

GENERAL PURPOSE STANDING COMMITTEE No. 4

Monday 24 June 2002

Examination of proposed expenditure for the portfolio areas

ROADS AND TRANSPORT

The Committee met at 7.00 p.m.

MEMBERS

The Hon. Jennifer Gardiner (Chair)

The Hon. Jan Burnswoods
The Hon. Ian Cohen
The Hon. Charlie Lynn

The Hon. Tony Kelly
The Hon. David Oldfield
The Hon. Janelle Saffin

PRESENT

The Hon. Carl Scully, *Minister for Transport, and Minister for Roads*

Transport NSW

Mr M. Deegan, *Director-General*

Mr A. Cook, *Executive Director, Finance and Corporate Services*

State Rail Authority

Mr H. Lacy, *Chief Executive Officer*

Mr P. Scarlett, *Chief Financial Officer*

State Transit Authority

Mr J. Stott, *Chief Executive Officer*

Mr P. Dunn, *General Manager, Finance*

Rail Infrastructure Corporation

Mr J. Cowling, *Chief Executive Officer*

Mr F. Morrison, *Chief Financial Officer*

Waterways Authority

Mr M. Taylor, *Chief Executive Officer*

Mr B. Stanwell, *Manager, Finance*

Roads and Traffic Authority

Mr P. Broad, *Chief Executive*

CHAIR: I declare the public meeting open. I welcome the Minister and all of his officers to this public hearing of General Purpose Standing Committee No. 4. We will be examining the portfolio areas of Transport and Roads in that order. Part 4 of the resolution referring the budget estimates to the Committee requires evidence to be heard 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 guidelines for 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 photos. In reporting the proceedings of this committee the media must take responsibility for what they publish or what interpretation they place on anything that is said before the Committee.

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 attendant on duty or the Committee Clerks. For the benefit of members and Hansard I ask departmental officials to identify themselves by name, position and department or agency before answering any question referred to them. That would assist us greatly. Where a member is seeking information in relation to a particular aspect of a program or subprogram it would be helpful if the program or subprogram is identified. Questions will go around the table in 20 minute batches with Government members taking up left over time if they so wish. I declare the proposed expenditure open for examination.

The Hon. CHARLIE LYNN: Minister, how many State Transit buses are currently wheelchair accessible, and which depots operate those buses?

Mr SCULLY: In the order of about 500. I will get the Chief Executive Officer, John Stott, to give details. I think we have about 70 route services throughout the city that have wheelchair-accessible buses.

The Hon. CHARLIE LYNN: Which depots do they operate from?

Mr STOTT: Low-floor buses for accessibility purposes are broadly spread across all Sydney Buses depots and there are also some in Newcastle.

The Hon. CHARLIE LYNN: What is the revised delivery schedule for Millennium carriages and on which lines will they be used initially?

Mr SCULLY: The Millennium carriages will be delivered in the near future and they will commence for the first immediate period primarily on the East Hills line and then around the network.

The Hon. CHARLIE LYNN: Have you signed the contract for the stage two Millennium carriages?

Mr SCULLY: No.

The Hon. CHARLIE LYNN: How many extra carriages are covered in stage two? If the contract is not yet signed, when will it be signed?

Mr SCULLY: There is an option for a further 60. The first tranche is for 81 carriages, which is the current contract. The budget committee has approved my acquiring another 60 carriages. We have an option with the current supplier of the Millennium train. We have not yet exercised that but I would expect that to occur later this year.

The Hon. CHARLIE LYNN: That is for the contract to be signed?

Mr SCULLY: Yes.

The Hon. CHARLIE LYNN: Six months ago, on Christmas Eve, the Rail Infrastructure Corporation management sent what was described as an alarming and amazing email to a number of

Rail Infrastructure Corporation staff telling them that they were likely to be sacked. Has the number of staff likely to be sacked increased dramatically and, if so, how many Rail Infrastructure Corporation staff are awaiting their fate?

Mr SCULLY: I am not sure what you are referring to. We do not sack people in the public sector, unlike the Coalition in government. We have voluntary redundancy programs. But I am happy to have John Cowling, the Chief Executive Officer of the Rail Infrastructure Corporation, speak about it.

Mr COWLING: I have not heard of the memo you are talking about.

The Hon. CHARLIE LYNN: It was an email that went out and there was a letter the following day. It is a letter signed by the general manager, people and performance. You do not know anything about it?

Mr COWLING: I remember the letter now. It was mistakenly sent and withdrawn immediately. I had no involvement in the preparation or dispatch of that letter.

The Hon. CHARLIE LYNN: So no Rail Infrastructure Corporation staff are going to be—

Mr COWLING: Correct.

The Hon. CHARLIE LYNN: I am sure that will be reassuring for them. What is the cost of relocating the Rail Infrastructure Corporation CEO's corporate office four times within two years?

Mr COWLING: When I moved my office from Market Street to Pacific Power I did so because the Rail Access Corporation and Rail Services Corporation were merged. The Rail Access Corporation had about 400 staff and RSA had 5,000 staff. So I thought it was suitable to move to the existing office of the previous managing director of the RSA. As a consequence there were no costs for my moving other than changing my phone number. I just moved into an existing office. When I moved into that office I found that after a few months there were about 500 staff at 477 Pitt Street so I moved into a vacant office in that location. Again, I incurred no expenditure other than changing the telephone number. I have changed floors in that office to make it easier to operate. Again, I have not refurbished any office; I have just moved into existing spare offices and taken whatever furniture and equipment happened to be in the office. So I have purchased no equipment in any of these moves.

The Hon. CHARLIE LYNN: Minister, you said the Millennium carriages would be starting in the near future. How many carriages will be starting?

Mr SCULLY: Four.

The Hon. CHARLIE LYNN: And exactly when will they be starting? Would you be a bit more specific than "the near future"?

Mr SCULLY: They will start in the near future and there will be four carriages.

The Hon. CHARLIE LYNN: Will that be within three months, four months, six months?

Mr SCULLY: In the near future.

The Hon. CHARLIE LYNN: When did the Rail infrastructure Corporation complete the X-ray checking of all non-metropolitan rail tracks for vertical head splits?

Mr SCULLY: I will get the Co-ordinator-General of Rail, Michael Deegan, to answer that.

Mr DEEGAN: The examination of vertical split heads is continuing. It has been an ongoing program. Where we find examples of a problem the rails are replaced at that time or shortly thereafter. If necessary lower speeds are set for the trains to operate while the work is undertaken.

The Hon. CHARLIE LYNN: I understood that the statement had been made that all the tracks had been checked for vertical head splits? Has that been completed?

Mr DEEGAN: The work has been completed, but there is a second round. We continue to check and make sure that the tracks are safe.

The Hon. CHARLIE LYNN: When was the first round completed?

Mr DEEGAN: I think the program was conducted over two weeks, and that completed the first round. I will have to check the exact date for you.

The Hon. CHARLIE LYNN: Given your claim that the CityRail timetable was shelved due to a shortage of train drivers, how many additional drivers have you recruited?

Mr SCULLY: I will take that on notice.

The Hon. CHARLIE LYNN: I noted some advertisements for three-year traineeships for drivers. Given that the timetable was shelved because of a shortage of train drivers, does this mean that those drivers will not be trained and able to drive trains until 2005?

Mr SCULLY: It depends on the type of driver, or potential driver, who is applying. We have some drivers who are retired who might want to come back to work, there are drivers who are FreightCorp drivers or interstate drivers who can come back into the system with a shorter level of training, or there are people who are cold who would have to be brought through the system. They would take longer. It really depends on who is in the system. The advice from Rail is that it will take some time to recruit and accredit those necessary to make the timetable work.

The Hon. CHARLIE LYNN: Surely, you can be a bit more specific than that given that the timetable was shelved for that reason? They would have an idea of how many were retired and how many were retraining. They would have done the matrix by now.

The Hon. CHARLIE LYNN: You asked me when I would expect people applying to be CityRail drivers to come on board. It depends on the type of applicant. Some require longer training than others.

The Hon. CHARLIE LYNN: Can you give us an indication of when the CityRail timetable that was shelved will be implemented?

Mr SCULLY: It will be implemented when it is ready to be implemented, which will occur when we have sufficient drivers in the system.

The Hon. CHARLIE LYNN: Is that likely to be before 2005?

Mr SCULLY: Yes, well before then.

The Hon. CHARLIE LYNN: Twelve months before that?

Mr SCULLY: Well before then, but I will expect that it will take some period of time to make sure that we have all the drivers in the system. I am sure that the Coalition would not want me to implement the timetable before it is ready to be implemented.

The Hon. CHARLIE LYNN: How many staff within the various public transport agencies are engaged in communications, media and marketing? What positions do they hold? How much are they paid?

Mr SCULLY: I will take that on notice.

The Hon. CHARLIE LYNN: How many staff within your ministerial office are engaged in communications, media and marketing? What positions do they hold? How much are they paid?

Mr SCULLY: There are two positions paid out of my office allocation. I am happy to take on notice the precise job description and what they are paid.

The Hon. CHARLIE LYNN: I return to the millennium carriages. Earlier you mentioned that there would be four carriages. The contract was for 81. When can we expect the other 77 to be brought on line? Will that be another major re-announcement? Is there a schedule?

Mr SCULLY: I would anticipate approximately 18 months.

Mr DEEGAN: In a continuous flow. The first four come on line. The others are in various stages of production. Over the course of the next 12 to 18 months the rest of the contract will be filled.

Mr SCULLY: Next time I am in Cardiff, I would invite you to come up and have a look at the production line. It is quite impressive. A lot is being produced. There will be a steady stream coming out over approximately the following 18 months.

The Hon. CHARLIE LYNN: Would you have a plan for about four a month, or something like that?

Mr SCULLY: I think in that order. That could be right.

The Hon. CHARLIE LYNN: Are you aware that taking public transport from Sydney to Newcastle on the weekend, which on a weekday would normally take 2½ hours, can take up to six hours and can involve taking two buses and two trains? Is this situation temporary, or are weekend services always hours slower than weekday journeys?

Mr SCULLY: I find it a little ironic that the Opposition takes a position that there should be reliable train services with as much maintenance as possible, and on the other hand that the public should not be inconvenience by that maintenance work. Unfortunately, maintenance work that requires track possessions, which can have significant impact on people's travel time, can be carried out only on weekends, generally. I do not believe the Opposition would have a better answer to how we do it. We need to take possession of the track to improve the reliability for the morning and evening peaks Monday to Friday.

The Hon. CHARLIE LYNN: The Opposition understands that. Recently, I thought I would get a train to the airport and try the airport link from Campbelltown. I checked the net the night before, but when I arrived the service had been cancelled.

The Hon. Jan Burnswoods: We have heard this three times.

The Hon. CHARLIE LYNN: I know you have heard it, but the Minister has not because, obviously, you have not passed it onto him.

The Hon. Jan Burnswoods: He reads our *Hansard*.

The Hon. CHARLIE LYNN: That would be pretty boring reading.

CHAIR: Order!

