

PORTFOLIO COMMITTEE NO. 6 – TRANSPORT AND CUSTOMER SERVICE

Monday 28 October 2019

Examination of proposed expenditure for the portfolio areas

TRANSPORT AND ROADS, AND REGIONAL TRANSPORT AND ROADS

UNCORRECTED - HIGHLIGHTED FOR QONS

The Committee met at 9.30

MEMBERS

Ms Abigail Boyd (Chair)

The Hon. Mark Banasiak (Deputy Chair)

The Hon. Catherine Cusack

The Hon. Sam Farraway

The Hon. John Graham

The Hon. Shayne Mallard

The Daniel Mookhey

The Hon. Peter Primrose

The Hon. Mick Veitch

PRESENT

The Hon. Andrew Constance, *Minister for Transport and Roads*

The Hon. Paul Toole, *Minister for Regional Transport and Roads*

CORRECTIONS TO TRANSCRIPT OF COMMITTEE PROCEEDINGS

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

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

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The CHAIR: Welcome to the budget estimates supplementary hearing for the portfolios of Transport and Roads, and Regional Transport and Roads. Before I commence I acknowledge the Gadigal people, who are the traditional custodians of this land. I also pay respect to the Elders past and present of the Eora nation and extend that respect to any other Aboriginals present. Today's hearing is open to the public and is being broadcast live via the Parliament's website. In accordance with the broadcasting guidelines, while members of the media may film or record Committee members and witnesses, people in the public gallery should not be the primary focus of any filming or photography. I also remind media representatives that they must take responsibility for what they publish about the Committee's proceedings. The guidelines for the broadcast of proceedings are available from the secretariat.

All witnesses in budget estimates have a right to procedural fairness according to the procedural fairness resolution adopted by the House in 2018. Any messages from advisers or members of staff seated in the public gallery should be delivered through the Committee secretariat. Minister Constance and Minister Toole, I remind you and the officers accompanying you that you are free to pass notes and refer directly to your advisers seated at the table behind you. Finally, everyone present should turn their mobile phones to silent. Minister Constance and the Minister Toole, you do not need to be sworn as you have already sworn an oath to your office. I also remind all witnesses with the exception of Mr Holliday that you do not need to be sworn as you would have been sworn at an earlier budget estimates hearing of this Committee.

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PHILIP HOLLIDAY, Acting Chief Executive Officer, Port Authority of NSW, sworn and affirmed

RODD STAPLES, Secretary, Transport for NSW, on former oath

MATTHEW FULLER, Acting Deputy Secretary, Regional and Outer Metropolitan, Transport for NSW, on former oath

PETER REGAN, Deputy Secretary, Infrastructure and Place, Transport for NSW, on former affirmation

ELIZABETH MILDWATER, Deputy Secretary, Greater Sydney, Transport for NSW, on former affirmation

ANTHONY WING, Point to Point Transport Commissioner, on former oath

JON LAMONTE, Chief Executive, Sydney Metro, on former oath

HOWARD COLLINS, Chief Executive, Sydney Trains, on former oath

PETE ALLAWAY, Acting Chief Executive, NSW TrainLink, on former oath

STEFFEN FAURBY, Chief Executive, State Transit Authority, on former oath

FIONA TRUSSELL, Acting Chief Executive, Roads and Maritime Services, on former oath

JOHN HARDWICK, Executive Director, Sydney Division, Transport for NSW, on former oath

ROY WAKELIN-KING, Executive Director, Regional and Outer Metropolitan Division, Roads and Maritime Services, on former oath

The CHAIR: As there is no provision for any witness to make an opening statement, we will begin with questions from the Opposition. So that all of the witnesses know what is happening, we will alternate questioning between the Opposition and the crossbench. The Opposition will have 20 minutes at a time, followed by 10 minutes from the crossbench with the remaining time to be taken by the Opposition.

The Hon. JOHN GRAHAM: Minister, I want to start where we left off at the last hearing.

Mr ANDREW CONSTANCE: Which one?

The Hon. JOHN GRAHAM: I might ask you to tell me that, Minister Constance. I want to ask about region 6 on-time running. Last time you refused to answer these questions, took them on notice and then referred them to Minister Toole, whose responsibility it clearly is not. I will start there again. Do you accept that in the 15 months since privatising region 6 buses that the operator has never met its on-time running key performance indicators [KPIs] in any month?

Mr ANDREW CONSTANCE: I am happy to confirm that at September 2019 the on-time running in terms of region 6 was 94.3 per cent.

The Hon. JOHN GRAHAM: So below the KPI. That is below the KPI, is it not?

Mr ANDREW CONSTANCE: The point is that with an extra 270 additional weekly services, 20 per cent increase in patronage—

The Hon. JOHN GRAHAM: Minister, I will stop you there and ask you—

Mr ANDREW CONSTANCE: —a massive reduction in cancellations—

The Hon. JOHN GRAHAM: Minister—

Mr ANDREW CONSTANCE: —in a congested part of the city—

The Hon. JOHN GRAHAM: Minister, I will let you—

Mr ANDREW CONSTANCE: I am here to answer questions. I do not need to be here.

The CHAIR: Order! Let's allow the Minister to finish at least one sentence before jumping in. Minister, could you try to be as direct as possible in answering the question.

Mr ANDREW CONSTANCE: Sure. It was 94.3 per cent on-time running last month.

The Hon. JOHN GRAHAM: The KPI is 95 per cent, so it is below the KPI. Do you agree with that?

Mr ANDREW CONSTANCE: Thank you for your question about KPIs. There are numerous KPIs in the terms of performance of bus contracts.

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The Hon. JOHN GRAHAM: Correct.

Mr ANDREW CONSTANCE: Transit Systems in Liverpool has met its KPIs for two years running. In fairness to the new operator, at least allow it to bed it in before you play these games. The point that I would make is: What a fantastic announcement for our city that we are going to go out to tender for all 13 metropolitan bus contracts. Five of those contract regions in Western Sydney—

The Hon. JOHN GRAHAM: Minister, thanks. I will stop you there.

Mr ANDREW CONSTANCE: I am answering your question—have met every KPI every calendar month this year.

The Hon. JOHN GRAHAM: Well, we—

The Hon. CATHERINE CUSACK: Point of order—

Mr ANDREW CONSTANCE: Let us not slice and dice a couple of on-time runnings in a couple of months and say that that is reflective of the way in which the private sector in managing the public assets and meeting 20 per cent increase in patronage—

The Hon. JOHN GRAHAM: In any month in region 6 has this operator met the KPI?

Mr ANDREW CONSTANCE: Again, the point I make is that it is a new operator. It has had a 20 per cent increase in patronage. It has grown its services by 270. On-time running last September was 94.3 per cent.

The Hon. JOHN GRAHAM: Below the KPI.

Mr ANDREW CONSTANCE: Let me give you this number to shock you: We saw months under the State Transit Authority [STA] contract region, in region 6 where there were 1,300 services cancelled a month. This new operator in some months has got it down to as low as 336. What an extraordinary outcome.

The Hon. JOHN GRAHAM: The reason I ask about it, Minister, is that this was the Government's justification. You were critical of the on-time running previously. Why do you not be upfront and admit the clean, cold fact that this operator has never met the KPI.

Mr ANDREW CONSTANCE: I just told you: It is improving.

The Hon. JOHN GRAHAM: That is correct, is not it? You do not deny that.

Mr ANDREW CONSTANCE: This same operator—Transit Systems in Liverpool—has met the KPIs every month for two years.

The Hon. JOHN GRAHAM: I am not asking about Liverpool. You avoided this last time.

Mr ANDREW CONSTANCE: But I have just told you. It is 94.3 per cent. Mr Graham.

The Hon. JOHN GRAHAM: Yes, but you admit it has never met the KPI in region 6 in any month.

Mr ANDREW CONSTANCE: But the point that I am making is that in a highly congested part of the city, with an increase in patronage of 20 per cent and an extra 270 weekly services and a massive slashing of the cancellation rates. You are just slicing and dicing this because you have been told to by the Rail, Tram, and Bus Union [RTBU]—

The Hon. JOHN GRAHAM: This was your justification, though.

Mr ANDREW CONSTANCE: —and by the Transport Workers' Union with my good friend Mr Mookhey, where he is from. I just make that point.

The Hon. JOHN GRAHAM: This was your justification for the privatisation. That is why I asked about it.

Mr ANDREW CONSTANCE: It is not the sole justification for putting out all of these 13 contract regions. You pick and selectively choose one area of the performance of a bus contract and say, "Look, this is not being met so let's not do it." Let's be realistic.

The Hon. JOHN GRAHAM: Let's pick another one. Do you accept that since privatisation region 6 is the worst performing region for on-time running on every single month?

Mr ANDREW CONSTANCE: I will accept this: it is a new operator. I am giving it every opportunity. The point out of it is that we are seeing the private sector in western Sydney, where the roads are just as congested, hitting their KPIs. This same operator in Liverpool, as I said, has met every KPI for two years running. You could

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sit here and slice and dice your figures and play your political games on behalf of the RTBU, who I might add donated more than \$300,000 to the Labor Party.

The Hon. JOHN GRAHAM: I am asking these questions on behalf of the public, Minister Constance, who want to catch a bus that arrives on time.

Mr ANDREW CONSTANCE: No, I think you are asking questions on behalf of the RTBU, actually.

The CHAIR: Order!

Mr ANDREW CONSTANCE: Guess what? The customer satisfaction has improved by 8 per cent. There is a statistic for you in terms of the customers and the public. The customer satisfaction has improved by 8 per cent, so what is your point?

The Hon. JOHN GRAHAM: Can you name a single month where this was not the worst performing service and did not miss the KPI? Is there a single month that you want to name since this was privatised in region 6?

Mr ANDREW CONSTANCE: It is a new operator so let's just stop with the gameplay and look at the numbers: 94.3 per cent in September—

The Hon. JOHN GRAHAM: Below the KPI.

Mr ANDREW CONSTANCE: —93.6 per cent in August.

The Hon. JOHN GRAHAM: Below the KPI.

Mr ANDREW CONSTANCE: We are talking about 0.7 of a per cent. If you want to talk about it, why has customer service improved, mate? That is the old point, old trout. Here we have customer service improving, cancellations down—now you are laughing because you know I have got you.

The Hon. JOHN GRAHAM: You are back with the "old trout". That is why I am laughing.

Mr ANDREW CONSTANCE: The point is that you want to sit here and pick off particular months.

The Hon. JOHN GRAHAM: But you accept that these are worse results than a public performance, don't you?

Mr ANDREW CONSTANCE: I accept this is a new—

The CHAIR: Order! Hansard cannot possibly record this properly when we have conversations over here, we also have conversations over there and we have both of you talking at the same time. If we could take a step back and if each person could speak at once without the interjections, that would be great.

Mr ANDREW CONSTANCE: I am here to answer questions.

The Hon. CATHERINE CUSACK: Maybe if you changed the KPI—easy!

Mr ANDREW CONSTANCE: We are tougher on the private sector.

The Hon. JOHN GRAHAM: Minister, you have referred to the five western Sydney regions where operators have had their performance measures every month this year. I am happy to concede that is the case in regions 3, 4, 5 and 15.

Mr ANDREW CONSTANCE: Thank you.

The Hon. JOHN GRAHAM: What is the fifth region?

Mr ANDREW CONSTANCE: I can find that out for you. The thing about it is that you have got Transit Systems in Liverpool—

The Hon. JOHN GRAHAM: You have referred to these regions.

Mr ANDREW CONSTANCE: —delivering every single month for the past two years.

The Hon. JOHN GRAHAM: Is there a fifth region in western Sydney that is delivering?

Mr ANDREW CONSTANCE: Yes, I can get that. We will get it for you. It is on the internet; you can google it if you are smart about that.

The Hon. JOHN GRAHAM: Why did the Premier say "no" to privatisation ahead of you election and now you are privatising?

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Mr ANDREW CONSTANCE: Thank you. To help you out, the community—the taxpayers, the people of New South Wales, the Crown—continue to own the buses and the depots. They still remain in public hands. We regulate the timetables. I saw one journalist get this wrong last week. We actually still regulate the fares under the Opal structure, so none of that changes. Given that, this is a process called franchising. I know you do not understand the subtle differences of this but if the buses and the depots still belong to the community they are not being sold off. They are actually not being privatised; they still remain in public hands. We go out to a contractor and then we get the private sector to manage those assets and do it well. We reimburse the savings back into growth and—

The Hon. JOHN GRAHAM: I understand the point you are making, Minister.

Mr ANDREW CONSTANCE: —something I am really passionate about is the electrification of the bus fleet. So there you go.

The Hon. JOHN GRAHAM: You have introduced the profit motive here. Why not just be up-front like Premier Baird was when he took privatisation to an election? This Premier did the opposite and said it would not happen. Now you are privatising those services. Why not just be up-front?

Mr ANDREW CONSTANCE: The problem you have, old trout, is that in 2005 John Watkins issued contracts to the private sector to manage these bus fleets.

The Hon. JOHN GRAHAM: Minister, I am not opposed to private operators—

Mr ANDREW CONSTANCE: I do not recall that ever being taken to an election by the Labor Party in terms of franchising. It is what we do. It is just part of our processes around transport.

The Hon. JOHN GRAHAM: The Premier said: No privatisation.

Mr ANDREW CONSTANCE: It is not privatisation, it is franchising, because we still own the assets.

The Hon. JOHN GRAHAM: There is no bus customer who would accept that.

Mr ANDREW CONSTANCE: Hang on a second. Mr Graham, the other point I would make is when you questioned me in the last round of budget estimates, what was my answer? Go back and look at that. What was my answer in relation to this question before the election? I always left it open—

The Hon. JOHN GRAHAM: Minister, I agree with that.

Mr ANDREW CONSTANCE: You agree with it? Excellent. Thank you.

The Hon. JOHN GRAHAM: I agree that at the last estimates you were up-front. The Premier went to this election and said that there would be no more privatisation. Now here you are trailing this through estimates and privatising these services.

Mr ANDREW CONSTANCE: Hang on a second. That is cute. First of all, in the Sky debate to which you refer I am pretty sure the Premier was talking in the context of electricity and water. Secondly, franchising is different from privatisation because we still own the buses, we still own the depots, we still regulate the fares and still manage the timetables.

The Hon. JOHN GRAHAM: She said in that debate, "We would have been up-front with you if we were going to do that."

Mr ANDREW CONSTANCE: I have noticed that you and Mark Morey and all of these other characters are trying to run this whole big scare campaign. Guess what, the sky did not fall in when we leased electricity. The sky did not fall in when we refinanced the desalination plant. You guys all seem to be very happy with the productive, congestion-busting assets which we are funding with the proceeds, such as the metro. I just think the Labor Party needs to get with the 2020s and not be stuck in the 1950s.

The Hon. DANIEL MOOKHEY: Hello, Minister.

Mr ANDREW CONSTANCE: Mr Mookhey, my favourite upper House MP.

The Hon. DANIEL MOOKHEY: I know. It is nice to see you again.

Mr ANDREW CONSTANCE: Thank you for toning down the shirts today.

The Hon. DANIEL MOOKHEY: Thank you to the officials who have accompanied you today, quite genuinely.

Mr ANDREW CONSTANCE: They do not have anything better to do.

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The Hon. DANIEL MOOKHEY: Clearly. Minister, you raised the issue of the metro, which is a wonderful segue. We were all expecting this to open in 2027, because the New South Wales Government consistently told us, including going into an election, that that would be the time and date.

Mr ANDREW CONSTANCE: I thought you guys were saying 2028. You have just changed the story. I am a bit confused.

The Hon. DANIEL MOOKHEY: Minister, steady on. Let me just get the question out the door and then we can resume our usual banter at that point. It is now 2030. Are you looking forward to one day delivering a project on time?

Mr ANDREW CONSTANCE: Thank you. I was very pleased to open Sydney Metro Northwest with the Premier in May this year, when it was expected in the middle of the year, and there is a tunnelling project that is 10 months ahead of schedule. Mate, there is my record.

The Hon. DANIEL MOOKHEY: Why is this project now three years later than it was originally promised?

Mr ANDREW CONSTANCE: If you actually listened to what I said at the press conference—not that you probably listen to my press conferences—

The Hon. DANIEL MOOKHEY: Best show in town.

Mr ANDREW CONSTANCE: —the point is that I said it would be delivered by 2030. What we are in the process of doing, and there are multiple contracts to deliver a project of this magnitude, just like we are delivering Sydney Metro City and Southwest.

The Hon. DANIEL MOOKHEY: I will stop you there. How many contracts are there?

Mr ANDREW CONSTANCE: In terms of—

The Hon. DANIEL MOOKHEY: Just before you go too far beyond that point.

Mr ANDREW CONSTANCE: Wait, wait, wait. Champ, just calm down.

The Hon. DANIEL MOOKHEY: Just steady on. It is okay. It is all right.

Mr ANDREW CONSTANCE: There is plenty of time here.

The Hon. DANIEL MOOKHEY: You just said it was multiple contracts. Let us just allow the flow to go. How many contracts—

Mr ANDREW CONSTANCE: Go with the flow?

The Hon. DANIEL MOOKHEY: How many contracts are we talking about, Minister?

Mr ANDREW CONSTANCE: Well, multiple.

The Hon. DANIEL MOOKHEY: Multiple. One? Two? Three? Tell me how to count. One? Two? Three? How many have we got?

Mr ANDREW CONSTANCE: Mr Mookhey, most union delegates know how to count. Let me just help you out here. The thing is that we have seen around 16 or so—thereabouts—in terms of Sydney Metro City and Southwest. We are working at the moment in terms of the delivery strategy around Sydney Metro West but I said up to 2030. I actually think that by the time that we get the tunnel boring machines back in the ground by 2022, you will see the project, as we are seeing with the city and south-west projects—which I might add you oppose—being delivered by the mid to late 2020s. More than likely I might be on a surfboard somewhere at that point but the point is that—

The Hon. DANIEL MOOKHEY: We are doing our best to make sure you have that chance.

Mr ANDREW CONSTANCE: There is no doubt a future Liberal Minister will be opening this with the Premier and it will be a transformative project for the city.

The Hon. DANIEL MOOKHEY: Your product document says that you are targeting a travel time of 20 minutes. Sitting here right now, for this project which is already three years late and has not started, can you at least guarantee to us that it will take 20 minutes for someone to go from Parramatta to the CBD?

Mr ANDREW CONSTANCE: Do you know when Labor first announced this project? It was 1995. You then had 16 years in office and you handed money back to the Commonwealth because you could not be bothered to get on with the geotech.

