or the media, that have qualified as a G2 since 2002—since you have been in that position?

Mr AL-MALAH: Could you specify your request?

The Hon. MICHAEL GALLACHER: It is fairly straightforward. I want to know whether you can give an undertaking to the Committee today that you will report back to the Committee in writing and indicate how many FOI applications have come from the media and/or members of Parliament that have qualified as G2s.

Mr AL-MALAH: I will have to go through that exercise.

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CHAIR: Mr Al-Malah, the Opposition sent you an FOI request relating to the safety of rail bridges. You sent it back saying that you needed clarification of the words. Why did you do that?

Mr AL-MALAH: I do not have the file in front of me, therefore, I do not have the advice I relied on to make that request. Under the Freedom of Information Act, if I deem a request to be an unreasonable and substantial diversion of the agency's resources, it is my obligation as the freedom of information officer to assist the applicant in narrowing the scope of the request and make it workable. In this case, the terms that were used were very broad. The concept of safety could include an object lying on a track, the structure of the bridge, or the colour of the signboards we use. The concept of safety is so broad and encompasses so many things that I asked the applicant to clarify—and I do not have the exact term in front of me—what the applicant meant by the term "safety of rail bridges". Does it related to structural issues or other issues?

CHAIR: Did you seek advice on that before sending it back?

Mr AL-MALAH: I received advice and feedback from the people who hold the documents that the applicant had to narrow the scope of the request so that we could pinpoint the documentation that would be relevant. The request was made within the spirit of the Act to facilitate the process and make the documentation available without deeming and refusing the request on the basis that it was unreasonable.

The Hon. MICHAEL GALLACHER: Are you aware of a memorandum from the Premier—and I will show it to you—which clearly states:

Contentious FOIs will normally include FOI applications from all MPs/MLCs, media outlets and other contentious applications in your judgment.

Do you operate in accordance with that instruction? This memorandum was supplied to members of the Opposition in material that we requested under the Freedom of Information Act from the Premier's Department. Do you operate in accordance with the Premier's circular?

Mr AL-MALAH: I make a judgment based on the terms of the request and I categorise the FOIs in accordance with my judgment.

The Hon. MICHAEL GALLACHER: Did you prepare briefing notes for your superior prior to coming here today about issues currently under your control in your position as freedom of information officer?

Mr AL-MALAH: For today?

The Hon. MICHAEL GALLACHER: Yes, for today.

Mr AL-MALAH: No.

The Hon. MICHAEL GALLACHER: No briefing notes whatsoever?

Mr AL-MALAH: No.

The Hon. MICHAEL GALLACHER: No advice to your senior officer, Ms Willoughby, in relation to matters that are currently under review, or anything to that effect?

Mr AL-MALAH: I periodically advise my superior of FOI matters. I did not raise any matters regarding outstanding FOI applications for the purpose of today.

The Hon. MICHAEL GALLACHER: Am I right in assuming, therefore, that you operate in accordance with the Premier's circular, which states that any application from MPs or media is considered contentious?

Mr AL-MALAH: I do not think that the word, and it is qualified, "normally" in "Contentious FOIs will normally include FOI complications" is a blanket cover.

The Hon. MICHAEL GALLACHER: Off the top of your head are you able to tell the Committee something that is not normal that does not qualify under that criteria?

Mr AL-MALAH: I refer to my previous answer. I cannot advise you of that at this time.

The Hon. MICHAEL GALLACHER: Perhaps Ms Willoughby is in a position to assist. How many FOI applications by the media or members of Parliament have qualified since 2002 as a G2?

Ms WILLOUGHBY: I could not answer that at the moment. I would have to take that question on notice. I can refer you to the annual report which refers to completed FOIs and talks about the number that have been refused in part, refused totally or the number that has been accepted. I can refer to the page if you want.

The Hon. MICHAEL GALLACHER: I am more interested in how your office operates rather than in what is reported.

Ms WILLOUGHBY: The way it works is as Nageb said. He advises me of all FOI applications that come in. My job is to make sure that he is adequately resourced to be able to fulfil his duties in accordance with the Freedom of Information Act.

The Hon. MICHAEL GALLACHER: What do you do once he advises you?

Ms WILLOUGHBY: He then advises me on progress and he advises me once he has made his determination. When I joined the organisation, which was in April 2003, the FOI role was already sitting in communications. The reason for that is if there is a need to allow a review of an application the corporate council area is a separate independent body.

The Hon. MICHAEL GALLACHER: When you receive the reports from Nageb, what do you do? Do you notify the Minister's office?

Ms WILLOUGHBY: The FOI office notifies the Minister's office.

The Hon. MICHAEL GALLACHER: Do you notify the Premier's Office?

Ms WILLOUGHBY: No, I do not.

The Hon. MICHAEL GALLACHER: Do you notify the Director-General of Transport?

Ms WILLOUGHBY: No, I do not.

The Hon. MICHAEL GALLACHER: You do not notify anyone at all?