The Hon. CHARLIE LYNN: If it happened to me it is fair to assume that it has to happen to other people. We understand that you have to do track maintenance on weekends, but it is a matter of bringing these things to your notice so that you can act on them.

The Hon. Jan Burnswoods: You have been dining out on this train story for six months.

The Hon. CHARLIE LYNN: It is better than riding a broomstick and sticking to that schedule.

Mr SCULLY: We put up notifications at train stations to inform the public that on the weekend there will be inconvenience from track possessions and that there will be bus services. I

think that most of the public recognises the need for these positions to improve the reliability of our train services in those Monday to Friday peaks. There is just no other way around it. I acknowledge the inconvenience, but it is what we need to do.

The Hon. CHARLIE LYNN: Has the deterrent effect of the Chubb security guards that patrol CityRail trains started to diminish?

Mr SCULLY: I think a comparison should be made of the security systems we have in place now to what we inherited in March 1995. We had virtually no security guards. When I say "no", maybe 20 or 30 across the whole system. We now have anything from 250 to 300-odd every day. We extended them from night security guards through to the afternoon on some lines. When I became Minister I think we had 40 or 50 wet-film cameras, the old junk dinosaur stuff that we got rid of. We now have 5,200 digital cameras. Local area patrol commanders tell me that these are useful tools, in fact sometimes essential tools, in investigation, prosecution and conviction. Most of our security system has been rolled out. We have transit officers coming on board later in the year. All of the feedback I get about those security guards is that it was a good initiative, particularly from women who still tell me that they feel a greater degree of safety in having them on board.

The Hon. CHARLIE LYNN: That is a necessary initiative because of the closure of all the police stations and the lack of police on the beat since you came to power in 1995. It is probably a compensating factor.

Mr SCULLY: I am happy to suggest that that is an outrageous claim, but I am sure that Mr Costa will be able to defend such an attack.

The Hon. CHARLIE LYNN: Given that there are comparatively few staff monitoring the CityRail closed-circuit television [CCTV] cameras, is it likely that their deterrent effect has also begun to diminish?

Mr SCULLY: All the research shows that there is a massive deterrent effect from the CCTV system. As you know, some of your colleagues played up most mischievously. There was a one-off increase in detected crime when all of the CCTVs came into operation. The obvious explanation was that having 5,200 cameras clicked on would detect more crime. It did. People who, in the past, would not have complained because there was no evidence to catch anyone are now complaining because there is evidence for police on the burnt CD. They burn it onto a CD. The rail people take it to the local patrol commander, and people are being caught. Since that initial one-off blip there has been a steady decline in the level of crime. It makes commonsense. If you are a person who would otherwise engage in some offensive act on a railway station, and you know that there are scores of cameras—some of our way stations can have 50 and 60 cameras—human nature being what it is, unless you are very silly indeed you will think twice about being filmed. And that is what we are finding.

People are thinking twice about being filmed, and are not engaging in offensive conduct that they might have engaged in before our system was put in place. But I am not going to suggest that cameras or security guards stop all crime. Unfortunately, instances occur on our rail network. But I ask this question: What more would you have us do? Transit officers, security guards, transit police, 5,000-odd cameras are pretty good. We have spent \$110 million on security systems. I challenge any railway Minister around the western world to show the better system that they have. Just about every system that I can think of to improve safety and security on our railways for our passengers has been implemented.

The Hon. CHARLIE LYNN: What production and testing problems have delayed the Millennium carriages?

Mr SCULLY: First, one of the electrical contractors went belly up and that caused considerable delay when EDI, the head contractor, had to obtain another subcontractor. It was most inconvenient. That was eventually settled. The other question in relation to testing, there was concern about the current emitted from one of the cables underneath the bogeys on the train. There was concern that it might interfere with signalling systems, but testing showed that it did not.

The Hon. CHARLIE LYNN: I refer you to Budget Paper No. 4, State Asset Acquisition Program, page 83, Newcastle high-speed rail link investigation costed at \$3.301 million, and the Epping to Castle Hill rail link investigation costed at \$2.398 million. Why were these projects reclassified as investigations when the 2001-02 budget papers detailed funding totalling \$1 billion that had already been allocated?

Mr SCULLY: Projects are commitments that we have on the record that we intend to continue the investigations that are required to justify the projects going forward. We have to proceed to complete those feasibility studies, options for construction, final costings and final funding, where they would be built, how they would be built and then proceed to an environmental impact statement on each based on a preferred activity.

The Hon. CHARLIE LYNN: Has the \$1 billion now been re-allocated and, if so, which ones? Why were these projects costed in last year's budget papers if an investigation has not been done?

Mr SCULLY: The budget papers are an indicative costing of a future program. As you would know, budgets are basically a budget plus three years forward estimates. We are talking about projects beyond budget plus three years forward estimates. They remain commitments, but we have to do the feasibility studies and the investigative work to justify settling on the preferred activity that then becomes the subject of an environmental impact statement. They remain commitments. They need to be built and they will be built in forward years.

The Hon. CHARLIE LYNN: It is interesting that \$1 billion was in last year's budget, but that has disappeared from this year's budget.

Mr SCULLY: That would only be the indicative costing. There is no less a commitment to those projects.

The Hon. CHARLIE LYNN: How does the Wollongong high-speed rail link investigation differ from the similarly titled feasibility study raised in last year's estimates inquiry that you said had been completed? That was a question on notice.

Mr SCULLY: We had done some very preliminary work on where it might go. These detailed assessments, which will now take place without an allocation of funds, will involve core samples. As you would know if you are familiar with it, and I invite you to come down if you have not been there, there are some very challenging geological matters that have to be addressed. There will have to be quantity surveyors, geologists and environmental experts to see where and how it could be built. There are landslip issues. There are mines and mine subsidence. All of that work will have to be done in a detailed way before determining how it could be built, what it would cost to build it and when we could start.

The Hon. IAN COHEN: I refer to Budget Paper No. 3, volume 2, page 19-21, which outlines the estimated government expenditure for the delivery of equitable and quality transport services. Will the 30 wheelchair-accessible buses for Newcastle be introduced in the 2002-03 financial year?

Mr SCULLY: It is intended, yes. We have a contract of \$10.6 million. We have them out for tender. It is intended that they will be built, acquired and delivered. That is great news for Newcastle, by the way.

The Hon. IAN COHEN: Yes, I agree.

Mr SCULLY: They have been raising concerns about the age of their fleet. I listened to their concerns, and they will get brand-new buses.

The Hon. IAN COHEN: Will all 30 be wheelchair accessible?

Mr SCULLY: Yes.

The Hon. IAN COHEN: Has funding been allocated to address infrastructure development needs to ensure that these buses can operate properly, in particular when negotiating changes to roundabouts and kerbing?

Mr SCULLY: The Roads and Traffic Authority [RTA], as you know, has a reasonably large component of bus priority measures. I would expect the State Transit Authority [STA] to work with the RTA. You are correct—occasionally there are routes that are difficult to traverse with wheelchair-accessible buses and roundabouts that need to be smoothed out. Things of that nature become a challenge. I would expect Mr Stott to work with Mr Paul Forward, the chief executive officer of the RTA. The RTA allocates funds for that purpose.

The Hon. IAN COHEN: Is that a yes?

Mr SCULLY: If there is a problem, I am not aware of it.

The Hon. IAN COHEN: Has funding been allocated?

Mr SCULLY: I am not aware of any problem. If there is a problem, it will be fixed.

The Hon. IAN COHEN: Okay. But has funding been allocated?

Mr SCULLY: I am not going to allocate funds if I am not aware of any problem. What I will say is that I expect the State Transit Authority to ensure that there are no problems in implementing those wheelchair-accessible buses. If there are, RTA will have to allocate funds. I am happy to take on notice a detailed question if there are any problems. I am not aware of any. But you are correct: it is an issue. There are places around Sydney, for example, that need attention.

The Hon. IAN COHEN: Again, several people from the disability sector would be very gratified to know that, not just in relation to transport vehicles but also the infrastructure that allows them to utilise what is a great initiative.

Mr SCULLY: Perhaps Mr Stott could add to that.

The Hon. IAN COHEN: Again, as you might appreciate, for the disability sector it is important to get the whole package right.

Mr SCULLY: Yes, and I think this Government has a very strong record in terms of disability issues, in relation to buses and trains and stations.

Mr STOTT: I should just say that we are already operating the low-floor buses in Newcastle and have been for some years. I think we have 18 manned midday buses which have been there for quite some time. They are of a similar size to the old-fashioned Mercedes buses and they have really proven where the difficult points might be. The RTA and the Newcastle City Council have been very responsive in helping us get around this point.

The Hon. IAN COHEN: And are those infrastructure requirements being fixed or are they earmarked to be fixed?

Mr STOTT: I am not aware of any locations in Newcastle which pose a difficulty for low-floor buses.

The Hon. IAN COHEN: How many metropolitan train stations will be accessible under the Easy Access Redevelopment Program by the end of the financial year 2002-03?

Mr SCULLY: I will take that question on notice.

The Hon. IAN COHEN: Do you know which Sydney metropolitan train stations will be accessible under the Easy Access Redevelopment Program?

Mr SCULLY: I will take that question on notice.

The Hon. IAN COHEN: Can you tell the Committee the selection criteria for determining which train stations will be redeveloped under that program and how priority might be determined?

Mr SCULLY: I will take that question on notice.

The Hon. IAN COHEN: You are probably aware that today's *Sydney Morning Herald* features a transport article?

Mr SCULLY: I do read the *Sydney Herald Morning* from time to time.

The Hon. IAN COHEN: An article suggests that now that trains are running on time there may be fares increases. There is also an article about freeways fuelling the big switch to cars away from trains. The article describes the significant lowering of commuter trips on combined trips to Maitland, but there are other lines as well. The article suggests that it is the biggest fall in 20 years. Are you concerned that the upgrade of your freeway program has had an impact on public transport patronage?

Mr SCULLY: I say at the outset that we have had absolutely massive growth in rail patronage, and that from 1996 to 2001 it really took the rail agencies by surprise. We had some significant congestion on certain lines and terrific growth in patronage. The past several months has seen a fall for a variety of reasons. The *Sydney Morning Herald* makes the simplistic assertion that the M5 East has contributed solely to a decline in patronage of the Bankstown and the East Hills lines. I think there is a much simpler explanation. We have found that as job opportunities contract along our rail lines patronage also contracts. There has been declining employment along those job corridors which often follow our rail lines into CBD. Economists can tell you that story. There is higher unemployment and there are fewer job opportunities. As a result, there has been a fall away in employment.

In addition, petrol is cheaper. Patronage has not decreased just because a motorway was opened. Petrol is cheaper, jobs are fewer and, to some extent, people may well be finding the M5 East an attractive option. On-time running has been the best it has been for years, so we are upgrading stations and we are providing world-class security. We currently have the best on-time running we have provided for a while. I think that we will win those patrons back. However, there is a direct correlation between employment levels and patronage levels.

The Hon. IAN COHEN: I can give you an example I witnessed today. Are you aware that the 380 bus route is your most profitable bus route?