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The Hon. DANIEL MOOKHEY: Minister, your irritation levels are much higher than I would expect at this point. Can we just get straight to the question?

Mr ANDREW CONSTANCE: I have better things to do today than sitting around listening to you.

The Hon. DANIEL MOOKHEY: Can you guarantee that it will take someone 20 minutes to get there? It is a very straightforward question. You have said this multiple times. You published a document that says "target time", so just guarantee it is a 20-minute trip time.

Mr ANDREW CONSTANCE: I think if you look at all the public commentary on this we said it would be around 20 minutes, which is what everyone would like to see.

The Hon. DANIEL MOOKHEY: Looking at your document, Minister, it says, "Target time."

Mr ANDREW CONSTANCE: Which document? Mate, I have so many documents in transport I do not even know what you are referring to, old mate. Come on, seriously.

The Hon. DANIEL MOOKHEY: It is the Sydney Metro project one on your website.

Mr ANDREW CONSTANCE: Good. You have discovered the internet, that's good.

The Hon. DANIEL MOOKHEY: You have many officials here. I am sure one of them has it to hand. It says, "Travel time target of around 20 minutes between Parramatta and the Sydney CBD."

Mr ANDREW CONSTANCE: You just said that, Daniel.

The Hon. DANIEL MOOKHEY: So just guarantee it is a 20-minute travel time.

Mr ANDREW CONSTANCE: I said very clearly that we are going to try and deliver it around 20 minutes, but if we were to go down the Labor Party approach, where we want a stop in every suburb, in every Labor seat between here and Parramatta, like Auburn and Silverwater—I do not know why you want a train stop at Silverwater other than to visit your mates in jail. The Obeid Express, that is what that will be.

The Hon. DANIEL MOOKHEY: You were funnier last time.

Mr ANDREW CONSTANCE: You are arguing Sydney University, Auburn, Silverwater—I mean, it is going to take you about 45 minutes under Labor's plan. We are getting in here to build a train between Parramatta and the city in around 20 minutes. That is pretty good, mate. The train travels at around 120 kilometres per hour. Does that help you?

The Hon. DANIEL MOOKHEY: You have not been able to guarantee that it will be built by 2027. You have said now you cannot guarantee the service.

Mr ANDREW CONSTANCE: Mate, I have never heard 2027 mentioned anywhere.

The Hon. DANIEL MOOKHEY: Let us just get to the matter. Let me ask you—

Mr ANDREW CONSTANCE: Where did 2027 come from?

The Hon. DANIEL MOOKHEY: You should check this because you are apparently building this.

Mr ANDREW CONSTANCE: No, it has come out of your mouth this morning.

The Hon. DANIEL MOOKHEY: Let me just ask a basic question.

Mr ANDREW CONSTANCE: No, here is a challenge to you.

The Hon. DANIEL MOOKHEY: Just calm down. It is a basic question.

The CHAIR: One at a time.

Mr ANDREW CONSTANCE: Point to one document where 2027 is mentioned, Mr Mookhey.

The Hon. DANIEL MOOKHEY: Just a basic question, Minister. How much—

Mr ANDREW CONSTANCE: One document.

The Hon. DANIEL MOOKHEY: —will the project cost?

Mr ANDREW CONSTANCE: You can't.

The CHAIR: Order!

The Hon. DANIEL MOOKHEY: What will the project cost?

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The CHAIR: One at a time, please. It is very hard for Hansard.

The Hon. DANIEL MOOKHEY: I am legitimately trying, Chair.

Mr ANDREW CONSTANCE: You are making it up while you ask the question. There is no document which talks about 2027, Chair.

The Hon. DANIEL MOOKHEY: Minister Constance, just calm down. It is all right. How much is the project going to cost?

Mr ANDREW CONSTANCE: Again that is a very interesting question because, as I said at the press conference—

The Hon. DANIEL MOOKHEY: Would you like to give us a simple answer, like the project cost?

Mr ANDREW CONSTANCE: Well, very simple, mate. The final cost will be once we have completed the final contract signing. That is what happens with big infrastructure. You guys have never done this.

The Hon. DANIEL MOOKHEY: We established last time that you had completed the business case.

Mr ANDREW CONSTANCE: I would love to know what the cost would have been if you had started building it when you said you were going to in 1995.

The Hon. DANIEL MOOKHEY: We established last time that you had completed the business case. All business cases have project costs. What is the project cost in the business case?

Mr ANDREW CONSTANCE: Do you understand that when you go to market you want competitive tension in the contracting in the interests of the taxpayer? Therefore you do not reveal to contractors what the price tag will be.

The Hon. DANIEL MOOKHEY: When you announced WestConnex, when you announced the CBD light rail, you put up a cost. That is why we know that the light rail is double the cost now.

Mr ANDREW CONSTANCE: We put ranges out there, mate.

The Hon. DANIEL MOOKHEY: I will take a range. Tell me the range. I will take a range.

Mr ANDREW CONSTANCE: Okay, as per the press release we said above \$20 billion.

The Hon. DANIEL MOOKHEY: Are we looking at \$20 billion or \$30 billion? Because you have said \$20 billion before.

Mr ANDREW CONSTANCE: I saw your beloved leader saying \$30 billion. I am pretty sure that is pretty out.

The Hon. DANIEL MOOKHEY: Just rule out now that it will not be that cost.

Mr ANDREW CONSTANCE: I am not going to rule anything in or out because you are asking me to. I will just make the point—

The Hon. DANIEL MOOKHEY: So you are not going to rule out that the cost will be close to \$30 billion?

Mr ANDREW CONSTANCE: —that we want competitive tension in the bidding, mate. That is what you do.

The Hon. DANIEL MOOKHEY: I understand that. There is also public speculation—if you say that our beloved leader is wrong then simply say it right here, right now that the cost will not be \$30 billion.

Mr ANDREW CONSTANCE: Let us look at our record: A \$1 billion saving on Northwest. There you go, champion.

The Hon. DANIEL MOOKHEY: I am not looking for your record, I am looking for your guarantee. Just tell us it is not going to be \$30 billion.

Mr ANDREW CONSTANCE: A \$1 billion saving on Northwest from \$8.3 billion down to \$7.3 billion. That is not bad. That is actually pretty good. I applaud the department.

The Hon. DANIEL MOOKHEY: Is the Commonwealth Government making a contribution?

Mr ANDREW CONSTANCE: Negative.

The Hon. DANIEL MOOKHEY: No?

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Mr ANDREW CONSTANCE: Negative. That is correct—so far. We are asking them to make a contribution.

The Hon. DANIEL MOOKHEY: When was the last time you had a dialogue with the Commonwealth about this?

Mr ANDREW CONSTANCE: I am pretty confident that the Treasurer of New South Wales—his name is Dominic Perrottet—met with the national Treasurer—his name is Josh Frydenberg. Guess what? They had a little chat the other week about contributions to infrastructure. There you go. I think if you read a newspaper you would soon discover that. Look, I think the point out of this is that we will ask the Commonwealth to continue weighing up supporting Sydney Metro West.

The Hon. DANIEL MOOKHEY: Can you build the project without the Commonwealth financing this stuff?

Mr ANDREW CONSTANCE: Yes, absolutely.

The Hon. DANIEL MOOKHEY: Therefore, where are all the proceeds coming from?

Mr ANDREW CONSTANCE: Let me help you out, Mr Mookhey. This is a 10-year project and guess what? You do not write a big cheque in the first week; you have to profile the funding over the life of the contract. We are spending, for argument's sake, around \$53 billion in the next four years alone on transport and roads. We are a government that gets on and does things. We can profile. We can, obviously, with a 10-year capital works funding envelope from Treasury, actually manage this project. The lights have not gone on in the Labor Party about this yet.

The Hon. DANIEL MOOKHEY: When do you expect the Commonwealth to come back to you and give you a definitive answer about whether or not they are going to be making a contribution? I ask that because they have leaked on you and in the background have gone to the journalists and said, "This project is not shovel ready." I read that in a newspaper the other day. Thus, I am asking you whether or not the Commonwealth thinks your project is shovel ready, which is really whether it is prepared to invest in it. So my question is: When do you expect to know whether the Commonwealth is going to put some money into this?

Mr ANDREW CONSTANCE: You should run for the Senate and go and ask them and not sit here and ask silly questions.

The Hon. DANIEL MOOKHEY: Maybe ask one of your Liberal Party Senators from the Commonwealth. It has not occurred to you to do that, if that is what you think the strategy is? But I would think that you, as the Minister, would have it within your means and ability to pick up the phone to—was it Mr Frydenberg you mentioned—and say, "Can you put the money in this one project that we went to an election and promised people"?

Mr ANDREW CONSTANCE: I have got news for you, champ, the State Government is requesting assistance from the national Government—

The Hon. DANIEL MOOKHEY: How much are you requesting?

Mr ANDREW CONSTANCE: Mate, just calm down.

The Hon. DANIEL MOOKHEY: How much are you requesting?

Mr ANDREW CONSTANCE: Can I just answer the first question? Otherwise I am not going to answer your questions.

The Hon. DANIEL MOOKHEY: That's sad.

Mr ANDREW CONSTANCE: And I will never come back here again.

The Hon. DANIEL MOOKHEY: That's terrible. You will miss the show too much.

Mr ANDREW CONSTANCE: I love you dearly, but seriously? This is like *The Muppet Show*. I mean, for goodness sake.

The Hon. DANIEL MOOKHEY: How much are you asking them for?

Mr ANDREW CONSTANCE: Let me just help you out—

The Hon. DANIEL MOOKHEY: Is it \$6.6 billion or are you up to eight?

Mr ANDREW CONSTANCE: There is this project called Western Sydney Airport and there is going to be an east-west train link and a north-south train link to that airport. Metro West is, in essence, the first stage

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of the east-west link between the CBD and Badgerys Creek. The Commonwealth is putting their money into the airport and we are putting some money towards the north-south link between the airport and St Marys. This project, in terms of Metro West, is vital for the city's growth. We can go it alone without the Commonwealth but if they want to make a contribution we are hardly going to say no. We are asking them for assistance, but it is not a do-or-die issue in terms of the delivery of the project.

The Hon. DANIEL MOOKHEY: But how much assistance are you asking for?

Mr ANDREW CONSTANCE: Mate, I reckon we should just ask the Commonwealth to fund the lot. How about that? How about we call it a day? There is your answer.

The Hon. DANIEL MOOKHEY: So your position is that you need the Commonwealth to fund the whole thing?

Mr ANDREW CONSTANCE: Come on, mate. Seriously? Whatever you do, do not make light of this. We are asking the Commonwealth—

The Hon. DANIEL MOOKHEY: That is the position you are adopting? How much are you—

Mr ANDREW CONSTANCE: We are asking the Commonwealth to make a significant contribution.

The Hon. DANIEL MOOKHEY: How much are you asking for? It is a straightforward question.

Mr ANDREW CONSTANCE: We do not run the national budget, mate.

The CHAIR: Order! The Opposition's time for questions has concluded.

Mr ANDREW CONSTANCE: Have you brought me back here to answer these types of silly questions? Seriously?

The Hon. DANIEL MOOKHEY: Yes.

Mr ANDREW CONSTANCE: You guys should do better. I will help you out next time. This is ridiculous.

The CHAIR: Order! The Opposition's time has concluded. Out of due respect for this process, I remind all witnesses and members of the Committee to refer to each other by their proper titles.

Mr ANDREW CONSTANCE: Yes. I apologise to Mr Mookhey.

The CHAIR: I am now going to ask a few questions of you, Minister.

Mr ANDREW CONSTANCE: I have got another Minister here; feel free to use him. You dragged him here. You obviously do not care about the country, you people—these inner-city dwellers and now we have got The Greens. I am sure the Shooters will at least have some interest in the country.

The CHAIR: I will direct my first questions to you, Minister Constance. In relation to the bus privatisation, what you refer to as "franchising" is actually an aspect of privatisation. Privatisation is the transfer of goods or services from the public sector to private ownership and operation. I fully accept that you have not sold off the buses and the depots—

Mr ANDREW CONSTANCE: Thank you.

The CHAIR: —but you have sold off the service provision, and that is an aspect of privatisation, by most people's common interpretation.

Mr ANDREW CONSTANCE: Which definition are you using there?

The CHAIR: I have several.

Mr ANDREW CONSTANCE: Can you table those so I can have a look?

The CHAIR: They are available in any dictionary.

Mr ANDREW CONSTANCE: The point is because it is actually a contract we can intervene at any point as we see fit. That is the beauty with this.

The CHAIR: I understand it is a different type of privatisation to just selling off the service with the buses and the depots, but it is still a type of privatisation, would you not agree?

Mr ANDREW CONSTANCE: I get confused because the RTBU—they have funded the Labor Party by \$380,000, I think it is. The point is that they put out these big yellow stickers on the buses that say "Don't Sell Our Buses". We are not selling the buses.

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The CHAIR: I think the average person in the street, Minister, would be more interested—

Mr ANDREW CONSTANCE: I just want to help you out.

The CHAIR: Thank you for helping me out. I will help you out. In the original estimates session that we had back in August when we talked about this you said, in relation to the privatisation of the remaining three regions, "One thing I would do with this process would be to engage with the Rail Tram and Bus Union very closely at the appropriate time."

Mr ANDREW CONSTANCE: I am a big fan. They are great people.

The CHAIR: Have you done that? Have you consulted closely?

Mr ANDREW CONSTANCE: We have this thing called diary disclosures. If you go and have a look at my diary disclosures you will actually see the meetings that I have had with the RTBU. I also want to pay tribute to Mr Mookhey's former union, the Transport Workers Union [TWU], and the RTBU because both unions are going to be instrumental in terms of delivering outcomes for the bus drivers and the maintenance workers. I might add, they have already made some great inroads. For instance, they have already secured a two-year job guarantee in 18 months' time as part of it and this will be embedded into the contract. So there are 3½ years of jobs certainly for a growing workforce. There has also been the transfer of entitlements—that has been agreed to. The travel passes, they have also been advocating for those. There have been some tremendous outcomes because of the RTBU engagement—

The CHAIR: Could you answer my question, which was—

Mr ANDREW CONSTANCE: Have I spoken to the RTBU? Yes.

The CHAIR: Have you consulted with them in relation to regions 7, 8 and 9 being privatised—"franchised" in your language?

Mr ANDREW CONSTANCE: Again, the point I would make here is that when we made the announcement you will see that there has been a number of entitlements already secured; so that would suggest that there has already been some degree of very loose discussions.

The CHAIR: It is a simple question though, is it not? Have you consulted with the RTBU in relation to regions 7, 8 and 9 being "franchised"?

Mr ANDREW CONSTANCE: In terms of the unions, they were not surprised—I think that is fair to say. In terms of the unions, they have been pushing forward with a number of things that they wanted to see as part of it before I made the announcement last week. They are very good people; I like them. They come to the table with wanting to get outcomes in terms of entitlements for the bus drivers, for the maintenance workers, and they have achieved that, including—I can spell that out. I am happy to give you some of the achievements in this regard—everything from the protection of entitlements, of course the travel passes, and the ability to accrue gold passes. These are great outcomes, and that has happened.

The CHAIR: I am going to stop you there because you are not quite answering my question. Let us move to the network control centre.

Mr ANDREW CONSTANCE: The problem is you are going to pull out a definition of "consultation", which we are going to have an argument about. I do not want to do that.

The CHAIR: I would hope we could agree on what "consultation" means: sitting down and having a chat in relation to plans to privatise regions 7, 8 and 9.

Mr ANDREW CONSTANCE: Just on this score, while we are talking about this, can I rule out trains?

The CHAIR: You ruled out trains previously.

Mr ANDREW CONSTANCE: I am ruling them out again today.

The CHAIR: Back to my questions. The network control centre that currently provides operational support for buses in regions 7, 8 and 9, how many staff are employed there and will they keep their jobs if the sell-off is completed?

Mr ANDREW CONSTANCE: I will hand over to Mr Faurby, who is in charge of the State Transit Authority.

Mr FAURBY: The network you refer to, Chair, is the network control centre, which is the unit that oversees the day-to-day operation and execution of bus services.

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The CHAIR: How many staff are there?

Mr FAURBY: I would have to give you the exact number, but I would say there are between 12 and 15 staff, but I am not 100 per cent sure that is totally correct.

The CHAIR: Minister Constance, can you make the commitment that those staff will keep their jobs?

Mr ANDREW CONSTANCE: Their jobs are guaranteed for two years at the end of the 18-month period before the STA finishes. That is a guarantee; that will be embedded in the contract.

The CHAIR: A guarantee?

Mr ANDREW CONSTANCE: Yes. Just to be clear, which drivers are you talking about?

The CHAIR: I am talking about the control centre.

Mr ANDREW CONSTANCE: Sorry, I thought you were talking about the bus drivers, because I was talking to my staff. In terms of that, the STA corporate staff do not have that job guarantee, but what we are going to do is work with them over the next 18 months. Some of those jobs may very well be soaked up into Transport for NSW. I daresay, because of the interest which we will see globally and domestically in terms of the contract regions, that there will be a high demand for those experienced staff. My observation is that whilst we cannot give them the same guarantees that we can with the drivers and the maintenance staff we will work closely with that workforce to give an absolute surety in the best way that we possibly can.

The Hon. MARK BANASIAK: A question for Minister Toole. I asked this question of Minister Constance at the last budget estimates. He took it on notice and then he flicked the ball to you regarding Canowindra Public School and St Edward's Primary School. You made representations to my colleague Phil Donato that Roads and Maritime Services [RMS] was looking into options regarding the construction of a student crossing for those two schools, which are situated on State Highway. Has RMS come back to you with a conclusion as to what those options are?

Mr PAUL TOOLE: Firstly, I am disappointed that you were not here for the first budget estimates. Not once did you even put in a supplementary question from the Shooters Party. Very disappointing.

The Hon. MARK BANASIAK: Unfortunately I had to chair another one.

Mr PAUL TOOLE: Now you have woken up that there is a Regional Roads and Transport portfolio and now you want to ask something. The answer is that RMS is looking at that crossing for both of those school areas. School safety is a priority for RMS but there are certain requirements around crossings, where they are put in on our State roads around New South Wales. That has not come back to me yet but that is something I know the RMS are currently still looking at.

The Hon. MARK BANASIAK: Excellent. For clarity, I had to chair another committee unfortunately.

Mr PAUL TOOLE: There is more than one of you.

The Hon. MARK BANASIAK: He was on another committee as well.

Mr PAUL TOOLE: All day?