Ms WILLOUGHBY: No. It is the job of the FOI officer to notify the ministry. He supplies them with a list of the applications and his final determination.

The Hon. MICHAEL GALLACHER: Who would seek advice from the ministry as to whether or not something is contentious?

Ms WILLOUGHBY: It is the FOI officer's job to determine what is a contentious or non-contentious matter. He advises the ministry, as he has stated, and he advises me and keeps me up-to-date. My role is to make sure he is adequately resourced to make sure that he is meeting time frames. He advises me what is his final determination and when it is to be sent out.

The Hon. MICHAEL GALLACHER: How do you explain the Premier's directive, which I have shown witnesses this afternoon?

Ms WILLOUGHBY: I have not seen the Premier's directive. All I can say is that our FOI officer acts in accordance with the Freedom of Information Act and, as I said, he advises the ministry and he advises me of applications that have come in. I make sure that he is adequately resourced and then he advises me of the final determinations and when they are being sent out.

The Hon. MICHAEL GALLACHER: When the FOIs are received from members of Parliament or the media, is a record kept of those applications?

Ms WILLOUGHBY: As the FOI officer has explained, I think he keeps a record and he compiles a table.

The Hon. MICHAEL GALLACHER: Is there a distinction as to how applications are recorded? Are applications from a member of Parliament or the media recorded in a separate table or book?

Ms WILLOUGHBY: No. I believe the FOI officer has answered that question. He said that he makes a table when he categorises them as G1 or G2. I am advised of all applications. I do not differentiate. I am advised of them all, and I make sure that he is adequately resourced to do his job properly in accordance with the Act. Then I am advised when the determination is made, what that determination is and when it is to be sent out or processed.

The Hon. MICHAEL GALLACHER: How long have you been in your current role?

Ms WILLOUGHBY: I joined the organisation in April 2003.

The Hon. MICHAEL GALLACHER: What was your previous role?

Ms WILLOUGHBY: I was communications director for the Parramatta rail link project. Prior to that I was the Director of Public Affairs for Hill and Knowlton. Prior to that I worked in a number of Minister's offices and I was a journalist to start with.

The Hon. MICHAEL GALLACHER: Did you work directly for Ministers?

Ms WILLOUGHBY: Yes, I did.

The Hon. MICHAEL GALLACHER: Which Ministers?

Ms WILLOUGHBY: I worked for Minister Knowles, I also worked for Minister McHugh in the Federal Parliament and I also worked for Mike Rann in South Australia.

The Hon. MICHAEL GALLACHER: I have not heard too many Liberals in there. Are you a member of the Australian Labor Party [ALP]?

Ms WILLOUGHBY: I spent some time at university doing a public affairs course with the Leader of the Opposition. We were doing a Masters of public affairs together.

The Hon. MICHAEL GALLACHER: I will have a talk to him later. Have you ever been a member of the ALP?

Ms WILLOUGHBY: Yes, I have.

The Hon. MICHAEL GALLACHER: When did that cease?

Ms WILLOUGHBY: I still am.

The Hon. MICHAEL GALLACHER: Mr Al-Malah, are you a member of the ALP?

Mr AL-MALAH: What I do in my leisure time is a matter for me.

The Hon. MICHAEL GALLACHER: In other words, yes.

Mr AL-MALAH: That is not my answer.

The Hon. MICHAEL GALLACHER: It means yes if you say that.

The Hon. CHRISTINE ROBERTSON: Are public servants not allowed to be members of the ALP?

The Hon. MICHAEL GALLACHER: It is a straightforward question.

The Hon. CHRISTINE ROBERTSON: I would not have had a job for years if that were the case.

The Hon. MICHAEL GALLACHER: I would not hide from the fact that I was a member of the Liberal Party. If Mr Al-Malah is a proud member of the ALP he should stand up and say so.

Mr AL-MALAH: I have answered your question. What I do in my leisure time is a matter for me.

The Hon. MICHAEL GALLACHER: The answer to that question is yes.

The Hon. HENRY TSANG: What about Mr Graham? Is he a proud member of the Liberal Party?

Mr GRAHAM: I feel offended that I was not asked.

The Hon. MICHAEL GALLACHER: I would love him to be a member of the Liberal Party. He has already signed up for the ALP.

CHAIR: A number of generic questions were provided to officers of the agencies that are present today. We obviously do not have time to deal with those questions. If answers have been provided in writing and they are available today they can be handed to the Committee before we conclude. If not, would you tender them to the Committee before our deadline, which is 9.00 a.m. on Tuesday 24 February?

Mr GRAHAM: Yes, we shall. On the basis of those that have been tendered for both RIC and the State Rail Authority, we will tender those for you by the nominated deadline.

CHAIR: I ask other officers also to take note of that request. Obviously, the request is recorded on the transcript and we would appreciate your responses. We thank all witnesses who have attended today, particularly those we have questioned personally. Thank you for giving us of your time today.

(The witnesses withdrew)

The Committee proceeded to deliberate.