Mr SCULLY: I am not particularly familiar with that. If you want some questions answered I am happy to have John Stott respond.

The Hon. IAN COHEN: The interesting thing I witnessed today was a change in route direction. A number of the buses on the 380 route, which operates in the eastern suburbs—a huge catchment—were removed and replaced by a 381 route. Effectively, half the number of buses come through at peak hour and other times. It has inconvenienced a significant number of commuters, including me. Who made the decision to change that route? Why would that be undertaken? In this loop there is a large catchment of passengers in one of the most densely populated areas in Sydney. The commuters can only catch a 381, which only goes to Bondi Junction station. However, the 380 goes all the way into town. There has been a breakdown in options and opportunities for public transport, which I suggest will force a lot of people back to using their motor vehicles on what was a very successful segment of that transport corridor. Who made that decision? Are you aware of those types of decisions, given that it will inconvenience possibly thousands of passengers every week?

Mr SCULLY: I do not make the micro decisions on which particular bus goes on which particular run, although I am capable of getting involved in the process when there is significant complaint. I have indicated that the Better Buses Program has my support, given that it is the first time in nearly a decade that services have been reviewed. It is about providing services in a manner where they are needed and how they are needed. But whenever you change a timetable, there can be consequences that the public takes some time to get used to, and they can be consequences that were

unintended. It is unintended consequences that I occasionally get involved in. On the Newcastle buses review there were a number of changes and some finetuning that I think members of the public welcomed, as did the local members of Parliament.

I have said to Mr Stott that the Better Buses Program has my support, but I expect STA to be conscious of both unintended consequences that I will find unacceptable and strong community reaction. I think there is a period of bedding down, in a sense, because there is always reaction to change because of change itself. You have to distinguish that from genuine grievances, which yours may or may not be. I am happy to have Mr Stott respond. I am happy to have a look at that. I have a role ultimately, but the decisions about how the timetable works, where it is implemented and those sorts of things are matters for the STA.

The Hon. IAN COHEN: I am raising that as an example that could well see people forced back onto private transport in an area that has major congestion problems.

Mr SCULLY: It is not intended to put people back into motor vehicles.

The Hon. IAN COHEN: You can understand my putting that point to you. It is forcing people back to private transport and it is one of the best and most frequently used bus services in Sydney. I understand that it is one of the few services that is making a profit.

Mr SCULLY: I am happy to tell you that I have a watching brief on this, as I did with Newcastle and as I did with the north-western areas. I am concerned about some of the reaction, but I need to have a period in which we can distinguish between just a reaction to change as opposed to people genuinely aggrieved at an unintended consequence, where you can actually finetune and improve. I will keep an eye on it. I think Mr Stott might answer in more detail.

Mr STOTT: Just as an aside, the Independent Pricing and Regulatory Tribunal has reported over the past few years that Sydney buses effectively cost recover across the network, taking on board the payment of concessions. As far as the reviews are concerned, State Transit Authority maintains a comprehensive set of records from its automatic fare collection system about where people travel and what times they travel, and we can break that down into segments across the day and through the week. We use that as the first input for our route surveys. We also do some transport planning work which basically aims at identifying where people want to travel and what are the major corridors. We synthesise that into a set of proposals and we take those to public consultation. In the eastern suburbs we consulted over a period of six months. We invited comment. In fact, we went out and we pursued comment. We had almost 4,000 replies. We then based our review, or the initial proposal, on those replies.

In the Bondi area the 380 series buses—380, 381,382—carry a very large number of people, and they are probably the busiest buses in Australia. All of the indications that we have is that those buses, the present capacity, will carry the people who are looking for them. There have been some changes in demographics in the area. We have recognised that by providing some additional limited stops. We have also recognised it by providing direct services for people in the Bellevue Hill and Edgecliff areas—direct services into the city—because they have been telling us that they want to go to Bondi Junction and to the city, and we think we have responded to that. As the Minister says, you only really prove out the system when you finally go live. That happened today.

I am pleased to say that, as of today, the response has been quite good. There are no major black spots in the system as of my last report at 6.30 tonight. But, as the Minister also says, buses are a very flexible form of travel. If there are any unforeseen consequences we have the ability to adjust the services to suit the requirement. But I would emphasise that this has been one of the biggest reviews of route structures in many years. It is clear when one travels round the eastern suburbs the way that commercial areas have redistributed themselves and the way that the community is consolidating in particular areas, such that we have to realign our services to where the people are and where they want to go.

The Hon. IAN COHEN: I appreciate your answer. Perhaps I may seek further information because my observation—I took two trips on those buses this morning—and from information from

officials at the site was that that particular section is losing 50 per cent of its past traffic as a result of this re-routing.

Mr STOTT: That is not evident in today's figures.

The Hon. IAN COHEN: In terms of buses?

Mr STOTT: Yes.

The Hon. IAN COHEN: That is information that one of your officials gave me in good faith. Perhaps we will get more information. Regarding the School Student Transport Scheme [SSTS] which is referred to in Budget Paper No. 3, volume 2, page 19-22. What is the total budget for the School Student Transport Scheme and how much of this budget is allocated to private operators?

Mr SCULLY: It is \$427 million, and private operators get \$337,341,000.

The Hon. IAN COHEN: How much of this budget is allocated to the State Rail Authority?

Mr SCULLY: It is \$210 million.

Mr COOK: Of the total allocation of SSTS, it is \$427 million. The State Rail Authority [SRA] is \$32.7 million, and I can give you the total breakdown, if you like.

The Hon. IAN COHEN: And the STA?

Mr COOK: It is \$38.2 million.

The Hon. IAN COHEN: And how much of the School Student Transport Scheme would be spent by students travelling beyond the nearest public school?

Mr SCULLY: I will take that question on notice. I might add that one of the biggest reasons for the increase in costs was the decision by a Coalition government to dezone schools. I do not think that that matter is well-known.

The Hon. JANELLE SAFFIN: It is well-known to us.

Mr SCULLY: I say to all my peers present that it is a little known fact that a Coalition government dezoned schools.

The Hon. CHARLIE LYNN: It happened such a long time ago. This Government has had a long time to fix that.

Mr SCULLY: I should just add that that is a very good point. The lead time between decisions made by government and their impact on SSTS is usually six to eight years. So there has been a long lead time. People make decisions about where their children go to school. When a government makes a dezoning decision it takes several years before it has an effect. Kids are born, they attend preschools and parents then make decisions based on that government decision. It takes a long time for it to translate into costs. Over the past few years a substantial part of that increase in costs has been as a result of the dezoning decision.

The Hon. IAN COHEN: How much of that school student transport scheme would go to students living outside the Sydney, Wollongong and Newcastle areas?

Mr SCULLY: I will take that question on notice, but I indicate that it would be a significant amount. Honourable members will have to thank Terry Metherell for that.

The Hon. DAVID OLDFIELD: And not just that.

The Hon. IAN COHEN: I refer to page 19-21 of Budget Paper No. 3, volume 2, subprogram Delivery of Equitable Transport Services. What action has Transport New South Wales taken to

improve the performance and supply of wheelchair accessible taxis throughout New South Wales as a result of the Human Rights and Equal Opportunity Commission inquiry into the response times of wheelchair accessible taxis?

Mr SCULLY: Recently I had cause to use one of those taxis—a relative required their services. I have to say that the service was excellent. I rang ahead and they supplied the service in the time that I required. A couple of weeks ago I used that service twice.

The Hon. IAN COHEN: Did they know who was calling?

Mr SCULLY: No, they did not. But I was very impressed. It might be better if the director-general of the department answered that question.

Mr DEEGAN: We need to obtain full details of the roll out of wheelchair accessible taxis. We will take that question on notice and come back to the honourable member with the numbers.

The Hon. IAN COHEN: The budget papers allocate \$35.5 million in grants and subsidies to communities groups and certain individuals. How will that money be allocated in 2002-03?

Mr SCULLY: I will take that question on notice.

The Hon. DAVID OLDFIELD: How did rail perform at this year's Easter show, at which there were special events, as opposed to Easter shows in past years?

Mr SCULLY: It performed very well. We have almost come to expect people in rail and most private bus operators to perform well. I take this opportunity to thank them. They have done a terrific job, and not only for the Olympics. People tend to harp on the Olympics, and with great justification. Rail staff rose to the occasion and I am proud of their achievements. I am also proud of their achievements at all those special events. People have come to expect good performance at the Easter show, and with justification.

The Hon. DAVID OLDFIELD: In a local sense, is there any likelihood of a return to night JetCats in Manly?

Mr SCULLY: David Barr is driving me nuts on this issue. I have told him that I will give the matter consideration. I have not yet made a decision about it. I would have to be reassured that it could be done safely. Mr Barr indicated that he will make a pest of himself in relation to this issue so I told him I would give the issue consideration. I have not yet got an answer for him.

The Hon. DAVID OLDFIELD: What dangers were considered?

Mr SCULLY: There was concern following a number of incidents. The Waterways Authority formed the view that it was safer to close night JetCats rather than have them in operation. Before there is any return to night JetCat services I would need to be reassured by both State Transit Authority ferry operations and the Waterways Authority as the water regulator that it was okay to do that.

The Hon. DAVID OLDFIELD: Have you had any reports about the operations of the bus transit system from Manly wharf?

Mr SCULLY: I have not had any complaints. That is not to say that there have not been any complaints. I receive about 25,000 letters a year, so I hasten to add that there may well have been complaints, but I am not aware of any that have been brought to my attention. I do not know whether Mr Stott is aware of any complaints.

Mr STOTT: I presume that the honourable member is talking about the Manly interchange.

The Hon. DAVID OLDFIELD: Yes.

Mr STOTT: There was a need early in the piece to rearrange some of the bus services. Some concern was expressed by local residents about buses laying over in particular places. Over the last 18 months we have basically managed to make all the rearrangements. So far as we can see there is generally a good level of acceptance. The honourable member would be aware that there had to be some readjustment of roadside furniture on the bend as well as going round into Belgrave Street. That appears to have been quite well accomplished. I have had no adverse reports about boardings probably for about seven or eight months.

The Hon. DAVID OLDFIELD: What is the situation these days, in particular on trains, in relation to fare evasion?

Mr SCULLY: It is always a difficult to estimate to what extent fare evasion occurs. It has been estimated at \$10 million plus. It is hard to estimate it entirely accurately. Of course, levels of compliance are greater when there are barriers and where staff fulfil their obligations and ensure that people put their magnetic tickets through the system. We have about 150 revenue protection officers throughout the system. I am confident that the vast majority of commuters do the right thing. But there is a degree of revenue protection that we need to do. The director-general has just advised me that the integrated ticketing system would automatically reduce fare evasion. Every station across the network would have a reader and everyone will have to have a smart card.

The Hon. DAVID OLDFIELD: The Minister might remember that I referred earlier to e-tolls and to taxis in particular on the Cahill Expressway. There is a considerable bank-up of taxis going through those lanes. In fact, anybody driving through the toll every morning as I do would gain the impression that taxis comprised 50 per cent of the vehicles on that road. Taxis cross the bridge to such an extent that it is not unusual to see them banking up in the lane that gives change. Perhaps taxidrivers want to obtain change which is why they choose to go through that lane. Has there been any attempt to force all taxidrivers to comply?