The Hon. MARK BANASIAK: Yes.

The Hon. DANIEL MOOKHEY: I am sure you will answer every question put to you now.

Mr PAUL TOOLE: Is it your turn?

The Hon. MARK BANASIAK: Minister Constance, in a previous answer regarding the taxi levy you said there was a real need to try to put the taxi industry in a position to have its booking market deregulated. Can you explain what that need was in terms of having the booking market deregulated? Taxi drivers cannot explain where the need has come from.

Mr ANDREW CONSTANCE: Because ridesharing companies entered the marketplace and, in one case, in breach of the Passenger Transport Act—that company called Uber—we then decided that we are better to have some light-touch regulation on the booking market and protect the rank and hail market for taxis exclusively. One of the things was because of the very disruptive nature of the innovation there was a need to try to provide a level playing field in this regard, which is why the Government worked on CTP reform. In terms of the taxi industry, that is why the Government deregulated the booking market so that the taxi industry itself could flourish in terms of innovation. We are still at the early stages in terms of this transition and the innovations but we could not keep our heads in the sand. You cannot over regulate one sector, have the rest of the world move on

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and expect that sector to survive. That was the impetus to create a more equal playing field when it comes to the booking market and the deregulation of the booking market.

The Hon. MARK BANASIAK: It is interesting that you call it "innovation." Are you aware that the taxi industry tried to innovate itself several years ago and the Australian Competition and Consumer Commission [ACCC] blocked that innovation?

Mr ANDREW CONSTANCE: Yes. I was furious about it. I agree. I was furious; it was a stupid decision by the ACCC. The taxi industry was trying to put in place the same smart phone application and platform that Uber were enjoying. The ACCC came down in an unfair way on an industry that over the years had unfortunately been overregulated to the hilt. Ultimately, we are starting to now see because of the taxi industry changes in terms of their thinking. It is a much better customer service than it was five, 10 or 15 years ago and we will continue to see that change.

The Hon. MARK BANASIAK: You mentioned an equal playing field.

Mr ANDREW CONSTANCE: A level playing field.

The Hon. MARK BANASIAK: It is not a playing field; it is a work environment. Would you say that you have achieved that level- or equal-working environment with this light-touch regulation?

Mr ANDREW CONSTANCE: We purposely tried to cut out a lot of red tape in the industry. We knew, certainly with the advent of customers choosing other modes of point to point transport, particularly ridesharing, that it was always going to be a difficult change for the taxi industry. The aim was to back out as much regulation as we could. The aim was to keep them the rank and hail market, which they have exclusively—ridesharing is not allowed to go and pick people up anonymously on the street. At the same time, we put in place a quarter of a billion dollars in terms of a compensation package for the plate owners being paid for, not on a drawdown from the consolidated fund but through the users of point to point transport. The point that I would make there is that no world is going to be perfect in this regard but we have made some great inroads in terms of the cost of CTP, we have made some good inroads in terms of red tape and we will continue to work at it.

The Hon. JOHN GRAHAM: Returning briefly to bus on-time running, have you got that fifth western Sydney region at this point?

Mr ANDREW CONSTANCE: Yes. The note I have is regions 3, 4, 5, 14 and 15.

The Hon. JOHN GRAHAM: Region 14 though, would you really call that western suburbs? Even I do not think that Belrose is in the western suburbs. That is not a western suburbs region. That is the North Shore of Sydney. You are out there saying five western Sydney regions are running on time. The upper North Shore does not count.

Mr ANDREW CONSTANCE: The point out of it is that we have private sector performing incredibly well across the board.

The Hon. JOHN GRAHAM: You are just plain wrong on this one, are you not? You are quoting a region from the North Shore of Sydney. You are calling it western. There is no resident of western Sydney who would call Belrose a part of the western suburbs.

Mr ANDREW CONSTANCE: Are you saying that three, four, five and 15 are not in western Sydney?

The Hon. JOHN GRAHAM: I am saying 14—

Mr ANDREW CONSTANCE: And region 6, which you are denigrating. Now you are having a go at Forest.

The Hon. JOHN GRAHAM: Yes. I am saying you are counting a North Shore region in your five—

Mr ANDREW CONSTANCE: There you go. I am counting a North Shore operator that can deliver services across the board. The point out of it is that what you are refusing to now admit is that five of 13 contract regions run by the private sector have been smashing their key performance indicators all year.

The Hon. JOHN GRAHAM: I will happily admit that, Minister.

Mr ANDREW CONSTANCE: I am happy for you to highlight this. This is really smart.

The Hon. JOHN GRAHAM: I will happily admit that.

Mr ANDREW CONSTANCE: Good.

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The Hon. JOHN GRAHAM: But your claim that five western Sydney regions are running on time only works if you count the upper North Shore.

Mr ANDREW CONSTANCE: There you go. You have got me. You have highlighted that four western Sydney operators and one in Forest coaches, which you are now denigrating, are hitting their on-time running.

The Hon. JOHN GRAHAM: Region 6 has not run on time in any single month. Have penalties been issued?

Mr ANDREW CONSTANCE: I would need to take that on notice. It is not up to me to go and issue penalties; that is done at arm's length from me through the department. The observation I would make is that 94.3 per cent, they are entitled to be given an opportunity to bed the service is down—it is a big change. They are entitled to put an extra 270 weekly services in.

The Hon. JOHN GRAHAM: They have never run on time. I think it is a fair question. Have any penalties been issued?

Mr ANDREW CONSTANCE: I will take it on notice.

The Hon. JOHN GRAHAM: Is it possible under the contract to issue any penalties in the first year of the contract or is this operator shielded?

Mr ANDREW CONSTANCE: Mate, I am not privy to that degree of clauses in a contract region but I will go and find out.

The Hon. JOHN GRAHAM: Have any penalties been waived in relation to the service? Are you aware of that?

Mr ANDREW CONSTANCE: I will take that on notice but the point that I would make is that they are a new player in this region, you have got to give some opportunity for contractors to bed in. The point is that they are carrying 20 per cent more people, they are delivering an extra 270 weekly services, they are slashing the cancellations—

The Hon. JOHN GRAHAM: I can accept some of that but I think the public would want to know if this service is not hitting its on-time running at all, are there penalties? Are you holding this operator to account?

Mr ANDREW CONSTANCE: I will find out what the agency is doing. The point I would make is that you have to give fairness to a new operator trying to bed into that region. If there has not been abatement used—the aim is to try to allow them to settle into their new contact region. I think that is only fair.

The Hon. JOHN GRAHAM: I will turn to another bus issue. I want to welcome the many, many changes you have now made in north-west Sydney to the bus region. This shows pages and pages of changes you have now made to the bus routes after these were cut without consultation. Do you now acknowledge that you got this wrong?

Mr ANDREW CONSTANCE: Hang on a second here. Wait. We always said that we would change the bus network around the opening of our new \$7.3 billion metro train. We are not going to continue to run services in the same way if you open a train line of that significance. The community was aware of that. Very pleasingly we have seen an increase in patronage on local bus services in the north-west but we also saw a drop-off of people getting on the M2 express services to town so we have made some adjustments. That makes sense.

The Hon. JOHN GRAHAM: This is a welcome backdown, but will you acknowledge now that you got this wrong—cutting these services without consultation?

Mr ANDREW CONSTANCE: No. The department will listen to the community, the department will look at the Opal data and the department will make some changes. There is nothing wrong with that, that is what happens.

The Hon. JOHN GRAHAM: I want to give you the opportunity to apologise to the community of the north-west for cutting these services without consultation.

Mr ANDREW CONSTANCE: Again, if you want me to say sorry to anyone who was inconvenienced by the bus changes, of course I am sorry that that has happened. But the point is, we have also given that community a brand-new driverless metro train and we are changing the network to be able to feed into that train. We want people off the road. We want them on trains. The key element in all of this is that, as with any new services, we will always monitor those services. We have always said that. That is how timetables and networks work. I think the department does a pretty good job overall.

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The Hon. PETER PRIMROSE: Minister, what have you done to make sure that no more cyclists are killed because of your Newcastle Light Rail project?

Mr ANDREW CONSTANCE: This is an important question.

The Hon. PETER PRIMROSE: Yes, that is why I have asked it.

Mr ANDREW CONSTANCE: I would like to be able to answer it. Firstly, I do want to again reiterate that what we saw in Newcastle has been an absolute tragedy for that family. Again I want to express my condolences to that family. I have had subsequent letters with them since the last estimates hearing. To be honest with you, ultimately we must remember that there is a family that is grieving and there is a Coroner's report underway. I again reiterate that the department and the Government is going to await the findings of that Coroner's report. I just want to say that in relation to the family. Obviously, in terms of Danny Egan in particular, it is a tragedy. There is no doubt about that. I think it is fair to say there are always ongoing safety reviews around, in particular, light rail infrastructure. When the incident occurred, separate to that there was a further safety assessment done on that site and there were about eight recommendations made in relation to it. We followed the advice of the Centre for Road Safety, obviously, in this regard. You will note that the Centre for Road Safety has made some changes in Newcastle and made some public commentary in relation to the—

The Hon. PETER PRIMROSE: Minister, I accept the eight action plans. I have read the document. Can you give us some idea about the timeline for the implementation of those eight action plans, please?

Mr ANDREW CONSTANCE: My understanding is that some of those changes have already been made, for instance exclusion zones, signage—those types of things. Specifically in relation to all eight, I am happy to come back to you with the exact time frame in terms of all of that. But we do want to work with the council and we want to work with the cycling community up there. We want people to be safe. We want people to be safe around light rail, full stop. It would not matter if it was Newcastle or the CBD.

The Hon. PETER PRIMROSE: For example, you mentioned the council. Has Transport for NSW met with the City of Newcastle regarding possible safe alternative routes?

Mr ANDREW CONSTANCE: I am going to hand over to Mr Fuller, who has responsibility for that area, and he will be able to help you with those questions.

Mr FULLER: Thank you, Minister. Again I would like to just acknowledge the Egan family and the tragic circumstances of the accident as the Minister has just relayed. As the Minister has already stated, we have undertaken a series of actions from the review. In fact, within days of the review being announced. The review came out on the 15th and within a couple of days of that, we had put all of the additional awareness signage in place along that corridor. We had put the exclusion in place on the mixed running area that is in Scott Street.

The Hon. PETER PRIMROSE: Can I ask who chose those locations for those warning signs? Was that done in consultation with the council?

Mr FULLER: We have been in consultation with the council and also the Newcastle Cycleways Movement ever since this project has been in place. So there have been a number of different meetings and consultations in that regard. Furthermore, we have also worked with the council to ensure that there are some immediate alternatives available to cyclists in the area. There is a shared path on the northern side of the mixed running area that is accessible in both directions for cyclists. There is also now an alternative that goes through Pacific Park and will adjoin cyclists onto Hunter Street and enable them to proceed down Hunter Street and then rejoin—

The Hon. PETER PRIMROSE: What about an east-west cycling link, Minister, or, through you, Mr Allaway? What is the thinking about the possibility of funding that?

Mr FULLER: At the moment, we are working with the council and have agreed to fund any of the immediate alternatives that come from removing cyclists from the mixed running area. What I was just talking about in terms of the Pacific Park and down to Hunter Street—there will be some further works undertaken that we are agreeing with council as we speak.

The Hon. PETER PRIMROSE: But the east-west link—you are indicating that may be funded?

Mr FULLER: What I am saying is that we have already agreed to fund the immediate actions that have displaced cyclists from the mixed running area. We will continue to work with Newcastle city council on any other active transport links throughout the CBD and around the CBD, as we have been for some time.

The Hon. PETER PRIMROSE: Have you any views on the possibility of funding the east-west cycling link?

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Mr FULLER: What I can say is that we have got a range of active transport grant programs that Newcastle city council can access, and we are working with them to help them put applications together for that process, which would be the appropriate place to consider that.

The Hon. PETER PRIMROSE: Are there any opportunities for you to expedite the funding of that link?

Mr FULLER: I think the immediate concerns have been dealt with. We have expedited funding to ensure that they can be dealt with. We will continue to work with the Newcastle council on future links and on their plans, because I believe that they are still—there are some alternate pathways along the harbour and things, but I think that the council itself is still yet to determine the right active transport solutions for the city. We will certainly help them with that wherever we possibly can.

The Hon. PETER PRIMROSE: I might return to this later, Minister. I know that you have taken on notice the issue of the eight action plans and the timetable for that.

Mr ANDREW CONSTANCE: Yes. It is a very serious issue for that community.

The Hon. MICK VEITCH: Good morning, Ministers. The first question—you will have to work out between yourselves who it is. It is to do with the drought. Which department is responsible for conducting the assessment on the number of available rail and road tankers for carting critical water to communities?

Mr PAUL TOOLE: Obviously, it sits under me, being Regional Roads and Transport. We know that we are suffering a pretty severe drought at the moment, with 98 per cent of the State suffering drought conditions. The New South Wales Government is working with measures to ensure that anywhere we can work with local councils to allow heavier vehicles to use those roads, whether it be carrying fodder, water, livestock, getting to the saleyards at the moment—we are trying to ensure that access and the least possible route is identified to assist our farmers during these tough times at the moment.

The Hon. MICK VEITCH: I will come back to that. My question is actually have we conducted an assessment of the available number of road and rail tankers?

Mr PAUL TOOLE: I would have to take that on notice to work out how many there are. But that might be in the department. They may have that information this afternoon as well, that you might be able to ask and have that provided.

Mr ANDREW CONSTANCE: The water Minister is coordinating this response.

The Hon. MICK VEITCH: That was another one of my questions. In Cabinet—so all of this work is being coordinated. But is there a subcommittee of—

Mr ANDREW CONSTANCE: We do not talk about Cabinet. The thing is that the water Minister has responsibility for making sure every community in the State has water. Obviously, as part of that calling, if we are required we will step up, in the same way that you might see other agencies or even the national Government stepping in.

The Hon. MICK VEITCH: With regards to the roads, Mr Toole, that you were talking about, what assessments have currently being conducted of the road status—whether it needs maintaining or improving—to deliver water by road into those communities that need critical water? Is that sort of work being done?

Mr PAUL TOOLE: As Minister Constance has already said, this is something that we are looking at with our communities at the moment. We have got towns that are actually getting very low in water supplies and there is a whole-of-government approach. We have got a very clear policy not to let any town run out of water. As you know, our investment going into water is in the billions of dollars at the moment to ensure that we are putting in pipelines, bores—it is not just one solution. We are talking about B-doubles that potentially can carry water into some of these towns. We know that there is the possibility and option of using rail as well when it comes to carting of water. But this is a whole-of-government approach that we are looking at. If the dry continues, then obviously there is going to be further challenges as we go forward into addressing water in our communities.

The Hon. MICK VEITCH: The issue, Minister, is if you are conducting the assessment of the road network—if you have to run B-doubles on roads that have not been designed or are not maintained for a B-double standard, there has got to be some preliminary work undertaken on those roads so we can get the water into those communities. Would you agree?

Mr PAUL TOOLE: I say water, but it is not only water that we have done. What we have primarily been doing in the past is around feed. So primarily in the past it has been about the movement of fodder into those communities. We have also had packages where we have supported councils to repair some of those roads that

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have been impacted by using heavier vehicles. We have had a maintenance program out there to support councils where they have been given up to \$300,000 to go back into some of these local roads that have been impacted by heavier vehicles, whether it be for livestock and fodder. But primarily that has been the focus to this point. We know that water as an issue is growing.

The Hon. MICK VEITCH: This is about preparation. There is a series of work that will have to be done after this drought as well. I am talking about getting the roads ready to deliver into those communities. We must know which communities are getting pretty critical and pretty close to running out. Some already have, but some would be getting on the radar. What work is being done to—

Mr PAUL TOOLE: Absolutely. It is a whole-of-government approach. There is all of that. As we are called upon to actually look at that, we will be. There are a number of strategies. It is not just roads alone.

The Hon. MICK VEITCH: I know. I am not saying this is the only part.

Mr PAUL TOOLE: It is one of a number of options that the Government is addressing.

The Hon. MICK VEITCH: I am not saying this is the only strategy. I am just making sure that we are prepared. The Transport Services Functional Area Supporting Plan for the Goulburn water supply has a clause that states there is a water cartage contingency plan, which I suspect is unusual. Do other communities have that arrangement in place?

Mr PAUL TOOLE: Not that I am aware of. I would have to ask Mr Wakelin-King. Do you know anything about that one?

Mr WAKELIN-KING: We will need to take that one specifically on notice. What I would say, if I could, in terms of Goulburn and the work they have done with the Wingecarribee council—

The Hon. MICK VEITCH: It would be fair to say that they learnt from the last drought.

Mr WAKELIN-KING: —in terms of the water supply.

The Hon. MICK VEITCH: The reason I ask is because that seems to be an eminently sensible thing to have in place. Have other councils put that arrangement in place?

Mr WAKELIN-KING: Coming back, if I may, to your original question in terms of preparation of roads and roads assessment for cartage of goods, as you are probably aware, we have the heavy Drought Assistance Dimension Exemption Notice underway, which mainly allows for heavy cartage, as the Minister has mentioned, in respect of feed but also water tanks. We have identified to the heavy vehicle industry, the primary producing industry and the agricultural sector more broadly that where they have a drought affected related movement notice that they identify it as drought and it gets a priority assessment as a consequence.

Each case is assessed on its merit but I am pleased to advise that they are being processed within 24 to 48 hours to allow the industry and farming communities to get those movements on place. I do emphasise that each assessment is on its merits because it depends where they go. There is general 19-metre access across the vast driver network. It is when you go up to 26 metres and beyond that we need to make an assessment, which is done in consultation with council because they are the road manager in their respective networks.

The Hon. MICK VEITCH: Minister Toole, do we have sufficient tankers?

Mr PAUL TOOLE: This is a matter for the Water Minister. James McTavish, our water coordinator in New South Wales, is working with communities about what their solutions might be. When we are called upon, if it means we have to look at water tankers, we will be there to assess. This is being led by the Minister for Water. The regional town water supply is led by James McTavish, which he is addressing, and if he needs to come to us we are there to support.

The Hon. MICK VEITCH: Minister, you spoke about councils receiving assistance to maintain their roads for the delivery of water supply. How does that work? In Queensland, some of those communities are having up to 50 trucks of water delivered a day, which has a substantial impact on the road network. How does the money roll out to these councils to make sure they will not get them up to speed until they are ready to use?