Mr DEEGAN: Both the Roads and Traffic Authority and the taxi industry are dealing with that issue. There is a reluctance on the part of some drivers to take up the e-toll. We are working with them to resolve that issue. We hope that that will be sooner rather than later.

Mr SCULLY: Some people do not like change. They are resisting the move to technology. Paul Forward, Chief Executive of the Roads and Traffic Authority, might wish to add something.

Mr FORWARD: That is the issue. Many taxi drivers use the toll plaza as a bank.

Mr SCULLY: I have not yet reached the point where I can say, "Okay, no more change. You have to have an e-toll." We need to gently persuade them and educate them. They have a social responsibility not to use the RTA's toll plaza as a bank for change.

The Hon. DAVID OLDFIELD: The bank-up of taxis at that toll plaza is quite significant. Taxis come out of the lane that is designated specifically for them to get into the lane that gives them change. It is inconceivable that a taxi does not have \$3 worth of change. There really is a substantial bank-up of traffic.

Mr SCULLY: I have not yet reached the point where I can say, "We need to be a little more coercive. These two chief executives, Mr Deegan and Mr Forward, will keep working with the taxi industry. I expect that to have some impact.

The Hon. DAVID OLDFIELD: The reason they are doing that is simply to get change. The Minister said that taxis are using the toll plaza as a bank.

Mr SCULLY: I believe so.

Mr FORWARD: The majority of those taxi drivers hand over either \$100 bills or \$50 bills. They are not handing over \$5 or \$10; they are handing over large amounts so that they can obtain change. As the honourable member said, taxidrivers repeatedly use that route to seek change.

Mr SCULLY: I am happy to put the taxi industry on notice. I do not see toll plazas as a bank for \$100 notes to be changed. If it continues into the long term I will have to consider measures to deal with that. At this stage I am not ready to do that.

Mr DEEGAN: The majority of people in the taxi industry are supportive of working together with us to sort out these issues with some drivers.

The Hon. DAVID OLDFIELD: Consumers are unnecessarily held up in cabs that are behind other cabs waiting to go through the toll plaza. All the time that they are waiting their meters are ticking away.

Mr SCULLY: Once again, there are only a few rotten apples in the barrel. Most taxidrivers do the right thing.

The Hon. CHARLIE LYNN: Does the Minister agree with Mr Cowling that no Rail Infrastructure Corporation staff will be retrenched in the next 12 months? If so, how many are currently not allocated to permanent positions in the new restructure?

Mr SCULLY: First, unlike Coalition governments, this Government does not sack people. We have a policy of voluntary redundancy. If people do not wish to choose voluntary redundancy they are retained. If there are any proposals to offer voluntary redundancies I am happy to take that question on notice.

The Hon. CHARLIE LYNN: Are they retained an allocated position, or are they just retained?

Mr SCULLY: They are meaningfully employed. I am happy to take that question on notice and supply information relating to those to whom it might apply.

The Hon. CHARLIE LYNN: What is the difference between voluntary retrenchment and meaningful employment?

Mr SCULLY: If a chief executive is doing a management review he might decide to offer 10 people voluntary redundancies. Only six people might accept voluntary redundancies. So four people either have to be left in that part of the organisation or they have to be moved to a section where they might be more gainfully employed. I am advised that when we go through these management reviews if excess employment is detected, voluntary redundancies are offered. If there is resistance to that, those staff members are still meaningfully employed, either in that area or in some other area.

The Hon. CHARLIE LYNN: I refer now to eastern Sydney buses. Why did the Minister ambush the community by not releasing a timetable for consultation, which effectively meant that he kept secret dramatic reductions in frequency on some bus services?

Mr SCULLY: That sounds like a Debnam question. I do not think that the Hon. Charlie Lynn would have written that question. I am happy to let Mr Stott deal with that issue. The honourable member used very provocative language. I ask Mr Stott to go through the submissions and the process, but he should ignore the provocative insults.

Mr STOTT: As I have said before, a long and complex process is being followed in developing the new network. Primarily, in the eastern suburbs the issue has been about rearranging bus routes and getting them into the right places. When one looks at the capacity on those routes one sees that there are no dramatic differences from the previous system. When one puts the first sets of timetables on the table for consultation, or the first set of route maps, it is difficult to indicate what the frequencies might be. By and large honourable members will find that the frequencies we have published are not dramatically different from what we had before. The key things about which people are concerned is how their lives will vary. Normally their lives will vary because the route is adjusted to some other street perhaps a couple of streets away.

The Hon. CHARLIE LYNN: What was the period of consultation?

Mr STOTT: We first started consulting in the eastern suburbs last September.

The Hon. CHARLIE LYNN: It has been claimed that some of the services have been reduced by up to 50 per cent?

Mr STOTT: Some services have been adjusted and rearranged. Other services have been put forward. It is important to understand, for instance, that there has been a trade-off between limited stop services and all stop services essentially running down the same street. So one could say that the limited stops have been reduced. But, then again, the all stop services have been increased. The carrying capacity of Sydney buses in the eastern suburbs will be approximately the same as it is now and we will provide for some growth.

The Hon. CHARLIE LYNN: What factors explain the 27 per cent increase in the cost of the Liverpool to Parramatta transitway, from \$203 million in the 2001-02 budget papers to \$258 million in the 2002-03 budget papers?

Mr SCULLY: I will take that question on notice.

The Hon. CHARLIE LYNN: Is the Minister aware of the transitway that I am talking about? It was referred to as the road to nowhere, which popped up just before the last election. It is scheduled to be finished one month before the next election. So it has the appearance of an election stunt, at significant expense to taxpayers.

Mr SCULLY: We will be able to take buses on that transitway early next year. It will result in an absolutely fantastic improvement to public transport for people in south-western Sydney. I am delighted to be a part of it. The honourable member would be aware that costs are estimated at the beginning of a project. A government would then go through a tender process. In the end projects cost what they cost. I am happy to take that question on notice and provide the honourable member with the details. But does the honourable member appreciate how good this whole thing will be?

The Hon. CHARLIE LYNN: I saw the road to nowhere. I had a look over it. Work on it proceeded until the last election and then it stopped.

Mr SCULLY: The honourable member should go and look at it now. Virtually the whole length of that road is one big construction site. There are bulldozers, trucks and workmen in hard hats at that site. Concrete, steel and bitumen are all being laid as we speak. I am proud of that project. More than \$200 million worth of the road budget has been allocated for public transport, with some money coming out of the Department of Transport parking space levy.

We are going to have scores of buses whizzing down there. They will be wheelchair accessible, they will be comfortable, and they will be frequent. But the transit stops, and the direction the bus is going in, will be connected to the bus's digital display on the next available bus. We are going to have security systems in place. This is going to be a dramatic improvement; it is a new form of public transport, the likes of which we have not seen in Sydney before. And it is coming your way, Charlie, as you are a resident of south-western Sydney. It is coming your way in a broad sense quite soon.

The Hon. CHARLIE LYNN: I appreciate that. We would prefer to work in with the budget cycle, rather than an election cycle. It seems that this rears its head about every four years, and the reannouncements for it appear about every other year.

Mr SCULLY: Rome took more than four years to build.

The Hon. CHARLIE LYNN: Given that the expected completion date of the other transitways is listed as "not applicable", does that mean that they do not have forward funding? does it mean that the timeline and Action for Transport 2010 has been abandoned?

Mr SCULLY: It is old news. The *Sydney Morning Herald* did a story a while back, where it went through the review that we had completed. We spent several months doing a review. In November 1998 in Action for Transport I made certain commitments in relation to the transitway network. Three and a half years on, I felt it was appropriate that that be reviewed, and it was reviewed.

We have brought forward the north-western transitway. Between \$400 million and \$500 million will be spent on the north-western transitway, which is from Blacktown to Castle Hill, and Rouse Hill to Parramatta. Parramatta to Rouse Hill will be opened by 2006, and the Blacktown to the Old Windsor Road intersection on that transitway corridor going out to Rouse Hill, and Liverpool to Parramatta will be opened for operations early next year.

Some of them we have pushed out. Blacktown to Wetherill Park, for example, depends on the Boral estate. We did make commitments for that particular transitway to be opened earlier. I think it was a good recommendation to me that we should not implement that according to the commitment we made 3½ years ago; what we ought to do is spend the funds where that review strongly recommended they should be spent: according to where population has shifted and will shift in the ensuing three-year to five-year period, that is, mostly out in the north-west. Why? Because when the Coalition was in government it released all that land and did not provide public transport. This Government is.

The Hon. IAN COHEN: I refer Budget Paper No. 3 Volume 2, page 19-40, which deals with cycleways. How much does the Government plan to spend on the creation of new bicycle paths in New South Wales during the 2002-03 financial year?

Mr SCULLY: I am happy to take that question on notice. May I say that this Government has probably done more for cycleways than any previous government, particularly in south-western Sydney. A whole network of cycleways has been developed. It is difficult in the inner-west and in the country—

The Hon. IAN COHEN: Possibly so, but the comparison may not be satisfactory. I would be happy to hear more information.

Mr SCULLY: My colleagues on the Labor side of the fence remind me that we are doing a lot in the country. I am happy to put all of that record in an answer on notice. On the Western Sydney Orbital there will probably be the best off-road cycleway built anywhere in Australia. It will be 40 kilometres long, grade-separated, 3½ metres in width, and there will be no intersections or interchanges to cross over. That is the sort of thing we are doing in western Sydney. You can do it, because the corridors are available. It is much more difficult in the west and the eastern suburbs. The Hon. Tony Kelly would be interested to know that we have spent a bit of money in Wellington, as we have in other towns across the State.

The Hon. IAN COHEN: Could you inform the Committee about the number of fatalities that have occurred on on-road and off-road bicycle paths in New South Wales in the last financial year?

Mr SCULLY: I will take that on notice. I have an interesting debate with the bicycle associations concerning off-road and on-road cyclists. I have a strong view that where possible cyclists should be off-road. They take the view that cycling is a form of non-motorised vehicular travel, and therefore cyclists have a right to be on the roads. I say yes, if there are no off-road cycle facilities. I am endeavouring, where possible, to provide cyclists with off-road cycle facilities where they belong. They should only be on the shoulders of our roads if there is no other alternative. They strongly disagree; they think they should be on the road. For the life of me, I do not know why.

The Hon. IAN COHEN: In view of that comment, perhaps you could indicate to the Committee, perhaps on notice, the total number of trips travelled to work by bicycle in New South Wales in the last financial year.

Mr SCULLY: If the Roads and Traffic Authority has an estimate of that, I am happy to provide it to you. However, I do not think there is a huge number of commuting cyclists. Those in our cycling bodies who tend to predominate in the decision making tend to be what you call the commuter cyclist, where they cycle to work. Anecdotally, most cyclists are mums and dads with families who enjoy cycling with friends on the weekends. A small percentage of cyclists are commuters who travel long distances to and from work. It would be nice to get that done; they certainly have the facilities. We are putting bicycle lockers in places around our rail network, and we are providing a comprehensive network of cycleways. I am happy to provide that information. The cycling bodies

would tell you that a much larger percentage of cyclists are commuters, but I think the reality is otherwise.