Mr PAUL TOOLE: Before I hand to Mr Wakelin-King, I will just make the point that I did not say "water" at the start. I said it is something that we can look at. What we have been looking at is movement of livestock and fodder and obviously moving those vehicles. If it means supporting councils—in the past they have had to make an application for a road that is impacted by heavy vehicle movement. That is where the Government has then provided assistance for those councils to repair or maintain those roads to a condition that they were in previously before those heavy vehicles were actually using them.

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The Hon. MICK VEITCH: Is there one for regional roads as well? Is it the same process? Do the councils need to put their hand up and say: We are going to need some money for this regional road?

Mr PAUL TOOLE: Obviously Transport for NSW is identifying where road networks are, where we are seeing the movement of livestock to our saleyards. So we have a pretty good understanding as to where those roads are being utilised when it comes to going to our saleyards. We also know that there are farmers using back roads in some of those local government areas with heavy vehicles that those roads have not seen in the past. We will continue to assist—

The Hon. MICK VEITCH: My questions are about delivering critical water supply to those communities, the actual townships. Those of us in regional New South Wales know this is getting pretty dire for a whole heap of communities. The questions I am asking are about getting critical water to those communities.

Mr PAUL TOOLE: As I said, it is a matter for the Minister for Water and, yes, we will continue to provide support as it is required. We have also got \$15 million through the drought relief heavy vehicle access program. That is another initiative provided by the New South Wales Government in supporting work with councils when it comes to road maintenance and improving the road network.

The CHAIR: Minister Constance, back to the bus privatisation. When we left off we were talking about staff and the RTBU. Was any consultation undertaken with the affected communities before this decision was announced to the media?

Mr ANDREW CONSTANCE: First of all I want to correct the record, because when I was seeing off this shiny brand-new red ball from the Labor Party when we opened the batting earlier this morning—I want to let everyone know that it is a 5 per cent increase in customer satisfaction when it relates to frequency of services. Complaints are down 8 per cent. I want to clear that up because I think I might have said inadvertently that customer satisfaction was up 8 per cent. I meant complaints were down 8 per cent.

In terms of the communities, the point out of this is that people do not want their buses cancelled, people want to see more growth in services. We have seen a massive increase in terms of bus patronage in the last few years. The reality is that when you have private sector operators, they do it incredibly well. The STA under Mr Faurby has done an incredible job. We have world-class bus drivers doing amazing jobs in congested cities. If you look at what I am trying to achieve here: (a) I want to see more growth in services; and (b) I want to see the electrification of buses for people's health and our environment.

We have to make sure that we allocate resources as best we can. To that end, we believe the global expertise that comes to the table in Australia as a result of doing this is world-class. Certainly the community has no fears in the loss of any asset, but we want the expertise of good players globally and nationally to deliver our services. Given that 80 per cent of the State's bus fleet is already managed and run by the private sector—I come from country New South Wales and the 170 buses in the Bega electorate are all run by the private sector. If it is good enough for Western Sydney and it is good enough for the bush, it should definitely be good enough for the North Shore and the eastern suburbs.

The CHAIR: Coming back to the processes undertaken, why was there no community consultation? Is there an assumption that the community would welcome the project?

Mr ANDREW CONSTANCE: Yes. I think, overall—I had the member for Drummoyne indicate to me the other day that he felt the drop in customer complaints was a great outcome in terms of region 6. There is no doubt that the reduction and cancellation of services is a bonus in that sense too. I do not want to downplay the incredible work the STA do here, but the point of the matter is that we want to be able to put in place incentives and penalties for operators to make sure they hit our requirements and ultimately get better services, more growth services into the community.

The CHAIR: Okay, but all of the data I have seen shows really loud community opposition to some of these privatisations, particularly in Newcastle as well as in region 6. Have you done any independent studies or data gathering or consultation with communities in the areas affected by the privatisation of regions 7, 8 and 9 to see what they think?

Mr ANDREW CONSTANCE: Again, I beg to differ. The premise of your question is wrong. Customer satisfaction is up. Complaints are also down. We have less cancelled services but we have to cater for growth. I do not understand—I mean, the numbers I am looking at are very different to what you are claiming. I would hate to get political, but there has been a pretty cheap campaign run in the inner west where we were told we were selling everything off. That is just not the case. Patronage has grown by 20 per cent. Even in Newcastle for many years the bus network was not performing like Newcastle wanted. Yes, we have gone through the pain of a

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timetable and network change. The point out of it is that we want more people on public transport and that is what we are seeking to achieve.

The CHAIR: We will agree to disagree on what the numbers say. Earlier in response to a question in relation to reinstating a number of services, you said that the department will listen to the community. This seems to keep happening. We saw this with the Cherrybrook buses. There is a cut or change to services that your department effects but then afterwards makes changes because the community is complaining. Why not speak to the community to begin with and do that consultation and work out what it is that they want before you privatise those services or make any change to those services?

Mr ANDREW CONSTANCE: The transport network is incredibly dynamic. Mr Howard Collins, who is sitting here, will tell you we have had 120 million extra passengers on Sydney trains in the last five years. Mr Steffen Faurby, from the State Transit Authority bus perspective, again enormous growth: 50 per cent patronage—

The CHAIR: That is not answering the question though.

Mr ANDREW CONSTANCE: The point out of it is it is a dynamic network—you make changes, you see what the Opal data says, you see what the customer feedback is. But you cannot be all things to all people. I know that The Greens think that you can, but we cannot. The reality is we are running a very extensive network, we need the expertise of the private sector, which The Greens hate—you want to nationalise everything with the Labor Party. And again—

The CHAIR: We know that privatisation does not work.

Mr ANDREW CONSTANCE: Really? That is just rubbish. You know what? The proof is in the pudding when you see complaints down, cancellations down, patronage up—

The CHAIR: We will have to disagree on that data.

Mr ANDREW CONSTANCE: Really? Prove it. Table your data, table your claims. Go on, table them. You are sitting here expecting that of me.

The CHAIR: Yes, it is your department.

Mr ANDREW CONSTANCE: You are sitting here as an upper House MP making some pretty significant claims.

The CHAIR: Sure.

Mr ANDREW CONSTANCE: And I would like you to prove it. Do not question me on it if you do not have the proof.

The CHAIR: I will come back to that when I get to speak again.

The Hon. MARK BANASIAK: Minister Constance, looking at the taxi levy, you were quoted last time as saying that the money collected so far was about \$98 million. Mr Staples later on quoted \$92 million and then Mr Wing later on said approximately \$89 million was collected. Which one is it?

Mr ANDREW CONSTANCE: First of all, there was an initial payment made, which is around that \$96 million, \$98 million mark. That is not to be confused with the amount of take that has already occurred in terms of the levy. In the initial payment made to industry, to those plate owners, we made an initial payment. Then we worked through a hardship process with a panel that was formed with the engagement of the NSW Taxi Council. Is your question how much has been collected thus far, versus how much has already been paid?

The Hon. MARK BANASIAK: That is what I am asking. The three of you have given me three different answers to what has been collected so far.

Mr ANDREW CONSTANCE: We will take it on notice. We will get you the latest figures in terms of what has been collected, versus what has been paid out.

The Hon. MARK BANASIAK: Mr Wing also said that there were 75 million leviable trips last year, which would have put it at around \$82½ million. When you come back to the Committee on notice, if it is anywhere around that figure of \$90-something million, one would have to ask what has happened in the last seven months if we have collected—

Mr ANDREW CONSTANCE: We have always said that we were going to collect around \$250 million to be able to reimburse back into the sector—it is not just taxis, it is also hire cars that are benefiting from this scheme. Again, we are a couple of years into it but ultimately there is the dollar payment. We are, of course, going

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to continue to work with the sector. As I said last time, the thing that angers me most from a State perspective, and I know it does Labor jurisdictions as well, is that we are seeing the income test being applied to these plate owners when it comes to social security and we are seeing people actually lose the benefit of what the States are trying to achieve here in terms of supporting those plate owners through this reform, courtesy of the national Government.

I know the NSW Taxi Council has been meeting with the national Government and we have been trying to put pressure on the national Government to go back and revisit this. That is where a lot of the anguish is at this point. We are going to continue to work with the industry in that regard. The other important thing is that the industry is calling for a review—which is what we are also going to do, commencing in the new year—to be able to look at the long-term reform requirements of the sector, recognising there are significant issues in the bush, compared to metropolitan Sydney, and at the same time also having a look at the way in which the reimbursement is occurring in terms of the hardship.

The Hon. MARK BANASIAK: When you collect the figure you quoted, \$250 million, is that the end of it or is there an intention to continue on?

Mr ANDREW CONSTANCE: The Taxi Council want to see it continue so that there is a transfer in asset class away from plate owners and onto the operators. Ultimately, again, part of this review is to look at how you will restructure the industry in the years ahead. They are going to see more disruption—it would not matter whether it was software applications or the advent of autonomous vehicles. Ultimately we do want to work through this, recognising that government, over many generations, has instilled a property right into the plates, which is why we were willing to put in place the dollar levy to go back into the assistance for plate owners particularly.

The Hon. MARK BANASIAK: So you acknowledge that that property right has been seriously impeded by Uber and rideshare operating illegally for 18 months before you cracked down?

Mr ANDREW CONSTANCE: Unlike any other jurisdiction, we actually reformed the entire point to point transport market. We did not just say: "Right, let Uber in." We looked at how hire cars, taxis, 12-seater and less buses—so mini buses—community transport interface. Everybody recognises that the disruption in terms of that technology—let's call a spade a spade—customers went to, they flocked to. Uber got a really good hold on the market because customers chose to use them. For us, we were all about making sure it was safe. The other thing we wanted to do was see the taxi industry survive, which is why we set it on a pathway in terms of protecting rank and hail, deregulating the booking market, as I said before. It is a work in progress. Reform in this sector is dynamic and it is something that has to be forever undertaken.

The Hon. JOHN GRAHAM: I turn to an issue illustrated by the fact that there are signs popping up on the train and bus network telling commuters to separate their credit card from their Opal card so they will not be charged twice. How many customers have been charged twice?

Mr ANDREW CONSTANCE: Part of the challenge here is that if people keep their credit card and their Opal card on top of each other that is what can happen—you go and tap both cards. I would have to get you the exact information, but if people have done that they can ring up and be reimbursed.

The Hon. JOHN GRAHAM: But they have to contact you, they have to bring it to your attention, is really the issue.

Mr ANDREW CONSTANCE: This is why we are trying to encourage people not to tap twice by having their credit card and their Opal card next to each other. Now I can get you the rough numbers, if we do have them, where that has occurred but I am not sure that I do have access to that.

The Hon. JOHN GRAHAM: We are advertising about this; it is clearly a problem. Surely this is the sort of thing as Minister you would want to be on top of.

Mr ANDREW CONSTANCE: Yes, and that is why we are advertising. That is why we are going out there to try to educate the community.

The Hon. JOHN GRAHAM: People are doing this inadvertently. Why do they have to contact you to fix this problem?

Mr ANDREW CONSTANCE: Again, if people are looking at their credit card and their Opal amount, ultimately they are going to pick it up and come forward. We cannot sit here and monitor—

The Hon. JOHN GRAHAM: That is a bit rough though, is it not, to make the citizens of New South Wales go through and compare, checking—

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Mr ANDREW CONSTANCE: Oh, mate, I think you are clutching a bit at straws. Seriously, the thing is we are encouraging people to separate out their cards. You can walk into a shop with two credit cards, tap them at the same time and they would both be charged. People are going to look at their account balances with Opal, they are going to look at their credit card balances and if there is an issue then come forward. So be it.

The Hon. JOHN GRAHAM: Why is the onus on them? How are they going to know without having to carefully check back, waste their time checking these statements?

Mr ANDREW CONSTANCE: I cannot stick someone on a ticket gate checking every credit card and Opal card. The point is, it is an unbelievably good system but we recognise that if—they are called the NFC, the near-field chip, they are in the two cards—they both ping it, then you are going to get charged. What we are doing is educating the community not to do that.

The Hon. JOHN GRAHAM: Surely the system knows that. You have two records of someone being charged twice.

Mr ANDREW CONSTANCE: We do not have access to people's credit cards.

The Hon. JOHN GRAHAM: Why can you not fix this at your end?

Mr ANDREW CONSTANCE: That is what we are doing.

The Hon. JOHN GRAHAM: Is that something that you are investigating—actually fixing this automatically, rather than leaving it up to the citizen?

Mr ANDREW CONSTANCE: The fact that we are advertising it would suggest we are.

The Hon. JOHN GRAHAM: The fact you are advertising it says it is the problem for the commuter. Why do you not fix this centrally? Is that something you are investigating?

Mr ANDREW CONSTANCE: I do not know how you expect me to go around making sure that people keep their Opal cards and credit cards separated. I would love to dive into it but the reality is that we cannot stick people on every gate reminding people of this. You are very astute, you have worked out that we are actually advertising and encouraging people not to do this, so that would suggest we are onto it.

The Hon. JOHN GRAHAM: How long have customers got to request that reimbursement? Is there a cut off or does this extend backwards?

Mr ANDREW CONSTANCE: Not that I am aware of but I am happy to take that on notice.

The Hon. JOHN GRAHAM: Or does that extend backwards?

Mr ANDREW CONSTANCE: I am not aware of it.

The Hon. JOHN GRAHAM: Can you give us any idea of how many fares have been returned to commuters?

Mr ANDREW CONSTANCE: The secretary just said that we can come back with some more information this afternoon for you on that.

The Hon. JOHN GRAHAM: Okay. I appreciate it.

Mr ANDREW CONSTANCE: You are welcome.

The Hon. DANIEL MOOKHEY: Returning to Sydney Metro West, are you contemplating the use of a special infrastructure charge or any form of value capped charge to meet the needs of the financing world?

Mr ANDREW CONSTANCE: Look, one of the key things in relation to this is that we have had the funds and we are getting on and building. You know, we are not going to go out and introduce a betterment levy, let us be clear on that, not like we have seen in the United Kingdom with Crossrail. Of course, the Department of Planning can issue special infrastructure contributions when it comes to local infrastructure, but we are not going to be taxing the people of western Sydney for the new train line. The reality is, as I explained before—and I cannot be any more clear than this—we do not need to write a \$20 billion-plus cheque next week. We need to profile the funding allocations over the life of the project, which is what we do. If you look at the 10-year capital program for Transport, you will see that we have the capacity and the ability to build this train line. We have allocated \$6.4 billion in this year's budget and that is the process we will work through.

The Hon. DANIEL MOOKHEY: Has Transport for NSW prepared any model that would show the uplift in value that will accrue to landowners as a result of the construction of the Sydney Metro West?

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Mr ANDREW CONSTANCE: I am not aware of that and I do not think that Transport would really go out and engage in this way to try to work out what uplift there might be associated with property values.

The Hon. DANIEL MOOKHEY: Specifically, has Transport for NSW prepared any advice about uplift in property values that will accrue to landowners in Five Dock?

Mr ANDREW CONSTANCE: I do not believe they have.

The Hon. DANIEL MOOKHEY: To be clear, you are not intending to impose any charge on any of the landowners along the route including the owners in proximity to the proposed Five Dock station?

Mr ANDREW CONSTANCE: Again, I have just answered your question.

The Hon. DANIEL MOOKHEY: I am asking you just to be clear that you are not going to be imposing—

Mr ANDREW CONSTANCE: I have been clear. I refer you to my previous answer. It is quite simple.

The Hon. DANIEL MOOKHEY: You are aware that the member for Drummoyne owns property surrounding the Five Dock station. Is that correct?

Mr ANDREW CONSTANCE: Yes.

The Hon. DANIEL MOOKHEY: Just for the record, when did you actually become aware of that?

Mr ANDREW CONSTANCE: Again, I have made all requisite requirements under the ministerial code of conduct in relation to this matter and you know full well that it is under assessment at ICAC and that it would be inappropriate to answer that question any further.

The Hon. DANIEL MOOKHEY: But just to be clear the member for Drummoyne, who owns property in the area, can be expected to obtain a value uplift in his property? Would you agree with that?

Mr ANDREW CONSTANCE: Look, I am not the member for Drummoyne. The point that I have made—

The Hon. DANIEL MOOKHEY: But—

Mr ANDREW CONSTANCE: No, no, just hear me out. I was asked this question the other day in relation to whether I have had any discussions in relation to the Five Dock station location with him, and I answered that very clearly: No.

The Hon. DANIEL MOOKHEY: I am not actually asking you that, Minister. I am asking you—

Mr ANDREW CONSTANCE: But the point is that I know where you are going with your line of questioning.

The Hon. DANIEL MOOKHEY: Well, just answer the questions.

Mr ANDREW CONSTANCE: The point is—and I reiterate—that this is a matter for an ICAC assessment.

The Hon. DANIEL MOOKHEY: I am not asking you anything to do with that. I am just asking you—

Mr ANDREW CONSTANCE: You should allow ICAC to do their assessment.

The Hon. DANIEL MOOKHEY: Do you accept that the member for Drummoyne, who owns property near the Five Dock station, can be reasonably expected to obtain an uplift in the value of his property as a result of the construction of the metro west?

Mr ANDREW CONSTANCE: Well, we will not know what property values do until it is open by 2030, so I am not going to sit here and speculate, mate.

The Hon. DANIEL MOOKHEY: But given that there is no special—

Mr ANDREW CONSTANCE: The point is that I know where you are going.

The Hon. DANIEL MOOKHEY: Given that there is no special infrastructure charge—

Mr ANDREW CONSTANCE: I know where you are going with your questioning. I am sticking to my answer.

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The Hon. DANIEL MOOKHEY: Given that there is no special infrastructure charge being imposed, it is clear that he will receive a value uplift in the order of millions and not be required to make any form of contribution back. That is correct, too, is it not? How is that fair?

Mr ANDREW CONSTANCE: To be honest with you, if you can sit here and honestly tell me what the property values are going to be like in the years ahead, then you are a magician. The reality is that—

The Hon. DANIEL MOOKHEY: Minister, you might have to say that your defence here is—

Mr ANDREW CONSTANCE: No, no, just let me answer the question.

The Hon. DANIEL MOOKHEY: —to the extent to which you have a defence—

Mr ANDREW CONSTANCE: Let me answer the question, please, Mr Mookhey.

The Hon. DANIEL MOOKHEY: —we do not know what will happen to property prices. Therefore, we do not know whether or not the member for Drummoyne—

Mr ANDREW CONSTANCE: But you just told me that they are going to go up by millions of dollars, mate.

The Hon. DANIEL MOOKHEY: We do not know whether the member for Drummoyne will win the lottery because we just do not know what is going to happen to property prices. Are you seriously sitting there and saying that is your answer?