The Hon. IAN COHEN: I refer to subprogram 69.1.1, Integrated planning and development. Does the department plan to fund any new community-based transport development workers in 2002-03?

Mr DEEGAN: We are working closely with NCOSS and a number of organisations regarding transport development workers. We are working with them, in the Western Sydney Community Forum, to find the best way of developing regional plans for transport. Next Saturday I will be in the Blue Mountains to work with the community there. We are also working with Illawarra, Wollongong, Sutherland, Rockdale, Kogarah and Hurstville councils on the same process. The discussion is essentially about work that is already under way in those council areas, where they have provided funds for these transport plans. In some cases councils are funding transport development workers; in others the department has provided support, either directly through community grants or other forums. There is ongoing discussion about how we lift the number of transport development works that go on. Some of that is dedicated to development workers, and that is still being discussed with councils.

The Hon. IAN COHEN: Is the Government taking steps to improve transport services for young people in regional and remote areas of New South Wales?

Mr DEEGAN: I am delighted that you asked the question. One of the priorities that the current Minister asked when I took on the job was to work out a rural and regional strategy. We have done a lot of work in three pilot programs: at Dubbo, Wellington and Broken Hill. We are about to release the results of that work with a comprehensive transport directory for young people in Wellington, followed by Dubbo and Broken Hill. I am also delighted to say that we now have the Commonwealth Government interested in these pilot projects, in using existing resources and finances across State and Commonwealth agencies to improve transport outcomes for young people; people with disabilities; people who, for various reasons, are stuck at home and then do not have readily accessible public transport. I think it is an exciting initiative, and I would be happy to give you further details.

The Hon. IAN COHEN: Minister, during last year's budget estimates hearings I think I may have asked you about transport from the Casino-Lismore area to Byron Bay, on the coast, for young people who at present are essentially forced to hitchhike because they do not have any transport options. Has any action been taken to provide transport in that rail corridor from Murwillumbah and Byron Bay to Casino?

Mr DEEGAN: It is certainly one of the issues we are raising with some of the bus companies and taxi companies in that region. It is a process of sitting down with these community groups and working out what is required.

The Hon. IAN COHEN: I specifically ask about rail. Taxis are excluded simply because of the distance, and bus travel involves lengthy travel times. We are told that a 45-minute car trip on the current routes takes about three hours by bus.

Mr DEEGAN: I think that is part of the issue: it is not just rail, it is looking at what else we can do with buses and taxis. For example, I have been on the community transport buses in Coffs Harbour, looking at how they work. They are now working with taxis and other bus services to see what other models they can provide. The same issue arises in the area you mentioned. The young people and a lot of older citizens cannot get to essential services under the existing arrangements. So we are working out new models to try to deal with it, and we are working in that area that you specified.

The Hon. IAN COHEN: Specifically, are you looking at utilising an underutilised rail system that would facilitate transport from the northern regions to Sydney? It would be a great asset to the entire region to have a regular, localised rail transport system of some sort, albeit on a small scale.

Mr DEEGAN: We are looking at those issues. State Rail provides bus services through CountryLink. There is a combination of issues, and that is part of the investigation we are conducting. The North Coast, as you know far better than I, is a huge growth area. We are going to have all sorts of transport issues coming at us. We are working with councils and other community groups on those regional transport planning issues. Certainly the transport plan presented and prepared by the Shoalhaven council group is a terrific model of how you deal with those issues—not dissimilar issues, although not quite the same size as the North Coast.

The Hon. IAN COHEN: However, for another year there will still be no local rail transport option.

Mr DEEGAN: Planning is under way, and we are working with those community groups to try to address those issues as soon as we can. We think that with the existing money we can do a lot better, and we are trying to do that.

CHAIR: The Committee will now deal with the Roads portfolio.

The Hon. CHARLIE LYNN: I raise a concern with regard to motorcyclists using the M5 East tunnel. Given that peak hour traffic in the tunnel comes to a halt and in summer there is haze, there is no room for motorcyclists to make their way through. Cars are airconditioned, but motorcyclists are forced to endure all weather conditions. Is there a likelihood of long-term health problems being caused to motorcyclists as a result of being stuck in the tunnel?

Mr FORWARD: The tunnel is monitored. I think it is rarely the case that traffic in the tunnel is ever at a complete halt. The traffic moves; there are no traffic lights to impede it. The only time that traffic in the tunnel would ever be at a halt would be if there were an accident in the tunnel. If that is the case, we stop traffic from going into the tunnel. Given the time it takes to go through the tunnel, my advice is that there are no adverse health effects on motorcyclists.

The Hon. CHARLIE LYNN: It is a health question, because on a number of occasions I have been on a motorcycle when the traffic has come to a halt, and I do not like what I have to breathe in. The situation will only be exacerbated as traffic increases in the tunnel in the longer term. I would like to know whether you would give an assurance that there are no health risks. The driver of a car can enjoy airconditioning—

Mr SCULLY: There is no evidence to suggest that it is a concern to motorcyclists.

The Hon. CHARLIE LYNN: I refer to the Rebuilding Country Roads Program. How much money was spent on the completion of projects as part of the program in 1998-99, 1999-2000, 2000-01 and 2001-02 to date? How much money has been allocated to the Rebuilding Country Roads Program for 2002-03?

Mr SCULLY: I will take that question on notice.

The Hon. CHARLIE LYNN: Which specific road and bridge projects were undertaken as part of the Rebuilding Country Roads program, and what was the cost of these projects during 1998-99, 1999-2000, 2000-01, 2001-02 and 2002 to date? Please list the road projects that will be completed in the 2002-03 financial year, and at what cost?

Mr SCULLY: I will take that on notice.

The Hon. CHARLIE LYNN: I refer to electronic tolling. How will the Roads and Traffic Authority [RTA] enhance the great interoperability of electronic tolling across New South Wales in 2002-03 and at what cost?

Mr SCULLY: Electronic tolling is not a question for "across New South Wales". It is an interstate question but it is primarily a Sydney question. We are endeavouring to achieve interoperability with Melbourne tollways, which I understand we have virtually successfully implemented, or just about.

Mr FORWARD: Not quite.

Mr SCULLY: We are almost there. There is interoperability with the Eastern Distributor, the Sydney Harbour Bridge, the Harbour Tunnel and the M5, and the M2 and the M4 will roll out later this year. Perhaps Paul Forward may answer that.

Mr FORWARD: The M2 has signed a contract with Queue Free, which put the equipment in for the Sydney Harbour Bridge and the Harbour Tunnel. The equipment has been installed. They are now considering the purchase of tags and the best way forward with that purchase of tags. The M4 has also entered into a contract and the equipment has been installed. They are now carrying out tests on that equipment.

Mr SCULLY: In the next several months I would expect motorists to need only one tag for all motorways, and hopefully Melbourne as well.

The Hon. TONY KELLY: Which one will it end up being?

Mr SCULLY: The tollway you use most is where you would have your account but the tag that company issues to you will be interoperable with everywhere else. If you mostly use the Sydney Harbour Bridge you will use an RTA tag. If you mostly use the M5 you use an Interlink tag and if you mostly use the M2 you use an M2 tag. They will all be interoperable and there are commercial clearing processes where all the funds come in to a pool, effectively, and they are disbursed according to who used what tollway.

The Hon. CHARLIE LYNN: How many fixed digital speed cameras are located in the Sydney metropolitan region and how many are located in the rest of New South Wales outside the Sydney metropolitan region?

Mr SCULLY: It is probably best if I take that on notice. I think most of that is on the public record. I am certainly happy to put on the record where decisions have been made to locate them. I think we have about 60 in the system and about another 40 are to follow. They are located at what we call black links, where there has been a history of fatalities, serious injuries or significant property damage. They are located in consultation with the police and the NRMA. We have found absolutely demonstrable benefits. There has been a noticeable reduction at every site—fewer fatalities, fewer serious injuries and less property damage. I think you will find the public will receive these well.

To anyone who complains about them being revenue raising, I remind them to take note that before every speed camera there are three signs effectively saying: We do not want you to pay a fine, will you please take note that there is a speed camera ahead. There is a speed camera ahead because you are about to go into a black link. We do not want you to speed, because of the history of this site. Please slow down. We cannot be more stark but people seem not to want to read these signs. They go through and complain. We do not want their money, we do not want them to get demerit points, we want them to slow down, because people have been killed, seriously injured or hurt or their cars had been smashed up. We do not want that to happen anymore.

The Hon. CHARLIE LYNN: Could I suggest then that you paint them in yellow and black or something that stands out a little more, because sometimes you become a bit oblivious to the blue and white.

Mr SCULLY: I am happy to consider that, but one thing I insisted on which the RTA accepted was that the sign actually include the speed that the speed camera will be set at. It will be 60 or it will be 70, and be painted on the road. They are big boxes. I understand Victoria does not put signs up, and hides them in shrubs. We do not. They are out there and you can see them. I think after a while people get used to the fact. If they do not see the three signs and they do not see the big box, they will get their infringement notice and they will not speed through there anymore. That is good. Ultimately I hope we do not get any money at all, because it means everybody is aware of where they all are. It is no secret, I want everyone to know where they all are, because then they will slow down.

The Hon. IAN COHEN: Would the police Minister agree with you?

Mr SCULLY: The funds go to Consolidated Fund. They do not go to the police or to the RTA; they go to Treasury, and rightly so. This notion that they should go to the RTA is nonsense because that would make it attractive for the RTA to locate them in areas where they might generate revenue and not reduce fatalities, serious injuries and significant property damage.

The Hon. DAVID OLDFIELD: I will just cross out that question.

The Hon. CHARLIE LYNN: Minister, is it intended to increase the number of such cameras in the 2002-03 financial year, and, if so, by how many for both Sydney and outside Sydney?

Mr SCULLY: The total number will be 100. Just following up the comment by the Hon. David Oldfield—thank you for that—Treasury provides a separate line item to the RTA for the capital cost of implementing them. It does not come out of the roads program. Neither the cost of putting them in nor the revenue obtained from them has anything to do with the roads budget.

The Hon. CHARLIE LYNN: What is the total number of infringement notices that have been issued for cameras located in the Sydney area and cameras located outside Sydney for the year 2001-02?

Mr SCULLY: I will take that on notice.

The Hon. CHARLIE LYNN: How much revenue was collected by the issue of such infringement notices in 2001-02?

Mr SCULLY: I will take that on notice.

The Hon. CHARLIE LYNN: What is the estimated amount of money that will be collected for infringement notices for the period 2002-03?

Mr SCULLY: I will take that on notice.

The Hon. CHARLIE LYNN: Could you advise where such revenue is reflected in the budget?

Mr SCULLY: You will have to talk to Treasury. I think there is a line item in the budget. Fines is more a question for the Treasurer. I think there is a line item for fines, and it would include that.