Mr ANDREW CONSTANCE: What I am saying to you is that I am not going to sit here and speculate on the property prices in Five Dock, as you are.

The Hon. JOHN GRAHAM: As John Sidoti is.

Mr ANDREW CONSTANCE: The reality is—

The Hon. DANIEL MOOKHEY: As John Sidoti is, actually.

The Hon. JOHN GRAHAM: That is more the point.

Mr ANDREW CONSTANCE: Yes, but hang on a sec here, guys. You know this matter is being assessed by ICAC. Let ICAC do its assessment.

The Hon. DANIEL MOOKHEY: You are acquiring 120 properties for metro west. That is correct?

Mr ANDREW CONSTANCE: Roughly. I think, from memory, it was about 23 residential properties and 93-odd business properties.

The Hon. DANIEL MOOKHEY: And 93. Is that for the whole duration of the project?

Mr ANDREW CONSTANCE: That is in relation to the announcements that we may do so that we can start to prepare the sites to get ready for the excavation work that needs to happen so that we can facilitate tunnel-boring machines. In terms of the property take relative to other projects, thankfully this project is not as many as we have seen with projects like WestConnex and others. But the point that I would make is that it is largely underground.

The Hon. DANIEL MOOKHEY: Yes.

Mr ANDREW CONSTANCE: And that is a good thing.

The Hon. DANIEL MOOKHEY: Sorry, you just said 120 for the purpose of excavation. Does that mean that there will be more acquired later in the project?

Mr ANDREW CONSTANCE: No. We will be acquiring them for the stations which were announced.

The Hon. DANIEL MOOKHEY: Okay, right.

Mr ANDREW CONSTANCE: But again we have not determined the exact station location in the city. That will require some more acquisitions. We have said that we are going to review the situation at Pymont. Likewise, that may require some further acquisition.

The Hon. DANIEL MOOKHEY: Do you have an estimate—

Mr ANDREW CONSTANCE: I mean, this is the same process that we worked through with the other projects as last time.

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The Hon. DANIEL MOOKHEY: I understand, but do you have an estimate for the total number of properties that will be required for the total project?

Mr ANDREW CONSTANCE: I have not seen one, but again that is—

The Hon. DANIEL MOOKHEY: So it is at least 110.

Mr ANDREW CONSTANCE: Yes, but hang on a sec. I have not seen one, but again a lot of that is done at arms-length from the Minister, very deliberately, and we obviously will see, as per the legislation, a requirement to take properties for the purposes of transport. Under the new metro Act we do have the ability for place-making under that legislation, which does enable full precinct development to occur. But, look, at this stage the property take that has been announced relates to the stations that have been announced.

The Hon. DANIEL MOOKHEY: Have any of those properties—

Mr ANDREW CONSTANCE: And the dive sites.

The Hon. DANIEL MOOKHEY: Let us start with the 110 that we know need to be acquired. Have any of them already been acquired?

Mr ANDREW CONSTANCE: I would have to take that on notice. I mean, we knocked on doors last week and there might—you know, I do not think there has been. But, again, we knocked on doors for the first time last week to notify those businesses, those residents, that this train line is for three million people. So, no, we have not acquired any property as of yet in that sense. But I do not want you to be confused in relation to any government landholdings that we might already have—that is, the Crown land at the speedway.

The Hon. DANIEL MOOKHEY: You said that construction is meant to commence in some form hopefully next year. Are all 110 going to be acquired by next year—120 in total?

Mr ANDREW CONSTANCE: Again, I mean, the process will be that hopefully we can settle a lot of these matters, as we normally do, with one-on-one personal relationships between the agency and the property owners. I am very sorry that those property owners are going to have to go through this but the reality is that we need to build this train line for three million people in western Sydney and there is a process underway.

The Hon. DANIEL MOOKHEY: You would have seen in the wake of this information arriving in the public domain that 120 would be acquired that some of the residents who are losing their homes have already spoken out about the sort of trauma that they said it is going to inflict on them, including people who have been living in those properties for 40 or 50 years.

Mr ANDREW CONSTANCE: Yes.

The Hon. DANIEL MOOKHEY: Can you guarantee that every recommendation that was made by independent review in the last Parliament about property acquisitions being done by Finance will be followed in respect to those 110 properties?

Mr ANDREW CONSTANCE: The metro team has a process. My expectation as the Minister is that it is done sensitively. I know the residents to whom you refer because ultimately they—in some cases—wanted to live their entire life in those properties. There is a degree of sensitivity, absolutely. I mean, each individual is different and each property owner is different and each business and each tenant is different. But that said, we do need to build big infrastructure and it does require us to acquire property. I expect it to be done sensitively. I expected to be done with personal relationships with property managers managing each of those individuals and we work through this process sensibly.

The Hon. DANIEL MOOKHEY: In respect to the 93 commercial businesses, how many of them are small businesses or retail shopfronts, do you know?

Mr ANDREW CONSTANCE: Not offhand. I mean, we can get a breakdown but, again, I dare say a significant number of them would be small businesses, yes.

The Hon. DANIEL MOOKHEY: You are aware that the acquisition will happen to the landowner, who may not actually be the retail business that leases it, which means that those businesses will be required to move.

Mr ANDREW CONSTANCE: Yes.

The Hon. DANIEL MOOKHEY: They will not obtain any form of entitlement in terms of the lease or at least the property acquisition.

Mr ANDREW CONSTANCE: Well, look, no, no—

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The Hon. DANIEL MOOKHEY: No, I am just going to ask you: What scheme is in place to assist those businesses who do not own property and who will otherwise have to move?

Mr STAPLES: As is standard practice, there are different property rights. There is the freehold ownership of the property and we deal through the Land Acquisition (Just Terms Compensation) Act in relation to that in terms of valuation process. If there is a tenant, and certainly there will be in a number of places, with lease rights to the property, then there is a process we go through to either relocate—which is our preference, to encourage the business to relocate—or in some instances where the business may be pivotal to the geographical location, it is essentially an extinguishment of the business as in a purchase of the business. That is done and it is standard practice. We do that all the time.

We have been in contact not only with the freehold property owners but also each of the businesses that we need to go through that process with. In relation to the timing issue that you are talking about, we obviously want to move through this as quickly as possible for each business. The advantage of getting in early and starting those conversations is that we can hear what the individual property owners' and businesses' needs are and see how, in terms of timing, we can adapt around those needs within the limits of needing to keep the delivery of the project moving forward.

The Hon. DANIEL MOOKHEY: Secretary, we might resume this part of the conversation in the afternoon, if possible. Minister, I want to move on to Parramatta Light Rail stage two. When is that going to be built?

Mr ANDREW CONSTANCE: As I have indicated, the first priority in terms of transport through that area will be a bridge linking Melrose Park to Wentworth Point. There is no doubt that we will work through those processes with the community. Again, I have nothing further to update other than to say that we are building the Parramatta Light Rail now. At the same time, we are also building a brand new metro train right through the guts of that area. I have made it clear that I do want to go and have a look at some of the innovations around the world. For instance, we are now seeing trackless technology in the Hunan Province in China. Why would I not go and do that? That is what I have said—

The Hon. DANIEL MOOKHEY: No-one begrudges you understanding what is happening.

Mr ANDREW CONSTANCE: It sounds like you are.

The Hon. DANIEL MOOKHEY: No, I am certainly not. It is just that in 2017 you released a paper that spoke of the virtues of Parramatta Light Rail stage two. In fact, I asked you about that in the main estimates hearings. In between the main estimates hearings and the supplementary estimates hearings you have said that, effectively, the project has been deferred indefinitely—at least, you certainly left that public impression. I ask you to please take this opportunity to clear up any public confusion that you may have created by saying that the project is not deferred and that stage two will be built.

Mr ANDREW CONSTANCE: The only people who seem to be exercised in this at the moment seem to be part of the very political Western Sydney Business Chamber, including President David Borger, who is an ex-Labor Minister.

The Hon. DANIEL MOOKHEY: Be careful. All of your colleagues keep quoting David Borger for supporting the Government's policy. You need to be careful. He is your go-to expert when you need a Labor expert. For example, Minister Harwin cannot stop talking about David Borger. You should be careful.

Mr ANDREW CONSTANCE: I am sure you guys love it when he is out endorsing our position. To be clear, we are looking at innovations that are happening around the world. It is no secret that I am one of the biggest advocates for the electrification of the transport fleet on the basis of community health. I will have more to say about that. But the key element of this is that first of all we want to get the bridge built. I am very focused on that in terms of the stage two project. Also, we are building stage 1. Just let us get on with it.

The Hon. DANIEL MOOKHEY: I will. But you mentioned Mr Borger and he has had something to say about this. In fact, this morning he said, "The message is loud and clear that the New South Wales Government, as it has promised multiple times, needs to commit to the construction of Parramatta Light Rail stage two as a priority for the Olympic peninsula." Put Mr Borger's mind at ease and guarantee, as you have multiple times, that you will build Parramatta Light Rail stage two.

Mr ANDREW CONSTANCE: Did anyone in the Labor Party talk to him this morning? I wonder if that happened last week when I announced Metro West.

The Hon. DANIEL MOOKHEY: You would probably know. Let us talk about Geoff Lee. I think he has also joined the call.

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Mr ANDREW CONSTANCE: He is a great local member.

The Hon. DANIEL MOOKHEY: Put both of their minds at ease and guarantee that the project will be built.

Mr ANDREW CONSTANCE: I have made it crystal clear that we are working out the best way to get on and provide transport. It would not matter if it was trackless trams. All of those things are in the mix. They were not available a number of years ago. We are getting on and building Parramatta Light Rail, mate. Go out and have a look. I know it is a long way from where you live but go and have a look.

The Hon. DANIEL MOOKHEY: I grew up in Parramatta—that is harsh.

Mr ANDREW CONSTANCE: You are very defensive.

The Hon. DANIEL MOOKHEY: I love my town.

Mr ANDREW CONSTANCE: So much so that you do not live there anymore.

The Hon. DANIEL MOOKHEY: What is the timetable for you to complete your investigation, knowing that you have already prepared at least one final business case on Parramatta Light Rail stage two, which was leaked? Do you want to tell us when exactly we will have a solution and when you will be in a position to let the people of Parramatta know whether they are getting trackless trams or light rail stage two—as you promised them multiple times—or whether you are cancelling it all?

Mr ANDREW CONSTANCE: Just to help you out, they are getting a new metro train and they are getting light rail.

The Hon. DANIEL MOOKHEY: Are they getting stage two? They are so eager for it.

Mr ANDREW CONSTANCE: Mate, do not panic.

The Hon. DANIEL MOOKHEY: What is the timetable?

Mr ANDREW CONSTANCE: Do not panic. The point that I would make is that we building the Parramatta Light Rail now. At the same time we are going to put a brand new metro train right through the heart of the precinct. We are going to work around the clock in terms of what we need to do to build that bridge. I am just getting on with it. Quite frankly, I say to anyone speculating—be it you or any former Labor Minister—"Good luck."

The Hon. JOHN GRAHAM: Like John Sidoti.

Mr ANDREW CONSTANCE: I said Labor Minister—David Borger.

The Hon. JOHN GRAHAM: You mentioned speculating.

The Hon. DANIEL MOOKHEY: You acquired the site out at Camellia for Parramatta Light Rail stage two. Do you remember that?

Mr ANDREW CONSTANCE: Camellia?

The Hon. DANIEL MOOKHEY: We had a lot of questions about it—the one from Billbergia that you paid off with \$31 million to remediate? Is that stabling yard still intended to be used for Parramatta Light Rail or is it now being remitted to the use of Metro West?

Mr ANDREW CONSTANCE: You are onto something, mate. We are building the stabling yard behind Rosehill Gardens Racecourse at Camellia.

The Hon. DANIEL MOOKHEY: That is good—we are talking about the same one. That was acquired for the purposes of the Parramatta Light Rail project. Will it still be used for the Parramatta Light Rail project or is it being remitted to the use of Metro West?

Mr ANDREW CONSTANCE: We are building the stabling yards at the back of Rosehill in Camellia.

The Hon. DANIEL MOOKHEY: For Parramatta Light Rail?

Mr ANDREW CONSTANCE: I do not think we would be building light rail stabling yards for the purposes of Newcastle Light Rail in Rosehill.

The Hon. DANIEL MOOKHEY: Will that cover stage two as well?

Mr ANDREW CONSTANCE: It will cover the network, yes.

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The Hon. DANIEL MOOKHEY: In terms of the apartment targets that were set as part of the Parramatta Light Rail project, where are we up to in terms of that?

Mr ANDREW CONSTANCE: I am not the Greater Sydney Commission or the Department of Planning, Industry and Environment. You will need to direct your questions to them.

The Hon. DANIEL MOOKHEY: The problem is that your financing model depended on it. I want to know whether you can pay for it. You were planning to pay for it by building apartments. How many apartments are you going to be building to pay for the Parramatta Light Rail?

The Hon. CATHERINE CUSACK: This is terrible.

Mr ANDREW CONSTANCE: Mate, if I have been dragged back here this morning, while there are a million and one other things we need to be doing as a government, to answer these types of questions—you are being silly.

The Hon. DANIEL MOOKHEY: I am sorry if you think that the community has no interest in this.

Mr ANDREW CONSTANCE: The project is underway.

The CHAIR: The Opposition's time is up.

Mr ANDREW CONSTANCE: Thank goodness for that.

The CHAIR: You may regret saying that because now we are going to have a couple more questions on the privatisation of buses.

Mr ANDREW CONSTANCE: Have you worked out the definition yet?

The CHAIR: Of which word—privatisation? I told you that earlier.

Mr ANDREW CONSTANCE: Yes, and franchising. Have you got a definition of "franchising"?

The CHAIR: Franchising is part of privatising. It is a part that only refers to services; not goods and services. It is still privatisation. I encourage you to look in the dictionary. I am looking at the *State Transit Authority Annual Report 2017-18* and the on-time running performance figures for regions 7, 8 and 9. They are doing pretty well according to the report. I would welcome any more recent figures—these are the most recent ones I had to hand. Before region 6 was privatised it was not doing as well as regions 7, 8 and 9; it was still doing better than it is now under private ownership. Regions 7, 8 and 9 still significantly outperform the private operator running region 6. It seems to me—and correct me if I am wrong—that there was no consultation with the RTBU and there was no consultation with community. Regions 7, 8 and 9 do not seem to have a problem. Why are you seeking to privatise them?

Mr ANDREW CONSTANCE: Let me help clear this up. First of all, if I say—as we announced last week—that achievements have been made by the union in relation to the entitlements of employees before I made the announcement, that would suggest that someone has been talking. As I indicated earlier, in my diary disclosures you will find that there are meetings with the RTBU. In terms of the performance of the State Transit Authority, I want to pay tribute to Mr Faurby and to the bus drivers and workers of the STA, who have lifted their performance in recent times in terms of on-time running. But you are missing the point. The reason we are putting this out to a competitive market is for growth, electrification—which you should love as a greenie—

The CHAIR: You could electrify it within public hands though, could you not? Electrification is not only for private enterprises.

Mr ANDREW CONSTANCE: We want to bring in the best in the world to be able to achieve that. Again, if you look at the contract for region 6 there have been significant savings achieved through the contracting to enable growth—that is, the 270 additional weekly services—and at the same time we are dealing with a really incredible increase in patronage. I do not know what your adversity is to the private sector.

The CHAIR: Why is that not something the Government could have achieved?

Mr ANDREW CONSTANCE: Why are you averse to the private sector? That is the question I am asking you to ask yourself. Because there is no doubt, if you look at what can be achieved and what is required to deliver a new, outstanding bus network for a city the size of Sydney—it is phenomenal—this cannot happen because government does not own all the expertise in this space.

The CHAIR: Not anymore, no.

Mr ANDREW CONSTANCE: Well, sorry, but your mates in the Labor Party went out and contracted in 2005 under John Watkins.

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The CHAIR: I am not interested in the Labor Party. This is budget estimates into your portfolio area and your performance.

Mr ANDREW CONSTANCE: Okay. It is lucky for The Greens: You never have to run a budget and you never have to run a service but you get to sit on the sideline—

The CHAIR: It would be wonderful if we could.

Mr ANDREW CONSTANCE: —and have some sort of ideological discussion about this. I mean, for goodness sake!

The CHAIR: Looking at growth in patronage, if we could, Minister Toole, if I could ask you about the Newcastle buses. I have seen reports indicating that the patronage by the Opal data for bus trips in Newcastle had dropped significantly after privatisation. Do you have any more recent figures or anything to indicate that that growth is going up?

Mr PAUL TOOLE: Firstly, let me just point out that Newcastle is outer metropolitan and that is not fitting within my portfolio. It actually fits in under Minister Constance.

The CHAIR: Ah. We had a bit of back and forth before where it was supposed to be your portfolio.

Mr PAUL TOOLE: Well, who knows? As we said last time, my definition of my boundaries fits within the Restart NSW, which we actually identified last time as part of evolving transport as to where those boundaries were. So the question is not for me but for Minister Constance.

The CHAIR: Okay. That is not what was said in the answers, but okay. Good.

Mr PAUL TOOLE: Would you like me to pass it over?

The CHAIR: Yes, please.

Mr ANDREW CONSTANCE: First of all, we did something a little bit unique in Newcastle in that we franchised the entire network—so Wickham interchange, the ferries, the buses and the light rail—all with Keolis Downer. I think it is fair to say that a couple of years ago if you went and had a look at the transport network in Newcastle you would see empty buses everywhere, you would see lots of cars everywhere, and we needed to make a change. There is no doubt if you look at the extra 1,700 additional bus services per week that have been put in that is a 38 per cent increase; 100 additional ferry services per week that is a 19 per cent increase; 1,500 light rail services—

The CHAIR: And the patronage figures?

Mr ANDREW CONSTANCE: I am just going to get to that because I do not have my glasses with me. There has been basically a 15 per cent increase in public transport trips since we have done this.

The CHAIR: For buses?

Mr ANDREW CONSTANCE: I can get you the breakdown, but that is remarkable.

The CHAIR: My understanding is that for the buses the patronage is actually down.

Mr ANDREW CONSTANCE: I can get you those but I do know that the buses for a long time before franchising were terrible. I will get you the breakdown in terms of that.

The CHAIR: This is obviously based on those pre-privatisation figures.

Mr ANDREW CONSTANCE: Pre-franchising.

The CHAIR: Which is part of privatisation.

Mr ANDREW CONSTANCE: Okay.