The Hon. CHARLIE LYNN: Minister, what is the process for determining where such cameras will be located, and which authorities and government departments are involved in this process?

Mr SCULLY: The RTA is the lead government agency on road safety. It is the lead agency for collating road safety figures but it consults closely with the Police Service and the NRMA. The accident statistics of a particular site or sites are collated and basically it is fatalities, serious injuries, significant property damage or—in some cases but not many—it may include near misses. Mostly it is that record of fatalities, serious injuries and significant property damage. The police and the NRMA are consulted.

The Hon. CHARLIE LYNN: Who has the call on it?

Mr SCULLY: The RTA makes the call.

The Hon. CHARLIE LYNN: So, if the police make a recommendation of one area and the RTA has a different idea, the RTA—

Mr SCULLY: Well, I am not aware of disagreements to date. There has been no disagreement to date from any of those parties. There may well be in the future, and the RTA will make the call.

The Hon. CHARLIE LYNN: How are the day-to-day operations of the cameras carried out? That is, how are they maintained and the pictures and fines processed?

Mr SCULLY: In a move by the Government towards embracing technology what effectively happens with the system is if you were to drive through ignoring the three speed signs and exceeded the speed limit, you would be picked up by the camera. It takes an image of your car. It is immediately emitted by email from the digital camera at the speed of light to the Infringement Processing Bureau. A police officer in front of a computer screen determines that an offence has been committed, presses enter and there is an automatic posting system. Before you get home it is in the mail.

The Hon. CHARLIE LYNN: So this is done by police, not outside contractors?

Mr SCULLY: The Infringement Processing Bureau. I might add that the digital cameras take up to 40,000 images before they need maintenance. They are very efficient and technologically advanced. Motorists should be aware—I want them to be aware—that these are not boxes that might have film in them and might not have film in them or the maintenance guy might have got the ladder up and lifted the top and taken the old film out. Sorry, it is optic fibre. It whizzes through and if you pass it in excess of the speed limit you will be booked. I want people to know that because I want them to go through at the speed limit. The simple reason is that people are being killed and hurt, and I do not want that to happen. I am sorry, I have just been corrected. It is optic fibre in the city, but Mr Forward advises me it is on a CD in the country.

Mr FORWARD: It is on a digital CD, where you cannot provide access to optical fibre.

The Hon. CHARLIE LYNN: If I could just return to the question I asked earlier on the M5 East Tunnel. I think Mr Forward said there was no evidence of any problems but is there any evidence of any health risk in the tunnel?

Mr FORWARD: The advice we have from the Department of Health is that there are no health risks.

Mr SCULLY: We have very strict standards that we have to comply with.

The Hon. CHARLIE LYNN: I would say it is like emphysema—you smoked in your twenties but the problem does not emerge until your sixties and seventies.

Mr SCULLY: We have very strict standards that we are required to comply with. The RTA is the road builder, unlike under the previous Government where the RTA was the judge, jury, defence and prosecution on its projects, such as the M2. We have to comply with requirements from the Environment Protection Authority, the Department of Health and the Department of Planning. A lot of mischief and nonsense has been put out about the M5 East. If I can give an example, the idea of putting in filtration technology—that does not work, but assuming for the moment that it did—would effectively be an eye dropper of clean air in a room this large. So you have an air shed that is already polluted from industry, from the exhaust of cars around and about, from wood fuel heaters—there is a variety of reasons why there are levels of pollution in our air shed. This notion that the M5 East has suddenly caused a polluted air shed in the southern and south-western suburbs of Sydney is arrant nonsense. The local community needs to move on. I understand they did not want a stack near where they live, but we need to move on. We have had the debate, we have had the international forum with experts and we have strict standards that we have to comply with. Yes, there is a bit of a haze from time to time in the tunnel. The assurance I have is that it complies with those standards.

The Hon. CHARLIE LYNN: How many complaints had been received by the RTA in regard to air quality problems in the M5 East Tunnel or residents near the M5 East stack suffering asthma for the first time or increased asthma, itchy eyes, headaches and sore throats and health problems near the portals? What is the RTA doing as a result of these complaints?

Mr SCULLY: We are required to ensure that those standards are complied with. We have commenced an audit of compliance and if there are any exceedances of those standards, that will be viewed very dimly by me and by the RTA. Boulderstone Hornibrook is the maintenance operator of

the systems that maintained the tunnel and the ventilation systems. We get complaints from the local community from time to time about alleged effects on their health. It is anecdotal, unscientific and not atypical of what they said they were going to suffer well before it was opened.

The Hon. CHARLIE LYNN: If I could just return to speed cameras. What is the overall cost of administration in relation to the operation of speed cameras?

Mr SCULLY: I will take that on notice.

The Hon. CHARLIE LYNN: Do the police operate non-fixed cameras in cars?

Mr SCULLY: That is a matter for the police. The RTA operates a fixed digital speed camera program. Mobile cameras are operated by the police. I cannot answer questions in relation to their programs.

The Hon. DAVID OLDFIELD: Minister, a few minutes ago you talked about particulate matter relevant to the M5 East. It has been suggested to me—as you mentioned a moment ago—that wood or coal-burning heaters are being blamed for perhaps more particulate matter than is being produced by cars on the M5 East. How does the Government proposed to respond to that?

Mr SCULLY: That is a good question, Mr Oldfield. I believe that is correct. The evidence suggests that wood and coal-fired heaters in the south-west of the southern suburbs of Sydney probably are causing more emission problems than the M5 exhaust. The buy-back scheme was part of our conditions of approval. We have to offer \$500 each to people at various places—in Botany Bay, Rockdale, Marrickville and Canterbury councils and parts of Hurstville City Council—to help them replace their old coal or open wood fire heaters. The advice is that if only 10 per cent of the users of wood or coal burning heaters take up the option, it is likely to reduce particulate matter in the southern Sydney area by far more than the M5 East contributes. So that is a good point.

The Hon. DAVID OLDFIELD: That 10 per cent figure is incredible.

Mr SCULLY: I would invite people to take up that option.

The Hon. DAVID OLDFIELD: As a matter of interest, for the rebate of \$500 a year, is it proposed that the wood and coal burning heaters be replaced with gas heaters, for instance?

Mr SCULLY: Yes. People would have to undertake to purchase a gas, oil or electric heater.

The Hon. DAVID OLDFIELD: The member for Manly recently raised adding a lane on Spit Bridge by taking out one of the pedestrian crossings on the western side of the bridge, and changing the central area of the median strip to create four lanes heading to the city or coming back from the city in the two peak hours, morning and afternoon. This was proposed recently by the member for Manly, but it was proposed by me several years ago and put out in leaflet form. It was also proposed by the One Nation candidate in the 1999 State elections who put out a similar leaflet. Is there any possibility of such a thing taking place? Is the RTA looking seriously at some means of alleviating the traffic bottlenecks on the Spit Bridge? If not, why not? Otherwise, is there something that the Government will do for the people of the peninsula?

Mr SCULLY: We have had a look at this for a little while. The first act was one of lunacy by Mrs Chikarovski and Mr Brogden, when they committed to the \$1.5 billion superhighway under the harbour, with stacks in all sorts of locations on your side of the peninsula. If it was a \$3 toll each way, I think you would have to raise \$1 billion. If the toll were to fully cover it, it would probably be \$15 each way—just absolute nonsense stuff. I asked the RTA to examine it. They did some costings. Their recommendation was that it is in the area of unreality, fantasyland stuff.

Mr Barr has put to me that we need to do more down there. Jim Reed, the Mosman mayor, and I have gone on site and had a chat about a few things. We are having a look at what Mr Barr has put. I cannot respond yet. But it is an issue. The Opposition has put lunacy on the table. We need to make sure that the public knows that that is lunacy, and we will continue to tell the public that. Mr Barr has a far more practical and realistic approach to things. I have told him that we will consider

what he has put. But I am not in a position to say that we have completed our assessment. We have not.

The Hon. DAVID OLDFIELD: My understanding is that several years ago what is now the Barr plan was costed by the RTA, and it was suggested that the addition of a lane by converting a walkway was estimated to cost about \$3 million.

Mr SCULLY: That sounds unrealistic.

The Hon. DAVID OLDFIELD: Do you mean unrealistically cheap?

Mr SCULLY: Unrealistically low, yes. But we have not completed the assessment of that proposal. I am not sure whether it would work or not work. I treat Mr Barr's comments seriously. He is a very good local MP and deserves to be re-elected—unless a much better Labor candidate comes forward of course.

The Hon. DAVID OLDFIELD: Unlikely!

The Hon. CHARLIE LYNN: You have already got one. He does your bidding. You should be happy with him.

Mr SCULLY: Such cynicism, Mr Lynn, from such a young man as yourself.

The Hon. DAVID OLDFIELD: How do Harbour Bridge revenues stand since the increase of the toll?

Mr SCULLY: This is interesting. We have committed most of those funds to the bush for country road maintenance. You may have heard some of the things that I put on the record. The RTA came to me a while ago, having completed an assessment of what maintenance needed to be invested in over the next few years, and said they needed another \$240 million over the next four years for road maintenance, primarily in the bush, and we needed to raise those funds. The Treasurer indicated the budget was constrained; there were commitments across other portfolio areas to which the Government needed to commit. I accepted that. I needed to raise those funds, so I did so partly by raising the bridge toll and partly by increasing various fees.

The Hon. CHARLIE LYNN: Using the Robin Hood approach.

Mr SCULLY: I think the people on the north side who use the bridge recognise that they are contributing to folks out in the bush. I think the people of the north side recognise that, with the Parramatta rail link, the Lane Cove tunnel, the north-western transitways and upgrading of Windsor Road, the thousands of folks who use the Harbour Bridge are putting \$28 million into the bush. That is a pittance compared to the hundreds of millions of dollars of public funds going into the northern and north-western suburbs of Sydney. This is a very small return to countryfolk. When I go out and talk to countryfolk and tell them what we are investing in the north shore of Sydney, and how much north shore folk are putting into the bush, they are surprised how little that is.

The Hon. DAVID OLDFIELD: The 90 kilometres an hour zone on the Newcastle freeway around Mt White—

Mr SCULLY: Just north of the Hawkesbury, going up the hill.

The Hon. DAVID OLDFIELD: Yes. It suddenly goes from 110 to 90 for reasons that I do not fully understand, then returns to 110. Why is that? My recollection is that at one stage it was 110 all the way. There may have been accidents, or whatever it was, but that stretch now has a 90 kilometres an hour speed limit for reasons that are not apparent to me.

Mr SCULLY: There were about three fatalities in a three-year period. Some of our speed checks suggested that some people treated the 110 as the starting point from which to add another 15 to 20 kilometres an hour, so we often had fools going up and down there at 130 kilometres an hour and, not surprisingly, on those steep and winding sections of the freeway, people were being killed

and seriously injured, and there was significant property damage. We have had a huge improvement in the road safety record of the F3 since that section was reduced to 90 kilometres an hour. There have been some complaints, such as, "Why don't you put it up to 110?" In the face of three fatalities, significant injury and property damage, compared with virtually none now, my response is it is staying at 110 kilometres an hour.