The Hon. MARK BANASIAK: I have a quick couple of questions about the speedway. Minister, you came out last week after the announcement and quickly made another announcement saying that you were looking at relocation for that speedway. Do you have a location?

Mr ANDREW CONSTANCE: Yes. So just to explain the process, when we announced Metro West, the day that the Premier and I did that, that was the day that all the businesses were knocked on the door. The speedway sits on Crown land but there is an operator. So in fairness to the operator they needed to be contacted on that day. The next day I made very clear with Geoff Lee, the sports Minister, that we were going to rehome the speedway and build them obviously something bigger and better in terms of it. The preference in terms of location would be Eastern Creek—that makes absolute sense.

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I am hoping that that will minimise the disruption to any of the supply chain operators in and around the speedway, given that there are other racing sports held out at Eastern Creek. I met with the industry on Friday, and we have, I guess, three elements to this. First of all, for racing fans they need to know that there is going to be a continuance of the sport and no disruption of it as a result of us building the Metro West. Secondly, the operator needs to work through it—the arm's length process from me—directly with the metro team in terms of their business, because obviously they are being greatly affected by this decision.

But, thirdly, we are going to pay for a new speedway to be built as a result of us having to disrupt the sport, which is enjoyed by many, many people and has been for many generations. That is what we need to do as a result of us requiring the speedway for the stabling of the driverless trains. Anybody who has been to Tallawong will see the very nature and size of the footprint required to stable this fleet. So that is ultimately the path we have gone down. There are not too many places between here and Parramatta to stable driverless trains. It is obviously a difficult decision. I recognise that for the sector and we apologise for the inconvenience that is being caused, but I do believe we have a good pathway moving forward for them.

The Hon. MARK BANASIAK: Jumping back to taxis, there was an article in *The Australian* that stated Uber drivers are bypassing their own security checks and one unregistered driver was quoted as saying that he would log out, alert the actual owner of the account who would then just send a selfie through and he was able to log back in, essentially putting him at one point with Uber registering at Parramatta and then five minutes later he is working in the lower Blue Mountains. In addition to that, in Victoria there was an incident where the man used a similar strategy and then went on to sexually assault passengers. You have spoken about a light-touch approach in previous estimates. Mr Staples also spoke about shifting responsibility onto companies. Clearly companies are not taking up their responsibility. Are you prepared to jump in and apply a firmer touch if—and, clearly, when—they are not?

Mr ANDREW CONSTANCE: One of the things we did when we announced these reforms was appoint a Point to Point Transport Commissioner to regulate the industry. There was no regulation on Uber. So the point out of it is we need some regulation to provide safeguards and safety for the community. I will ask the commissioner to specifically talk about what the Point to Point Commissioner is doing in this regard to stamp out what is, in essence, criminal behaviour.

Mr WING: Thank you, Minister. Yes, we take the issue of what we call "unvetted" drivers very seriously. It is not a new issue. It has occurred in the taxi industry in the past. It does occur. It is a very serious safety issue because essentially the companies who are running the business do not know about these drivers and therefore have not vetted them or checked them. We want to see it removed. The new safety rules actually oblige the companies to do something about it. In the past, they could have just washed their hands of it; now they are obliged to do something about it.

I take it seriously. I called the industry together through my industry reference group a few weeks ago to ask them all to describe in the first instance what they are doing about this issue. All of them are taking it very seriously. They have been swapping information through this group about the different things they can do. Many of them have quite high-tech solutions for it. I do not want to go into too much detail about those because I do not want to tell people how they might get around those.

The Hon. MARK BANASIAK: But you, as the Point to Point Commissioner, are not specifically giving any prescribed obligations. You are leaving it back in the hands of Uber and other rideshare companies.

Mr ANDREW CONSTANCE: No, but they run through police checks and all the appropriate criminal record checks in relation to their platform. And, again, there are very significant fines and penalties if this behaviour continues. So, again, we are seeing some jurisdictions around the world threatening the operation altogether. My expectation is to clamp down on where it occurs. I do not believe it to be a widespread practice. But, as with anything in life, there is always going to be some degree of risk in the transport network and we have to do everything we can to minimise it.

The Hon. MICK VEITCH: Minister Toole, at our last budget estimates hearing we spent a bit of time exploring the issue of the XPT locomotive centre pins. Have the centre pins arrived and are all XPT locomotives back in service?

Mr PAUL TOOLE: The answer is not all of them are back in service but we have identified the cracks for those centre pins. As you know, they were quite specific so we went out to tender for them to be manufactured. We have received five of those centre pins. Those XPTs that are impacted will be operational in December of this year. I also point out that where there was any issue in relation to customer service we put buses on to ensure that customers could still have transport options as well. But on top of that, don't forget we have also said that there are the 29 centre pins that we were replacing. Even though a number of them were identified with cracks, we

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decided to replace the entire fleet. Importantly, Transport for NSW, or TfNSW, is making sure that the safety of both staff and customers is put at the forefront for this decision being made.

The Hon. MICK VEITCH: Of the ones that were taken offline because of the centre pin cracking, how many of those are now back in service, acknowledging you said that they should all be back by December?

Mr PAUL TOOLE: I might hand over to Mr Allaway who has carriage of it. As the Minister, what I want to do is look at where the service is being provided and at what changes are being made to ensure that customers are still being looked after but Mr Allaway may have some further information to share.

Mr ALLAWAY: What I can update on—and I might pass over to Mr Collins because you are in the luxurious position of having our maintainer of the fleet in the room as well who will be able to give you some more technical detail—of the four that came out of service, two are back in service now. So we have tried to minimise the two legs—there is one out to Grafton and one back to Dubbo—to minimise the number with that. We are working very actively with our Sydney Trains colleagues to try to get the three back in December, as far as customer service is concerned. But I hand over to Mr Collins.

The Hon. MICK VEITCH: I just need to know how many are back in.

Mr COLLINS: Sure. Thank you very much, Mr Allaway. I spoke to Stewart Mills this morning. The team has been working extremely hard, our Express Passenger Train [XPT] team at Meeks Road. We have completed three trains; that is six centre pins. We hope to get another one in service this week. We have had eight delivered. It is made by an Australian company—it is a very difficult piece of material to make—and we are expecting a delivery from 11 November every week. The guys and girls at Meeks Road will work pretty hard to get those services back for Mr Allaway to operate as soon as possible. We are replacing everything. We have not seen any more cracks appear on our testing but we have now decided to replace these 37-year-old pins completely.

The Hon. MICK VEITCH: Thank you very much. Minister, the Victorian V/Line services are measured against performance criteria each month and compensation is acceptable if they do not meet their targets. Is there a similar facility for travellers to make a claim against Countrylink or XPT services in New South Wales?

Mr PAUL TOOLE: Let us put it this way. If passengers are not feeling as though they are getting a service, don't worry; they will write to local members and they will write to me as the Minister. Transport for NSW will make an effort to contact members in certain circumstances to assist as to how they can actually improve the service that is currently there. We are not going to rest upon our laurels about the kind of service being delivered. If we can improve it, we will always look at improving it.

To say there is going to be compensation for unsatisfied customers, no, there will not be that, but what we are going to do is provide assistance and try to work out ways in which we can improve that service for our customers here in the State. From time to time as well there may be an issue with pricing or something and someone may feel uncomfortable there. So they may be given their next trip for free or they may be given a free trip the next time they are able to use that particular service. That does happen from time to time as well.

The Hon. MICK VEITCH: Minister, in the circumstance where a service is cancelled, as opposed to delayed, what is the process for notifying travellers along the way?

Mr PAUL TOOLE: I will ask Mr Allaway to outline that but Transport for NSW outlines to me, as the Minister, when services are changed. Let's not forget, recently the Grafton service was changed due to fires so that created some challenges there in providing additional services. But I will get Mr Allaway to outline the process undertaken.

Mr ALLAWAY: There are two points that I would bring out with the answer to that one. Number one is that if we cancel rail services NSW TrainLink has a dedicated team that looks at replacement coach services for all of those services. To date I cannot think of an area where we have cancelled a train service and not provided an alternative mechanism to stop at those particular stops. We also have a very dedicated team because a lot of these services are booked services. We have the address details of those individuals. We painstakingly contact them with SMS messaging. We also advise them to look at the website, which is the TfNSW website, and on occasion, particularly if it is the last minute for rail, we have personally contacted those individuals one to one to give them notification of cancellation.

The Hon. MICK VEITCH: Thank you.

The Hon. PETER PRIMROSE: Minister Toole, in estimates on 30 August 2019 Mr Tim Reardon, the Secretary of the Department of Premier and Cabinet, was asked by the Hon. Adam Searle:

How is "regional" defined? Is that still a work in progress?

Mr Reardon replied:

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I just outlined, but I will go through again. Sydney, the Newcastle local government area and the Wollongong local government area is designated as metropolitan; anything outside that is considered regional.

Is that the case for your portfolio?

Mr PAUL TOOLE: It is clearly defined under Restart NSW. We are using exactly the same definition for what is regional transport and roads—it falls into my area. So if you want it in a nutshell, it basically means Sydney, Newcastle and Wollongong outside of my portfolio and also the Blue Mountains local government area. So everything outside of that fits in with me, Mr Primrose.

The Hon. PETER PRIMROSE: Does that include the Central Coast?

Mr PAUL TOOLE: The Central Coast is me.

The Hon. PETER PRIMROSE: Thank you. In relation to the regional seniors savers card, are there sufficient funds in this year's budget for the regional seniors savers card to be implemented?

Mr PAUL TOOLE: There are enough funds for it to be implemented, thank you, Mr Primrose. The Regional Seniors Transport Card is an initiative that this Government has put in place. This is about assisting our seniors who are living in regional parts of New South Wales to be able to access \$250. This is going to start from January next year and will be rolled out to those who are eligible to receive the card. I find it a bit rich that you are asking me a question about whether there is enough money because your party opposes the Regional Seniors Transport Card which is going to make a big difference for those people living in regional areas.

We have people who live hundreds of kilometres away from towns. They are going to use this to purchase fuel, to purchase pre-booked TrainLink services and maybe cabs as well. It will make a big difference for people to have accessibility. For people in the bush this could mean the difference between them getting a medical appointment when they have to travel hundreds of kilometres. Importantly, we have money there for it. It will be rolled out and, I tell you what, the success of the program will be determined and monitored. But if you are asking whether we have enough money to roll it out, yes, we do.

The Hon. PETER PRIMROSE: What is the allocation this year?

Mr PAUL TOOLE: I would have to take that on notice but there is \$90 million over the next two years for the program. It was modelled. It did go through budgetary costings before the last election, so we did cost it out. It was modelled off Western Australia, which indicated a 40 per cent take-up. At the end of the day, if more people than that take it up that is fantastic because this is going to be something that people in regional New South Wales have not had in the past. People in the city get transport subsidised; people in the bush do not. So, very importantly, they are going to be able to get this service into the future.

The Hon. PETER PRIMROSE: Do you have any estimates of roughly how many people in Gosford are likely to take this up?

Mr PAUL TOOLE: We could find that out but whether or not we can come back this afternoon with an estimated number—people will still have to apply, they have to go online, they have to ring a customer service line if they wish to get the card. So that is something that each individual will still need to make a choice to be able to do. But in saying that, there will be people who will be eligible for it and I certainly look forward to rolling it out and seeing the success and the take-up of the Regional Seniors Transport Card.

The Hon. PETER PRIMROSE: I ask that you take on notice your estimates of the number of people in each State electorate or each local government area—it is up to you—who may take that up.

Mr PAUL TOOLE: I am not sure that we will have that kind of data but we will have a look to see if we have that specific data. There will be eligible Commonwealth cardholders as well. So whether we have that data—it may not be there—but we will have a look for you.

The Hon. PETER PRIMROSE: I am sure the Commonwealth would have that data.

Mr PAUL TOOLE: Well, this is the State.

The Hon. PETER PRIMROSE: What percentage of eligible seniors do you estimate will be able to access the card within the first year of its implementation?

Mr PAUL TOOLE: You are asking me how many do I think will take it up? I don't know. The more the merrier. At the end of the day if we are going to advertise this, we are going to have this rolled out across the State, why should those communities that have put their hand up not get a benefit out of it? I still find it rich that you are asking me the question when you are opposed to it. Your party is opposed to it. You did not want to match it and this is a program that is actually critical and important to our regional communities.

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The Hon. PETER PRIMROSE: Minister, you were elected. I am asking you to give some details to me about the operation of the program. How many and what percentage of eligible seniors do you believe will be able to access this allocation? Will it be 100 per cent or 40 per cent?

Mr PAUL TOOLE: I did answer that earlier for you. I said that it was costed—as part of our election commitment for 40 per cent—

The Hon. PETER PRIMROSE: Forty per cent.

Mr PAUL TOOLE: But if there is more than that, that is great. We are not stopping it at 40 per cent, thank you Mr Primrose. If there is 45 per cent take it up—great. If there is 60 per cent—great. The more, as I said, the merrier because this is a great service that is going to provide for our regional communities, including some people that may be vulnerable, that do not have the same level of support as exists here in the city.

The Hon. PETER PRIMROSE: So although funding has been allocated for 40 per cent, if 50 per cent take it up do you believe that the Treasurer would make that additional funding available?

Mr PAUL TOOLE: Your question is hypothetical because until we know what numbers are going to come in, as I said, when you are rolling out a scheme like this for the first time in New South Wales we can only go off numbers where it has been used in other States. That is why the 40 per cent came up because the 40 per cent was capitalised in Western Australia. So we are putting the same figures in relation to that. If it is more than that, that is fantastic. We will find the dollars to be able to continue to roll it out. But if you are living in the bush, Mr Primrose, and you are the 41 per cent person that comes in, I am sure you will not miss out on your \$250.

The Hon. PETER PRIMROSE: Okay. When will the details of this scheme be made fully available to the public?

Mr PAUL TOOLE: Information will be rolled out very shortly in relation to the scheme. Over the next six weeks there will be information alerting the public how they can access the card and how it is going to work.

The Hon. PETER PRIMROSE: So the community will have access to the information within six weeks?

Mr PAUL TOOLE: It will be online as well, Mr Primrose. I encourage you to go online and have a look at it at that time.

The Hon. PETER PRIMROSE: I shall. The information you have made available is hypothetical so it is difficult for me to ask other than hypothetical questions, Minister. I am trying—

Mr PAUL TOOLE: All I can tell you is that people in the bush are excited about it because they have been asking about when it is going to start. They are keen for it to begin next year. It is \$250 each calendar year and that is exactly what we are going to be delivering to our communities.

The Hon. PETER PRIMROSE: I suspect they are the same people who have been asking us about the details.

Mr PAUL TOOLE: I hope you told them that you do not support it because you opposed it and you did not want to match it. Make sure you let them know that you do not like this scheme.

The Hon. PETER PRIMROSE: I look forward to information from you as it rolls out, Minister.

The Hon. JOHN GRAHAM: Minister Constance, I might return to that double charging issue.

Mr ANDREW CONSTANCE: Double charging?

The Hon. JOHN GRAHAM: This is on the Opal tapping question.

Mr ANDREW CONSTANCE: Can I just point out that I have got a lot of people from Transport for NSW who need to do their job today. This is embarrassing. It is really starting to be embarrassing—

The Hon. JOHN GRAHAM: Well Minister, thanks for the editorial. I want to ask you this question.

Mr ANDREW CONSTANCE: Stop wasting people's time—

The Hon. JOHN GRAHAM: You are wasting my time, Minister.

Mr ANDREW CONSTANCE: We have got millions of people across the network, moving around right now and the heads of every agency are sitting here, listening to silly questions.

The CHAIR: Order! Ask the question.

The Hon. JOHN GRAHAM: Minister, I am trying to ask you a question.

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Mr ANDREW CONSTANCE: I have been called back. I came back and you are now asking me about double tapping of credit cards and Opal cards. I have given you my answers. I am not going to give you any more answers.

The Hon. JOHN GRAHAM: I just want to ask this: If someone has got multiple credit cards in their wallet, if they have got a phone with which potentially they can pay, maybe a smartwatch, can you confirm that customers might not have been double-charged but may have been charged three, four or five times? Can you confirm that has happened?

Mr ANDREW CONSTANCE: Seriously, we are advertising, telling people not to put their credit card next to their Opal card so they do not get double-charged.

The Hon. JOHN GRAHAM: The public have got a right to know about this, Minister.

Mr ANDREW CONSTANCE: That is why we are advertising it on the train network so—

The Hon. JOHN GRAHAM: But you cannot tell us how big an issue it is?

Mr ANDREW CONSTANCE: Seriously, you have run out of questions.

The Hon. JOHN GRAHAM: So you are refusing to answer that one.

Mr ANDREW CONSTANCE: No, I answered it about an hour ago.

The Hon. JOHN GRAHAM: Right. I want to turn to the Newcastle cruise terminal. There was \$12.7 million—

Mr ANDREW CONSTANCE: Crackers has been on the phone.

The Hon. JOHN GRAHAM: —that the Government had committed to this. The suggestion is this funding will be withdrawn this week after this project has not proceeded.

Mr ANDREW CONSTANCE: I am not the Minister responsible.

The Hon. JOHN GRAHAM: Can you commit that the funding will not be withdrawn?

Mr ANDREW CONSTANCE: Firstly, just to help the member for Newcastle out because he has been chasing me down corridors in relation to this.

The Hon. JOHN GRAHAM: He is a very energetic member.

Mr ANDREW CONSTANCE: I love Crackers; a lovely bloke. First and foremost, they were told up there to use it or lose it and the money is going to be assigned to drought funding and—guess what—nothing has happened in the way that it should have.

The Hon. JOHN GRAHAM: And that will happen this week?

Mr ANDREW CONSTANCE: Wait. Just hang on. First of all, I do not have carriage of that budget. It has come through Infrastructure NSW so you are asking the wrong Minister. Secondly, do we need to make sure that our Regional Ports Strategy in this State is the best in the world? Yes, and that is what we are doing—

The Hon. JOHN GRAHAM: Can I put to you the second part of this question because it is important, Minister?

Mr ANDREW CONSTANCE: Can I just say this? Tim Crakanthorp went up there and interfered in a whole bunch of stuff that he knew nothing about.

The Hon. JOHN GRAHAM: I am going to stop you there, Minister. I want to put this question to you.

Mr ANDREW CONSTANCE: I thought I was in full flight.

The Hon. JOHN GRAHAM: The Port Authority of NSW is delivering the Port of Eden terminal. Have you considered getting the Port Authority to deliver the Newcastle project? Or would you have a look at this?