The Hon. DAVID OLDFIELD: I will ask another question and then ask a question that has been handed to me. It is a minor matter to a degree, but I found it quite interesting. I think I mentioned it to you in passing a few months ago. An RTA message recorded on 28 or 29 January advised that the RTA office would be closed on 26 January.

The Hon. TONY KELLY: I got that message.

The Hon. DAVID OLDFIELD: It is not a huge deal, but it seemed strangely inefficient to record a message about a public holiday that had already passed. Is there a normal procedure for those sorts of things?

Mr SCULLY: This is an organisation of 7,000 people.

Mr FORWARD: Was it head office that you called?

The Hon. DAVID OLDFIELD: No. I think it was the normal 13 number. It was not any specific office, as far as I am aware. It was akin to somebody not changing his home answering machine message.

Mr FORWARD: I can only apologise for that.

Mr SCULLY: Our apologies for that. We like to think we run a good system, but we do not pretend it is perfect.

The Hon. DAVID OLDFIELD: I got more of a laugh out of it than anything, but I thought it was odd.

Mr SCULLY: If that is all you have got to complain about, I think we have succeeded.

The Hon. DAVID OLDFIELD: I do not have a lot of complaints. As a matter of fact, recently I had occasion to deal with the RTA regarding number plates and a couple of other things, and I was really impressed with how much easier it is to get things done from my local office compared with the position in past few years. I do not think that has happened in the past few months, but I certainly remember what it used to be like to have to deal with the RTA, as opposed to these days, which is really very good.

Mr SCULLY: I take that on board. I do not pretend to say it is something attributable to the previous Government. I think over a sustained period of years registry services were not as efficient as they could have been. Some reforms started by the previous Government have been continued by this Government. My own personal experience of using registries that I suspect do not know who I am is that they work pretty well. All the anecdotal feedback is that the system works well.

The Hon. DAVID OLDFIELD: Why does the M5 East stack not appear on any pollutant inventory? Perhaps I should ask whether it is correct that the M5 East stack does not appear on any pollutant inventory.

Mr SCULLY: I am not sure what you mean by that.

Mr FORWARD: It has been licensed by the Environment Protection Authority and is one of the conditions of approval.

The Hon. DAVID OLDFIELD: Is it correct that there is no pollution licence for the M5 East exhaust stack?

Mr SCULLY: The Minister for Planning approved it subject to a whole series of conditions, and I understand it has a licence to operate issued by the EPA.

The Hon. IAN COHEN: What are the current energy costs of operating the ventilation system of the M5 East? How do they compare with the Harbour Tunnel and the Eastern Distributor?

Mr SCULLY: I will take the question on notice.

The Hon. IAN COHEN: Would you take this question on notice also? How many tonnes of greenhouse gases does this uniquely complicated, and some say expensive, ventilation system produce?

Mr SCULLY: The ventilation system is not producing greenhouse gases.

The Hon. IAN COHEN: Yes, the ventilation system itself.

Mr SCULLY: It is minimal. I have to say that motor vehicles on that motorway are emitting less exhaust than they were prior to the M5 East being opened. We can all remember Bexley Road, Stony Creek Road, Forest Road and all the traffic congestion. There is far less exhaust emission as a result of the M5 East being opened.

The Hon. IAN COHEN: It would be still less if everyone was happy with public transport.

Mr SCULLY: On-time running is better now than it has ever been.

The Hon. IAN COHEN: Perhaps on notice you might let the Committee know what has been the extra cost of running the fans at a higher speed to comply with the legal agreement with RAPS.

Mr SCULLY: I am happy to take that question on notice.

The Hon. IAN COHEN: RTA data released only last week shows the tunnel and stack fans have operated below the required speeds on at least 49 days between February and May, and for much of this time they were turned off. The RTA claimed these new fans were off for maintenance. In any case, if the fans had to be turned off, should not the tunnel have been closed?

Mr SCULLY: Most of those statements were for publicity and contained little fact.

The Hon. IAN COHEN: I am asking you the question.

Mr SCULLY: My disappointment is that RAPS makes a comment and everyone treats it as gospel truth. A lot of it is mischievous and misleading.

The Hon. IAN COHEN: Were they not turned off?

Mr SCULLY: I am not saying all of it is mischievous, but a lot of it is mischief-making. I am happy to have Mr Forward respond and tell us the reality.

Mr FORWARD: I understand that on a limited number of occasions some of the fans had to be replaced, and they were replaced within a day of that being reported, or very soon after they had been reported. Are the fans in the ventilation shaft one of the issues you are referring to?

The Hon. IAN COHEN: Yes.

Mr FORWARD: The fans in the ventilation shaft were operational. They had to be operational to vent the tunnel. At night fewer fans are in operation because there is less traffic and, therefore, less need to vent the tunnel. However, more fans are in operation than were previously required, in keeping with the agreement with WRAPS to operate more fans at a high speed.

The Hon. IAN COHEN: I have had a number of complaints, not just necessarily from one organisation. A number of people have complained that at night the tunnel has been operating without the use of fans at Turrella. Can you confirm or deny that?

Mr FORWARD: Within the tunnel or the stack itself? The stack must operate with fans.

The Hon. IAN COHEN: I understand that it is the Turrella stack.

Mr FORWARD: I do not believe that is the case.

The Hon. IAN COHEN: You disagree with that?

Mr FORWARD: I have not had any report to indicate that is correct. My understanding is that fans have been operating 24 hours a day. A different number of fans might operate, depending on the time of day.

The Hon. IAN COHEN: Can you give details on notice of the operation?

Mr SCULLY: I am happy to do that. But this notion that we switch them off for the hell of it is absolute nonsense. The statements were to that effect and the reporting was to that effect. It is utter nonsense. If they were not operating in accordance with the agreement it would have been because of maintenance or other operational decisions, and it would have been for a short period.

The Hon. IAN COHEN: That may be the case, but I have had a number of complaints from people living in the area who believe that the fans have been turned off and that there has been more pollution in the immediate locale as a result, and also a concern that the tunnel's fire and emergency response systems require the use of these fans. I ask the question: Is it not a major health risk? If it is not a major health risk, you can tell me that.

Mr SCULLY: If they are talking to you about the fire and deluge systems in the tunnel, they are absolute world-class, state-of-the-art systems. The deluge system in there is the like of which has never been put in any other tunnel. But I caution you about the stuff that you are given from some of the people involved who have not accepted the opening of the M5 East, have not accepted the way in which the approvals went through, and have not accepted how the exhaust systems have been handled.

The Hon. IAN COHEN: It is democracy.

Mr SCULLY: No, they do not have to. It is up to them. That is the great thing about this —

The Hon. IAN COHEN: You may be somewhat irritated by what you agree have been relentless and effective community groups.

Mr SCULLY: They were heard, and I only wish them well.

The Hon. IAN COHEN: For relief, I will go to another area. Have any residents been moved from the Eastern Distributor exhaust stack area for health reasons? If so, have they been public housing residents? Has any resident local to the Eastern Distributor stack been asked to sign confidentiality clauses?

Mr SCULLY: I am not aware of any.

The Hon. IAN COHEN: Would you like to check on that and get back to me?

Mr SCULLY: I am happy to get advice and find out.

The Hon. IAN COHEN: That is the information I have.

Mr SCULLY: It certainly sounds unusual. It does not sound correct. But I will get some advice on that.

The Hon. IAN COHEN: I appreciate that. I have had an ongoing interest in the South Coast charcoal plant. Could you tell the Committee what the usual planning process is for the RTA to consider major new industrial development, such as the Mogo charcoal plant and associated additional traffic, especially truck movements to be established outside recognised industrial and built-up areas? I would like you to explain the process of negotiations so far with the Mogo charcoal plant, particularly given the condition of the Princes Highway in that area with extra truck movements. You may be aware of the state of the road, the nature of that road in terms of the impact of more heavy truck movements on that section of the Princes Highway.

Mr SCULLY: Perhaps if I speak in general terms, the usual procedure is that the Department of Planning consults and seeks the advice of the RTA. We would make certain recommendations about the desirability of the project going ahead, what its impact might be on the road network and whether there ought to be any developer contributions. We do not have a consent role. I do not have a consent role. We cannot oppose a project, but in general terms from time to time there can certainly be quite strong discussions within both of those departments about certain issues. I cannot comment specifically on that project. It is one that you would need to address primarily to Minister Refshauge. I do not know whether Paul Forward has anything in detail that he might want to say about the particular project.

Mr FORWARD: I confirm what the Minister has said. We do not have, and the Minister does not have, an approval role in projects like that. We were asked for advice, and we were asked to review the traffic forecasts in conjunction with the plant. Our advice was that the impact on the road network was assessed and in terms of the number of vehicles it was a reasonable assessment. In terms of the total number, the additional impact on the road network was relatively small.

The Hon. IAN COHEN: I turn now to Kosciusko ski resorts. Could you inform the Committee what steps are proposed to ensure that conservation priorities associated with Kosciusko National Park are fully considered by the RTA for its future management of the Alpine Way and other main roads within the park that are to be passed to the control of the RTA as a result of the Walker report?

Mr SCULLY: These very challenging issues for both National Parks and the RTA have not yet been resolved. We expect them to be resolved in the short to medium term. It is a question of what condition the road would be transferred in and what obligations the RTA might inherit, whether there is supplementation from the budget, what work might have to be taken over a sustained period of time, and things of that nature. The Walker coronial inquiry and the terrible tragedies that occurred with the land slip have rightly caused the RTA and the National Parks to be concerned to make sure that that sort of thing does not happen again. But a number of issues have not yet been resolved.

The Hon. IAN COHEN: Would you tell the Committee the Government's target to reduce road freight transport in the year 2002-03? Or is there another plan on that?

Mr SCULLY: I assume that you are talking about increasing rail freight?

The Hon. IAN COHEN: Yes.

Mr SCULLY: It is desirable to get more freight on rail. We are building the line going out of Port Botany. Discussions with the Australian Railtrack Corporation have an interesting bearing on this. Whether that might mean added investment from the Commonwealth is one of the factors we are taking into account. A dedicated freight track from Macarthur, Chullora to Port Botany would make an enormous impact in getting containers off road and onto rail. The strategy of Sydney Ports to build intermodal terminals around Sydney is about moving more containers off ship onto rail and out to intermodal terminals where trucks then distribute them much closer to the warehouses they are required to be delivered to. The possible construction of a container terminal at Newcastle means potentially a lot more containers on rail. We look at places out at Blayney, for example, FCL, where they come in, the trains deliver or pick up, trucks come to those sites, which shows an industry moving to seamless logistics rather than necessarily truck versus rail, particularly with the sale of FreightCorp and National Rail, where one owner owns a heavy vehicle freight delivering entity and now owns a heavy rail delivering entity. You will find one-stop-shop seamless delivery of transport. Probably as a result of the sale of FreightCorp, more business will go on rail.

The Hon. IAN COHEN: Have funds been allocated to the Waterways Authority for ports in New South Wales to reduce road freight?

Mr SCULLY: To Waterways?

The Hon. IAN COHEN: Yes, to the Waterways Authority for ports.

Mr SCULLY: No. Waterways is charged with regulating charter vessels and the recreational boating industry. You would be referring to Sydney Ports Corporation, which has funds for the development of intermodal terminals, which it is developing. Rail Infrastructure Corporation has funds for the development of the dedicated line that is coming out of Port Botany to Chullora, which is being upgraded to take more rail.

The Hon. IAN COHEN: Upcountry from my last question, has your department made an allocation for the cultural heritage study in the construction of the Brunswick Bridge in the north of New South Wales?

Mr SCULLY: Cultural heritage?

The Hon. IAN COHEN: Yes.

Mr SCULLY: We have spent a lot of time on that project. I believe you will be happier—I am not say that you are entirely happy—with the outcome. There were a lot of changes to the original project.

The Hon. IAN COHEN: I am aware of that, but were funds allocated for a cultural heritage study?

Mr FORD: That was assessed as part of the environmental impact statement's broader project.

Mr SCULLY: Once again, that is another example of where there comes a point where you have so much consultation that you need to move on. There has been ample consultation with the local community on that issue. We need to move on and get a defined project, then get it built. They have certainly had the opportunity of being listened to. Significant changes have been made to the project. There is still a sizeable and vocal entity in that local community that does not want it. They have been told that there have been changes. We need to move on and build it.

The Hon. CHARLIE LYNN: The budget papers state that work will continue on remediation of the Hume Highway at Mittagong. My question refers to bridges on the Hume Highway on the stretch of road comprising the Mittagong bypass. Did RTA officers design the road bridges? If not, who did?

Mr SCULLY: I will take that on notice. I hope you share my concern about the Ozlink proposal, which will involve the application and withdrawal of the Commonwealth from 100 per cent Commonwealth responsibility for national highway funding. We cannot let them get away with that. I am putting out a hand of bipartisanship to you and your colleagues at a State level to make sure that the Commonwealth Government continues its 100 per cent of national highway funding. If they get away with this Ozlink proposal, national highways will end up as goat tracks and you will be worried about a lot more than the design of bridges.

The Hon. CHARLIE LYNN: Do you know the cost of the original bridge construction?

Mr SCULLY: I will take that on notice.

The Hon. CHARLIE LYNN: What was the nature of the problem discovered with the structure and capacity of the bridges?

Mr SCULLY: I am not aware of the problem, but I will seek advice and a report on notice.

The Hon. CHARLIE LYNN: Could you also advise when the problem was discovered?

Mr SCULLY: I will seek advice and report on notice.

The Hon. CHARLIE LYNN: Can you explain why these problems were not understood or factored into the original design and construction?

Mr SCULLY: I am not. I am not aware of any concerns. However, I assume from your question that there have been concerns. I am happy to get advice on those concerns and answer them.

The Hon. CHARLIE LYNN: Could you advise what is the cost of rebuilding the bridge?

Mr SCULLY: If necessary, I assume.

The Hon. CHARLIE LYNN: Yes.

Mr SCULLY: I will seek that advice.

The Hon. CHARLIE LYNN: Could you advise when the work will be complete?

Mr SCULLY: I will take all that on notice.

The Hon. CHARLIE LYNN: In regard to Consolidated Fund appropriations, interstate vehicle registration fees increased from a budgeted amount of \$9.8 million to a revised amount of \$12.45 million. What precipitated this increase?

Mr SCULLY: Extra registrations. I am not sure why.

The Hon. CHARLIE LYNN: That is the increase in interstate vehicle registration fees.

Mr SCULLY: Uniform national charges have gone up; that is the CPI increase.

The Hon. CHARLIE LYNN: Could you advise and list the projects on which the untied Commonwealth road funds were expended?

Mr SCULLY: I will take that on notice.

The Hon. CHARLIE LYNN: Could you also advise from what specific revenue streams the Consolidated Fund appropriation was sourced?

Mr SCULLY: I will take that on notice.

The Hon. CHARLIE LYNN: Could you provide an update, in the spirit of bipartisanship, on the status of any plans for a third lane between Campbelltown and Liverpool?

Mr SCULLY: That is a national highway and would require Commonwealth funding. I am happy to join with you in calling on the Commonwealth to fund that. As a Campbelltown resident you would be aware—I believe you are still a Campbelltown resident—

The Hon. CHARLIE LYNN: Camden.

Mr SCULLY: You would be aware of the congestion, particularly coming into the Crossroads. I am happy to take this opportunity to call on the Feds to fund the widening between Campbelltown and the Crossroads.

The Hon. CHARLIE LYNN: Would you also consider joining with them to have the plans for the Western Sydney Orbital changed from starting at Camden Valley Way, with the increasing population out there, to starting at Campbelltown?

Mr SCULLY: That would not be possible. We are in the middle of a tender process that is about to be concluded. The funding of it involves detailed assessment of where the project would start, which is basically just beyond Camden Valley Way. It would be unviable probably as a project if it started down at Campbelltown. I do not think the people of Campbelltown would want to have a freeway converted to a tollway. The Western Sydney Orbital is a tollway. I do not think the people of Camden and Campbelltown would want me to inform them that you support a toll for that section of the road. Is that correct, Mr Lynn?

The Hon. CHARLIE LYNN: That is correct.

Mr SCULLY: I did not think they would want to be hearing that message.

The Hon. CHARLIE LYNN: They would also like a refund of the GST they have to pay on the—

Mr SCULLY: As long as we are clear. I will give credit where it is due. Mr Anderson has provided \$350 million of Commonwealth funds to enable a viable toll project. But the nearly \$1 billion of additional funds is coming primarily from Western Sydney motorists and interstate road hauliers. The cost of widening to six lanes from four from Campbelltown to the Crossroads would not be insignificant and could not be included as part of the Western Sydney Orbital tollway project. But I would call on the Feds. I think they should seriously think about that. But you should be worried about Auslink. If that thing gets up it will be an Ausdud. It is an Ausdud. It is an outrageous plan. If he gives me the original copy I am going to push it through the shredding machine, because that is where it belongs—in a bin in tatters.

The Hon. CHARLIE LYNN: I move on to the operating statement. What were the "other operating expenses" that were cut from a budget amount of \$315.074 million to a revised figure of \$302.882 million in 2001-02? That is at page 19 to 29 of the operating statement.

Mr SKINNER: That is largely due to productivity savings.

The Hon. CHARLIE LYNN: What further cuts have been made to reduce that figure to the \$291.132 million in the 2002-03 budget?

Mr SKINNER: Again, productivity savings for the next financial year.

The Hon. CHARLIE LYNN: Why was the maintenance budget underspent in 2001-02 and why has it been reduced from the 2001-02 underspent amount of \$592.201 million to \$583.095 million under this budget?

Mr SCULLY: I do not know on what basis you have said it is underspent. The Auditor-General has requested that we change the way in which maintenance is accounted for. The difficulty is that from 2001 to 2002 we are going from apples to oranges. They are not comparable. I know that the shadow Minister for Roads was trotting all round the State saying that we had cut road maintenance. It is untrue. There are certain significant maintenance programs that the Auditor-General said should be properly called capital. The comparable figure for 2001-02 is \$703 million. The actual maintenance figure is \$765 million and the apples with apples comparison pre the Auditor-General's recommendation to change the way we accounted for maintenance is \$803 million. The Auditor-General took the view that certain life-expired parts of the road network that we were completely rebuilding were not maintenance. We treated them as maintenance because the road was already there. We were maintaining them by replacing a lot of the bitumen sheeting. The Auditor-General took the view that because it was a complete rebuild it is a capital program and should be treated as capital. There has been no reduction in maintenance. I suggest you check your bookkeeping.

The Hon. CHARLIE LYNN: Minister, has not your colleague Martin Ferguson stated that the Federal Government has stolen the Auslink concept from Federal Labor, and do you condemn your Federal colleagues in regard to this?

Mr SCULLY: Thank you for the looping full toss on leg side. Martin Ferguson has my utmost respect and will make a very fine Federal Minister after the Federal 2004 election. I absolutely agree with him that there should be a national transport plan. I have been asking and asking and asking and asking until I am blue in the face and almost exasperated for breath. Every time we have an Australian Transport Advisory Council meeting of Ministers around this country I ask John Anderson, "Where is the Australian land transport plan?" At every meeting, twice a year, I ask for a copy. I keep asking him to prepare an Australian land transport plan to advise this great nation of ours what he thinks are the corridors, road and rail, and even the shipping lines, that might be of interest to transport Ministers around the country—what should we be doing about them? In a moment of frustration we endeavoured to start doing it for him. Now we have a National Road Transport Commission.

I am very amused that John Anderson has discovered rail transport as the panacea for all freight ills. I said to him three years ago, "We should abolish the National Road Transport Commission and create a land transport commission that will have an integrated road-rail approach to this country's transport needs." He was overwhelmed with pressure from the heavy vehicle industry and he strenuously and strongly rejected the proposal. In the face of very significant Commonwealth political and administrative resistance we managed to establish a national transport secretariat based in Brisbane which had the task of recommending some of the things that a land transport plan would bring forward.

I continued to say to John Anderson, "Yes, it is a good thing to have an Australian land transport plan but we need a land transport commission." What he has said is, "We have now decided, after 6½ years in government, that we are going to have a land transport plan." Martin Ferguson was right absolutely. He and I agree that there should be a land transport plan. Where is the plan? All we have now is a decision to have a plan—after six and half years in Government. So I think it is pretty ordinary. The only commitment we had in that document—and I read it carefully—other than that it was now time to have a plan was that they are going to walk away from 100 per cent national highway funding.

He is going to use the land transport fund under the Australian Land Transport Development Fund Act—\$1.8 billion a year—for what he calls an integrated road-rail land transport plan. I would say an integrated road-rail transport plan is a terrific idea. An Australian land transport plan is a terrific idea. Martin Ferguson's support for it is terrific. And to John Anderson I say: Thank you, finally you have come up with it. But you cannot use the existing national highway fund as a transport funds. It is there for national highways and roads of national importance, and a small amount for black spots.

Instead of growing the fund and using it for rail transport he will have a big silo of political slush money to help the likes of Larry Anthony and others to get re-elected. He is going to shift that national highway money into pet rail projects and fund what? Streetlights and roundabouts and traffic lights all across Australia? That is appalling. I say that if he wants to do that that is fine but he has to go into Peter Costello and do what Black Jack McEwen would have done. You know what he would have done to Peter Costello. He would have got a long-handled farmer's shovel and whacked him the over the back of the head and said, "How dare you treat country communities with contempt!" He would have said, "No way are you going to shift national highway money, primarily going into the bush, into rail projects." As transport Minister he should be saying that he wants to fund rail projects with new money. That is why I have roundly condemned him, Mr Lynn, and he deserves the round condensation of anyone in State Parliament because we are going to be duded big time. And that is why I have called it Ausdud. Thank you for the dorothy dixer.

The Committee proceeded to deliberate.