Mr ANDREW CONSTANCE: The member for Newcastle—affectionately known as "Crackers"—asked me whether that was possible. Ultimately, he needs to listen to the expertise of the Port Authority because he is coming up with things which are out of line and out of sync with what the industry needs to deliver in terms of regional ports plus the cruise industry for Newcastle. It is a great city. We have revitalised it. We took the tough decision to lift up the heavy rail line and put light rail down Hunter Street—

The Hon. JOHN GRAHAM: Is this an option though, Minister? This funding is about to be withdrawn—you have confirmed that.

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Mr ANDREW CONSTANCE: I just told you. I am not the source of the funds.

The Hon. JOHN GRAHAM: I understand.

Mr ANDREW CONSTANCE: But we are willing to invest in our regional ports.

The Hon. JOHN GRAHAM: They are doing it down your way. Could they do it in Newcastle?

Mr ANDREW CONSTANCE: You have got all afternoon with the Port Authority here.

The Hon. JOHN GRAHAM: I am asking you as the Minister.

Mr ANDREW CONSTANCE: I will be making some decisions in relation to the way we progress. The point is that the money was set aside and the Port of Newcastle opted—as I understand it and Phil Holliday can correct me if I am wrong—not to allocate the money in the unreal expectations that Mr Crakanthorp is talking about because he does not understand the industry. He needs to listen to people about how to grow the industry in Newcastle because they are smart people.

The Hon. JOHN GRAHAM: Minister, is this something you are happy to look at?

Mr ANDREW CONSTANCE: Yes. I told Crackers last week that I would. As part of that, that \$12 million needs to go to drought relief, which is fairly important at this time.

The Hon. DANIEL MOOKHEY: Minister, I want to turn to your decision to build the ferry fleet offshore.

Mr ANDREW CONSTANCE: My decision? The premise of your question is wrong, Daniel.

The Hon. DANIEL MOOKHEY: Did you have input in the decision to build the ferries offshore?

Mr ANDREW CONSTANCE: No. We had a contract with Transdev NSW, which gave it consideration to go and procure the ferries.

The Hon. DANIEL MOOKHEY: Define the "we"? Who is the "we"? Is that Transport for NSW? Is it you? Is it another agency?

Mr ANDREW CONSTANCE: Generally I do not write the hundreds of contracts for the department. It is the department who does that.

The Hon. DANIEL MOOKHEY: Your department, yes?

Mr ANDREW CONSTANCE: Yes. I answered this last week.

The Hon. DANIEL MOOKHEY: Did Transdev NSW tell you it was intending to build the new ferries in Indonesia and China?

Mr ANDREW CONSTANCE: Let us be clear. Last week we had a Port Macquarie built MiniCat service delivered onto the harbour. A MiniCat that is servicing on demand. We have also had six other ferries, which were built by Incat Tasmania. There is a lot of value being created for Australia—

The Hon. DANIEL MOOKHEY: That is not my question. Did Transdev NSW tell you it was going to build these ferries in Indonesia and China? It is a straightforward question. Did it tell you?

Mr ANDREW CONSTANCE: I am sure that Transdev NSW in its procurement strategies around getting hold of these new ferries to deliver three Emerald-class and the 10 RiverCats advised Transport for NSW of its decision.

The Hon. DANIEL MOOKHEY: When did it do that?

Mr ANDREW CONSTANCE: I will have to take that on notice.

The Hon. DANIEL MOOKHEY: So you knew—or you ought to have known—that was its decision?

Mr ANDREW CONSTANCE: I stood next to Transdev NSW at a press conference and it indicated that the union had been advised earlier in the year that this was under consideration. I would also point out that we announced these new ferries in February—

The Hon. DANIEL MOOKHEY: So when you were told—

The Hon. CATHERINE CUSACK: Point of order: It is so difficult when the Minister is trying to answer the question. Can I just also add that any sentence that begins with the words, "I am going to pause you there, Minister" or "I am going to stop you there, Minister" is inappropriate because he should be allowed and I want to hear the answer.

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Mr ANDREW CONSTANCE: I actually think Catherine would make a great Chair.

The Hon. DANIEL MOOKHEY: When Transdev NSW told you—and I appreciate you are coming back on notice to tell us precisely when—

Mr ANDREW CONSTANCE: I announced the ferries in February, mate. You did not ask me then.

The Hon. DANIEL MOOKHEY: Just let me ask the question. What steps did you take to ensure that Australian manufacturers would have the opportunity to participate? There are lots of people—particularly in the Hunter region—

Mr ANDREW CONSTANCE: I would refer you to—

The Hon. DANIEL MOOKHEY: Just let me finish the question. There are plenty of people in the Hunter region—

The Hon. CATHERINE CUSACK: You are not asking a question—

The Hon. DANIEL MOOKHEY: —who are asking about entering this supply chain. You have told us that Transdev NSW told you. Did you take any steps to ensure that any of those workers in the Hunter region could participate—and have their jobs secured by being able to participate—in this project?

Mr ANDREW CONSTANCE: Transdev NSW is working with a Port Macquarie based shipbuilder. There was an excellent answer given by the Deputy Premier in question time last week—on the record—in relation to the benefits of this procurement. A lot of value is generated back into this State because of the way we go and procure. I made it clear in the press conference—if you were listening closely, Daniel—when I said our preference is always Australian manufacturing but the union bosses, and people of your ilk, destroyed manufacturing with your labour practices. You have driven up the costs—

The CHAIR: Order! It is now 11.30 a.m. Thank you very much Minister Constance and Minister Toole. I genuinely appreciate your participation in this process; it is very important. Thank you for your time. We will have a 10 minute break and then we will be back with the remaining witnesses.

**(The Minister for Transport and Roads and
the Minister for Regional Transport and Roads withdrew.)**

(Short adjournment)

The CHAIR: The time is now 11.40 a.m. We will get started again.

The Hon. JOHN GRAHAM: We are conscious that we are going to lose one of the witnesses at noon, so we will turn to the point to point questions in a minute. I indicate that, following discussions between some of the Committee members and the Government, in future what we might look to do is have less of the agency people here for the ministerial sessions when we are focusing on the questions for the Ministers but have you here more for the sessions where we are likely to be directing questions to you. Obviously this is a new process and we are trying to coordinate all of this through the secretariat. However, just to indicate to you in future that is probably the intention of where we would like to go. We appreciate your attendance at the moment.

The Hon. DANIEL MOOKHEY: Thank you again to all of the officials and through you, Secretary, to all your officials for their attendance today. It is thoroughly appreciated. I might just turn to you, Commissioner Wing, if it is possible to get some questions in before you have to go. Just very quickly, how many booking service providers are currently authorised in New South Wales?

Mr WING: A little over 1,800.

The Hon. DANIEL MOOKHEY: How many applications are pending?

Mr WING: I would have to take that on notice.

The Hon. DANIEL MOOKHEY: Just to be clear: Booking service providers are people who cannot perform work at a rank and hail—that is correct?

Mr WING: That is correct. They can only do booked work. Of course, many taxi service providers are also authorised as booking service providers as well.

The Hon. DANIEL MOOKHEY: Yes. In terms of pure ridesharing, to be fair, the legislation itself does not recognise the distinction between a booking service provider and a rideshare company—but we will go with the colloquial market language around ridesharing—do you accept that?

Mr WING: Well, it is not defined in the legislation but I will attempt to answer your questions.

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The Hon. DANIEL MOOKHEY: Thank you. We have Uber in the market, we have got Bolt in the market, we have got Ola in the market. Is there anyone else?

Mr WING: Of the well-known large players, DiDi is also in the market. Shebah is a local company which provides women-only services as well.

The Hon. DANIEL MOOKHEY: Yes. Is there any application pending from Lyft?

Mr WING: Lyft is not here, no.

The Hon. DANIEL MOOKHEY: Is there an application pending?

Mr WING: To the best of my knowledge, no.

The Hon. DANIEL MOOKHEY: Okay. Is it possible, on notice, that we could get the dates that the companies that you just mentioned applied for authorisation and the dates they were granted authorisation?

Mr WING: Yes. Obviously I will have to take that on notice.

The Hon. DANIEL MOOKHEY: Thank you so much. It is clear that drivers in ridesharing are not required necessarily to be registered or licensed—that is correct?

Mr WING: They are not licensed by us, if that is what you are asking. They are required—

The Hon. DANIEL MOOKHEY: Yes, by the companies.

Mr WING: —to be checked by the companies, yes.

The Hon. DANIEL MOOKHEY: On notice, can we get how many drivers are—would you know how many drivers are—licensed to operate through the Uber platform by Uber?

Mr WING: We know how many drivers overall have gone to Service NSW and got the PT code on their licence, which means that they have passed the commercial driver licensing requirement, which is a requirement for work in this industry. That is a little in excess of 100,000. However, we do not have details of how many of those might be driving—

The Hon. DANIEL MOOKHEY: By company.

Mr WING: Per platform.

The Hon. DANIEL MOOKHEY: Is it possible that I could just table this one sheet and provide it to the witness so that for the next round of questions he has the information that I have got? I am passing you an answer that was given to us on notice from Revenue NSW in the Finance estimates. Just to confirm, by the way, you said booking service providers cannot perform work at rank and hail—is that correct?

Mr WING: If they are only booking service providers they cannot do rank and hail work.

The Hon. DANIEL MOOKHEY: Okay. That answer might clarify the information that the Minister took on notice, which was precisely how much money has been collected by Revenue NSW on behalf of Transport for NSW to pay for the passenger service levy. It says that between effectively February 2018 and June this year, \$88 million—so of the three numbers that were given, you were the closest to the correct answer. Congratulations. But what it does say is that \$80 million of it came from booking service providers and only \$8 million came from taxi service providers, from which you can conclude that either only eight million trips are happening by rank and hail or there is a compliance problem on the rank-and-hail side of the industry. Do you accept that?

Mr WING: No. There are two different parts to that. Firstly, my \$89 million was rounding off.

The Hon. DANIEL MOOKHEY: Congratulations. You were very accurate.

Mr WING: The other two numbers that were mentioned—the \$98 million and \$92 million—were in relation to the amounts that had been distributed to the industry, not the amount collected from the industry. So the amount collected from the industry to 30 June was \$89 million, or \$88 million-plus. The second part of that is the difficulty with using the reported numbers from Revenue NSW to try and split booking service provided work and taxi service provided work is that taxi service providers are almost all also booking service providers, because they do booked work—

The Hon. DANIEL MOOKHEY: Yes, I was going to ask you the extent to which some of their revenue would otherwise be captured. But the problem is that, accepting your distinction, that still implies that only eight million rank-and-hail trips are conducted in New South Wales each year, because that is what it says: from taxi service providers was \$8 million. So presumably the levy that would be owed for a booked trip by a taxi

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provider would be paid and catered with that \$80 million, but the split between—and I am asking this because there is a lot of vendor interest in the industry about how much market share is being performed by booking service versus rank and hail nowadays. Is it wrong to conclude that only eight million trips have been done and 80 million trips have been done by booking service providers?

Mr WING: Yes, I am afraid it is wrong to conclude that. Revenue NSW will report whether the revenue came from a booking service provider or a taxi service provider—in other words, what did they call themselves when they reported it. Some of the large taxi service providers just say, "I am a booking service provider. Here are my revenue figures all up". So it does not give you a breakdown between the kinds.

The Hon. DANIEL MOOKHEY: Yes, I have got that. That is why we have supplementary estimates. Can I ask then what is the market share of rank and hail versus a booking service or rideshare, by trip?

Mr WING: We cannot easily—we are not really able to provide breakdowns of tax figures. I guess what we can say is that there are separate independent surveys that have been done of the market by people such as the Independent Pricing and Regulatory Tribunal [IPART], and more recently one by Roy Morgan, which suggest a similar number of people are using taxis and rideshare.

The Hon. DANIEL MOOKHEY: So what—50-50 you think it is split?

Mr WING: Well, that is what they are reporting by surveys.

The Hon. DANIEL MOOKHEY: The reason I ask that is that when the compensation package was introduced, at the time much was made about the fact that taxi service providers would keep their monopoly on rank and hail, which was endorsed and welcomed by the taxi industry at the time, we might recall. At the time it was advanced that that would provide 75 per cent market share for taxi owners, or at least an entitlement to 75 per cent of the revenue in the industry. In fact, part of the reason the Government articulated that at the time for why further compensation was not necessary was because the rank-and-hail market was being preserved. You can understand, if you are a licence owner and you have been given essentially a setting that only you can operate rank and hail and rank and hail is going to be with the money still, is why they would now be thinking that there is a bit of grounds for hardship.

Mr WING: We should point out that these figures vary quite a lot geographically. Those figures have been quoted from people like Roy Morgan. This is about the number of people who use them, not the actual market shares, but the number of people who use them do seem—and the IPART figures and all those early figures probably do relate quite strongly to the Sydney market. In regional markets taxis are still pretty dominant and there is very little rideshare in regional markets.

The Hon. DANIEL MOOKHEY: I accept that, but my point is that the argument still applies for the Sydney market. Do you want to take me through that or not?

Mr WING: So you will have to—

The Hon. DANIEL MOOKHEY: Do you have breakdowns of market share by geographies, if you want to talk about different geographies, or not?

Mr WING: We do not have breakdowns of market share to that extent, no.

The Hon. DANIEL MOOKHEY: Okay. We know that we have now collected \$88 million in the levy from 1 February 2018 to 30 June 2019. How much money has been paid to date, in total, in terms of the compensation packages?

Mr WING: I have to say that I collect the levy but I do not run the industry assistance fund. I will have to refer that one to Transport for NSW.

The Hon. DANIEL MOOKHEY: Well, they are here.

Mr STAPLES: Of the \$250 million transition funding set—this is where the \$92 million and \$98 million come in, just to help clarify—the \$98 million was an indication of what we expected would be paid out as part of the initial upfront payment of the \$20,000. I think the \$92 million refers to the amount we think we have actually paid. Beyond that, there have been subsequent payments through the hardship scheme but I do not have a figure on that.

The Hon. DANIEL MOOKHEY: I did want to talk about the hardship component of the package.

Mr STAPLES: Yes.

The Hon. DANIEL MOOKHEY: Do you have any figures available to you that would say how much has been paid out in the last financial year, or is that what you said—you do not have it?

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Mr STAPLES: Just two things: I will remind the Committee that I declared at the last hearing that I am not directly involved and nor is Mr Wing. Unfortunately, the deputy secretary responsible—notwithstanding you have a number of senior people here—is not actually in attendance today. I am happy to take on notice any specifics and see what we can provide. I would also indicate or just remind you that the Minister indicated that he was looking at a review to be undertaken in the near future or in the new year in relation to that scheme.

The Hon. DANIEL MOOKHEY: I accept that you might have to take these on notice but I am probably going to have to still ask them. How much did you pay in the past 12 months in hardship? I was also going to ask how much has been paid to date—from the period of commencement to now. Do you know how many applications for hardship you have received?

Mr STAPLES: No, I will take that on notice.

The Hon. DANIEL MOOKHEY: Do you know how many you have agreed?

Mr STAPLES: I will take that on notice.

The Hon. DANIEL MOOKHEY: I expect you will have to. Do you know how many you have rejected?

Mr STAPLES: I will take that on notice.

The Hon. DANIEL MOOKHEY: Do you know how many are still waiting assessment?

Mr STAPLES: No, I will take that on notice.

The Hon. DANIEL MOOKHEY: Do you know the average time the applicants have to wait for their claim to be assessed?

Mr STAPLES: All I can say is that I know that there has been a panel that has been very thoroughly going through it, notwithstanding that I have not been observing that closely. I will need to take on notice all those details.

The Hon. DANIEL MOOKHEY: Can you take on notice who are the members of the panel?

Mr STAPLES: Yes, I can take that on notice.

The Hon. DANIEL MOOKHEY: Can we get the dates they have been meeting for the past 12 months? Do you know how often they meet?

Mr STAPLES: No, I do not.

The Hon. DANIEL MOOKHEY: Can we get the meeting dates for the past 12 months on notice?

Mr STAPLES: Yes.

The Hon. DANIEL MOOKHEY: Thank you so much. I might turn back to you, Mr Wing, for some enforcement and compliance questions. You have the power to launch criminal proceedings and seek court orders. Is that correct?

Mr WING: We can take matters in court, yes.

The Hon. DANIEL MOOKHEY: Have you taken any in the past 12 months?

Mr WING: We have not.

The Hon. DANIEL MOOKHEY: But you also have the ability to impose administrative sanctions on licence holders, be it booking services or taxi service providers. Is that correct?

Mr WING: That is correct.

The Hon. DANIEL MOOKHEY: You can impose enforceable undertakings, suspension of licences, cancellations of authorisations and licences, penalty notices, warnings and cautions. How many have you done?

Mr WING: In the period till the last month, there had been approximately 3,500 fines—penalty notices—issued by us and the police jointly. There had also been some 3,700 vehicle compliance checks, 634 advisory visits to service providers, 192 safety audits and 60 levy investigations. We have issued 410 improvement notices, which require changes to be made to people's processes, which are always complied with. We have issued 16 prohibition notices.

The Hon. DANIEL MOOKHEY: Sixteen prohibitions, 410 improvement notices. How many audits did you say?

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Mr WING: A total of 192 safety audits.

The Hon. DANIEL MOOKHEY: And 60 levy investigations?

Mr WING: Sixty-one levy investigations.

The Hon. DANIEL MOOKHEY: Incident investigations?

Mr WING: Levy investigations.

The Hon. DANIEL MOOKHEY: No, how many incident investigations have you done?

Mr WING: Usually they come under safety audits because we follow it up immediately.

The Hon. DANIEL MOOKHEY: You said vehicle inspections. How many were they?

Mr WING: They were 3,711.

The Hon. DANIEL MOOKHEY: You have missed a couple. How many enforceable undertakings?

Mr WING: We have not yet accepted an enforceable undertaking. We have had some discussions.

The Hon. DANIEL MOOKHEY: You have had discussions?

Mr WING: We have discussions with people about them but we expect them to comply immediately and if they comply immediately—

The Hon. DANIEL MOOKHEY: Who are you discussing an enforceable undertaking with?

Mr WING: I would prefer not to talk about matters that are under investigation.

The Hon. DANIEL MOOKHEY: Is it a rideshare company?

Mr WING: I just prefer not to talk about matters that are under investigation.

The Hon. DANIEL MOOKHEY: How many suspensions of licences?

Mr WING: We have suspended a number of licences, including recently a number of wheelchair-accessible taxi licences for a couple of licensees who were simply not using them for wheelchair trips.

The Hon. DANIEL MOOKHEY: Do you have a specific number or would you like to take it on notice?

Mr WING: I will take that on notice but it was a couple, yes.

The Hon. DANIEL MOOKHEY: And cancellation of authorisations?

Mr WING: I will have to take that one on notice.

The Hon. DANIEL MOOKHEY: I refer to incident investigations and improvement notices. Are you able to come back to us on the number by booking service providers, the number by taxi service providers and the ridesharing companies part of the booking service provider market?

Mr WING: I will need to take that on notice.

The Hon. DANIEL MOOKHEY: I am asking these questions because obviously there is a lot of attention being placed at the extent to which the new framework is working. There are also a lot of claims being made about the extent to which rideshare companies and taxi companies are following their obligations. Any further information that you have on that would be most useful.

Mr WING: Yes.

The Hon. MICK VEITCH: I want to go back to the 15,000-kilometre reclassification of roads, Mr Staples.

Mr STAPLES: Certainly.

The Hon. MICK VEITCH: At the last budget estimates we explored this a little bit. Is there any update as to when the panel will start its process? I guess the first question is: Have they been appointed?

Mr STAPLES: No, I will check with Mr Fuller but I do not believe we have any update from the session in August.

Mr FULLER: That is correct, Mr Staples. The panel has not been announced as yet.

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The Hon. MICK VEITCH: The work that was being done at the time, one of the areas was to look at how many people would actually make up the panel. Has that been determined or is that still part of the process that is slowing things down?

Mr FULLER: I do not think it is slowing things down. It is in the final stages of outlining who the panel is and confirming with members. Then that would be soon announced.

The Hon. MICK VEITCH: The plan was before Christmas. Is that still the time frame?

Mr FULLER: I understand that is still the plan, yes.

The Hon. MICK VEITCH: In the previous estimates I asked the Minister a question about the assessment of roads relating to delivering critical water supply. Some of those road would be local and some would be regional. Have there been any discussions within the department about some of those roads coming on as a part of this 15,000-kilometre reclassification of roads as a part of the lessons that we are learning from the drought?

Mr STAPLES: No, not directly. I am happy to hand it to Mr Wakelin-King. Having spent some time in the regions myself, there is a very active interaction going on between our Roads teams and councils in relation to haulage of vehicles, as we were referring to earlier. We regard it as a really hot priority but really, in many ways, I think we see the need to move on those things more quickly than perhaps the regional road reclassification, which is more of a long-term program. I will hand it to Mr Wakelin-King to give you a little bit more on what we are doing in that space around the drought.

Mr WAKELIN-KING: Thanks, Mr Staples. I can advise that, as I have mentioned earlier, there have been a number of decisions that have been made in terms of access in relation to drought and specifically under the hay Drought Assistance Dimension Exemption Notice, which allows heavy vehicles up to 26 metres into certain locations where they previously have not been applied and also up to 4.6 metres high. The standard network is normally 4.3 metres. That enables those vehicles to move under notice and therefore not apply each time. With the drought, those who wish to move forward over and above that still need a permit but if they identify, as I said, as drought, they get a priority assessment and the fee for the permit has been waived. I can say that up to April this year—I know it is a bit dated; we are still getting the figures—we have assessed at least 770 permits.

As I indicated, most of those we turn around in 24 to 48 hours and sometimes faster than that. We have also created a specific 1800 number, which is posted on our website for people to quickly get access to information around that. We have also established particularly for the compliance with the movement of hay—obviously, the higher it goes, potentially if it is not tied down correctly, the more unstable the load will be. We have consulted with independent experts and provided specific advice to the industry and also to a lot of primary producers themselves on the best method for tying down to ensure that they are compliant. In terms of the compliance itself, we are taking an appropriate approach, particularly in improvement notices. If we identify people having tied it down, we do not go straight to an infringement but if it is unsafe we obviously ask the operator to rectify it there and then.

In terms of the Drought Relief Access Heavy Vehicle Program, \$15 million that the Minister referred to before and up to \$300,000 per council as at August, I can advise that we have currently assessed 57 submissions from 46 councils. Of that, approximately \$12 million has been distributed to those councils for that work. We are also looking at prioritising water tank movements, as I may have indicated earlier. In addition, in the context of your questioning around the regional roads transfer, obviously we are taking these factors into consideration. When the panel is appointed—and that is a matter for government—all this information we identified to that panel as part of its deliberations in relation to that matter.

The Hon. MICK VEITCH: Thank you. That is all very valuable information.

The Hon. MARK BANASIAK: Mr Staples, just on the hardship compensation, you took some of this on notice last time around and you actually came back with some of these answers. You came back and said that 1,258 applications were received and that the panel meets once a month and has done over the last 12-month period. That is just for clarification for the honourable member there. You also said that the Minister approves the criteria around hardship and that the NSW Taxi Council is on the panel. Who made the recommendation that the NSW Taxi Council would be appointed to that panel?

Mr STAPLES: That would be a point in history which I would not have at hand. I am happy to go back and see what information we have around that but it does seem appropriate that it would be part of that, given that the whole purpose of this is to provide support to those members.

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The Hon. MARK BANASIAK: My concern is that the NSW Taxi Council does not necessarily represent every taxi driver or owner and there are other groups out there. Do you know if there is an opportunity for those groups to join this panel or to apply to join this panel?

Mr STAPLES: I think it is probably just worth reflecting they are a member of the panel but there are a range of different people on the panel. I have taken on notice to provide some information in relation to that. The NSW Taxi Council is not the determinant. I think they are just giving an industry perspective as part of the input, which we would value.

The CHAIR: I apologise. I am going to interrupt so that we can let Mr Wing go. Thank you very much for your time.

Mr WING: Thank you.

(Mr Wing withdrew.)

The Hon. MARK BANASIAK: The \$142 million was scheduled to close by July 2017. That is now two years and two months or thereabouts. Given that hardship implies that there is some sort of pressing need, would you agree that two years and two months is probably not ideal in terms of processing these hardship applications?

Mr STAPLES: I would prefer not to comment specifically on my own personal views around that for obvious reasons.

The Hon. MARK BANASIAK: Yes.

Mr STAPLES: I think the Minister has indicated that a review is forthcoming, which he acknowledged we need to check in and see how that process is working. I think that is a commitment from him that we will step back and look at that due process in response to feedback from industry and see whether modifications or changes to the process are warranted.

The Hon. MARK BANASIAK: On the speedway, what advice have you provided to the Minister regarding alternative locations? I know he said that he made the initial announcement and he consulted with the speedway owners before making that announcement public. What consultation or information have you provided to the Minister about a possible relocation and where that may be? And when did that consultation happen?

Mr STAPLES: Certainly last week, and I can certainly ask Mr Lamonte to add to this, there was obviously interaction with the speedway, as there was with all the affected businesses and property owners. As part of being clear that we needed to use that site, discussions happened with the speedway about alternate locations and they made their views clear about where they thought the best opportunity was. We will have communicated back to the Minister, as has the speedway directly as well.

The Hon. MARK BANASIAK: But that was only last week.

Mr STAPLES: As I understand it. Mr Lamonte may have some more background on that but, given we only notified individual property owners last week and started that conversation, we will not go in second-guessing these things. We would start with the conversation with the businesses and what the options are.

Mr LAMONTE: As the secretary said, we broadly speak to all properties that are affected at the same time and we try to do that to make sure that all parties are treated fairly and equally. We also do that for probity reasons and that applies to home owners, business or government agencies, whatever the case there. As the secretary said, last week the communication started with the speedway and we have therefore talked about what alternative options there might be.

The Hon. MARK BANASIAK: When did you realise, though, that this was going to happen? We are talking about a fairly significant project that we are building here. You would have had some indication that you would know where the line was going and where you would need to stable these trains or what have you. At what point did you realise that this was going to have to happen? You know, last week you were having that conversation.

Mr STAPLES: There was a realisation of the need to relocate but also never presuming, before we have had the conversations with the users of land, what their particular circumstances are. But there have been discussions before about the relocation of that speedway. This is not the first time it has been talked about. So we were already aware of those options being considered further in western Sydney. Once again we did not walk into that conversation with a particular view because, first and foremost, we needed to hear from the speedway themselves about what their circumstances were and what they were looking for. I think we got that feedback

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really quickly, which has been really helpful, and that is enabling us to now engage with them about getting the solution going and giving certainty to everyone in the months ahead.

The CHAIR: Mr Staples, I wanted to go back to a discussion we were having during budget estimates in relation to compliance with the disability accessibility standards for the transport network. We talked about the 2023 deadline for buses and ferries and the 2033 deadline for the rest of the transport network. After a bit of back and forth we got to the point where it was agreed that it was not possible at this point to work out what needed to be done to meet the deadline but that an audit had begun.

Mr STAPLES: Yes.

The CHAIR: In a question on notice I asked when that audit might be completed. The answer that has come back is that the necessary measures are being put in place to finalise the audit by the June 2020 deadline. I have a couple of additional questions on that point. You say there that it is set by the Auditor-General. When was that deadline set?

Mr STAPLES: There was an audit of the disability program. I cannot recall the exact date but we will give you the specifics while the Committee is deliberating. An Auditor-General's report recommended that date.

The CHAIR: Okay, and then there was a report. So it was in that disability program?

Mr STAPLES: Yes. If you just hold on I think we might be able to get that right now. I think the Auditor-General's report was early this year, February 2019. Just to save you coming back again.

The CHAIR: When we say that we are putting in place the necessary measures to finalise, who is going to carry out that audit? Is it going to be done internally or with someone external?

Mr STAPLES: Transport for NSW is definitely leading it. No doubt we will use some external expertise to support us in that but I do not have the specifics. It will be led by the department.

The CHAIR: Will you be consulting with any independent disability advocacy organisations around that? Is that planned?

Mr STAPLES: We have a consultative disability committee that we work with and there is no doubt that we will consult with it as we go through the process.

The Hon. MICK VEITCH: I just want to continue on with the water tanks, if that is all right, Mr Staples, and getting critical water into regional communities that are about to run out. As an assessment of the road network you are also obviously looking at the bridges, because we are looking at running much larger vehicles—for instance, B-doubles—into these communities. What are we going to do when there are load limits and bridges are already deemed unsafe? How do we accommodate that?

Mr STAPLES: I might just make a general comment and then hand this to Mr Wakelin-King. This is a balancing act—

The Hon. MICK VEITCH: I fully appreciate that.

Mr STAPLES: —of smaller trucks and more of them to be able to fit within the limits of the road network. Larger trucks, less of them, are obviously more efficient and productive but we will adapt around that. It is not just a job of our own but with the water carriers themselves as well as part of the overall drought relief program. I think our view is we will adapt where we can possibly provide. As Mr Wakelin-King indicated, we are trying pretty hard to give as much dispensation as possible. One of the things I take great comfort from is that the people who are doing a lot of those permits are actually located in Glen Innes, so they are right in the middle of the communities that are affected by this at the moment. They fully understand what is being asked. I might get Mr Wakelin-King just to talk a little bit more about how we manage that trade-off.

Mr WAKELIN-KING: Thanks, Mr Staples. Obviously when we undertake an assessment—and we do it on the State road network and we work in partnership with councils, which are the responsible roads manager on their managed roads, and I also add the National Heavy Vehicle Regulator as well—we look at the critical pinch points and assess the suitability of the vehicle type to the network. Just for the benefit of the Committee, we look at the critical pinch points and assess the suitability of the vehicle type to the network. Just as we have been through with the Committee, you have general access, which is predominantly, as I indicated earlier, for a semitrailer of up to about 19 metres in length. Then as you get above those lengths and dimensions, you then look at specific routes that are set out under notice. You can then operate under notice, specific notice, to that particular network.

The next highest level of access relates to a permit. Permits are usually allocated for routes that are not normally issued under notice. It does not mean that they cannot be used but it may not ordinarily be used, or for

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what is known as oversize, overmass and, as Mr Staples has said, they operate out of Glen Innes but in partnership with a number of key stakeholders that I have mentioned. In terms of the specifics we need to—as I indicated earlier—assess each case on its merits. There are ways that the load and the impact of the load on the network and key critical assets such as bridges can be managed.

That includes your weights per axles, looking at how the bridge can be operationally managed, speed limits on bridges et cetera. We would do that. We have a dedicated bridge branch as part of our engineering services area within the agency that looks at this. We have, for example, been doing this with the mobile crane industry in terms of looking at how we can further expand the network on critical infrastructure such as bridges. So it would need to be assessed on a case-by-case basis generally, if we are going above a general access notice and it would usually be done under by way of permit. I would like to emphasise the importance of doing that in concert with local government.

The Hon. MICK VEITCH: My next question, Mr Staples, relates to the local government process. I want to make it clear that this is about getting water to the communities. The councils have a process to follow as well. Clearly they need money to upgrade the roads so that we can get the trucks in. What is the process there? Do they do it through the local RMS or is there another hierarchy that they have to go through?

Mr STAPLES: There are a number of funding programs we have with councils, which Mr Wakelin-King can certainly talk through—

The Hon. MICK VEITCH: I just want to know where they get the money, that is the main thing.

Mr STAPLES: —and there are additional overlays of drought relief funding, which we can support them in accessing as well as part of the conversation. The one thing I would say is that because the teams within our roads maintenance and management are based in the regions, they are fully versed in the relationships with councils and the programs available for the councils.

The Hon. MICK VEITCH: This is about critical water supply. I guess we can expedite the delivery of the funds to make sure the council can get the roads up to a standard.

Mr STAPLES: I guess that is the point I am making, that we are absolutely trying to provide those doors open. We are not always the decider of some of those funds, but we are absolutely standing there trying to facilitate as much as we possibly can.

The Hon. MICK VEITCH: In the event that we need water tankers to deliver water, RMS has a number of these as well, is there a point where discussions are taking place when we may actually need to access the available resources of government such as government-owned water tankers to get the water to these communities?

Mr STAPLES: Mr Wakelin-King has got more detailed knowledge of that. It would be fair to say that it is a bit dynamic; this is not a long-term thing. I think we had the great example in Tenterfield last week where there was the discovery of some water. That has given them some great hope of being able to source water out of the ground rather than truck it in, whereas we have been really focused in recent times on how we are going to support trucking it in. So there is a fair bit of movement around in the community at the moment. But I will ask Mr Wakelin-King to talk about what we are doing in that space.

Mr WAKELIN-KING: There is a process, which is being chaired and managed by the Department of Primary Industries, looking at a whole-of-government response in respect of drought. Part of that is, we have a dedicated representative sitting on that who is head of the regional maintenance area within my area of responsibility. We have a fleet of water tankers and we often contract to local regional contractors to deliver water for the purposes of building and maintaining roads.

To the extent that that water can be used—because we use a number of different sources of water and they are not always potable water—and those vehicle types can be used for any purpose is currently being considered as part of that process. We are not in a position yet to articulate the extent to which that may or may not happen. I just wish to assure the Committee that, as has been articulated here, there is certainly a lot of examination that is occurring on how we will be supporting those communities that are severely affected by drought.

Just going back to your question in relation to programs, as Mr Staples has mentioned, the two areas in particular for increased freight productivity on council-owned roads is the Fixing Country Roads program under Restart, and also there is the federally funded Heavy Vehicle and Safety and Productivity Program, which also goes to that issue of freight productivity. The extent to which any further investment would be made beyond those already announced would be a matter for government.

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The Hon. JOHN GRAHAM: Thank you for those answers. That has been really helpful. I am going to turn back to some questions around buses shortly, but I just want to raise one general issue about the processes to date. We are conscious it is a new Committee and a new Opposition on this. We were very comfortable with how the agency sessions operated in the last estimates. I think we felt that with the questions we asked there was a genuine attempt to engage and we found it very useful. I want to flag that we were less comfortable with the way the questions on notice were dealt with. Mr Staples, I am just flagging it this time to draw it to your attention.

Certainly, in my view, it is not in line with the way that other agencies have dealt with the questions on notice. I am conscious that because we were dealing with our first estimates we have asked a lot of questions on notice, so I think you can anticipate there may be less next time around. Just to pick one specific example—the one I referred to with the Minister. The Minister took on notice questions about region 6 buses and when we received that back on notice we were referred to questions on notice 17 and 18. Question 18 refers to question 17 and question 17 refers that to Minister Toole, which is clearly incorrect and relates to an entirely different topic. I am not concerned about the individual instance; I just raise it as one example.

Mr STAPLES: I can say on the region 6 one, if what you say is a reference, that is an error because there is no way that we would have intentionally referred a region 6 question to Minister Toole.

The Hon. JOHN GRAHAM: I am unconcerned about one example but I am drawing to your attention, as the secretary, the state of the questions on notice.

Mr STAPLES: We acknowledge the feedback.

The Hon. JOHN GRAHAM: We will try and target our questioning, but any help there would be appreciated. In relation to the region 6 buses, I just want to come to the questions the Minister referred to the agencies about penalties. This region has not hit a KPI in 15 months. The Minister says, "Give us more time" but there is a public expectation that if a private operator does not deliver, that it must be some sort of penalty under the contract. Have any penalties been issued?

Mr STAPLES: Certainly across all of our private bus operations there are what we call "abatement regimes" within the contracts. They do vary a little bit because we are consistently improving the contracts as we go and region 6 is the most recent contract that we applied. I might ask Ms Mildwater to maybe talk a little bit more to the specifics of region 6 and where we are at in terms of abatements.

Ms MILDWATER: In relation to region 6 there are 19 KPIs and some of them have sub-parts as well, so it is quite a complex calculation. We are absolutely recording performance against all of those KPIs and sub-parts and holding transit systems to account. We are still figuring out some of the detail of some of them because it is fair to say we set some new KPIs for this contract that are different from other contracts so far. So some of the detail we are still trying to negotiate but we are absolutely recording their performance. We have not waived any abatements.

The Hon. JOHN GRAHAM: So no waivers—that is important. Have any penalties been issued in relation to region 6?

Ms MILDWATER: We have not actually issued any because we are recording them. We also have to make adjustments to what we pay them and we will set them off. We are still doing that final calculation to the set-offs, the to and fro, rather than pay and then charge back. We are in the process of finalising that.

The Hon. JOHN GRAHAM: What you are saying is that penalties might have been accrued but they might not have been paid. Is that accurate?

Ms MILDWATER: The netting off has not happened. I would anticipate that within the next month or so we will have, because some of the base KPIs need adjustment. We made assumptions at the time of the contract that we have needed to adjust since, to services or things we assumed. The netting off has not happened. Whether it will be a payment, which way I cannot say just yet. It may actually not be against Transit Systems because there is 19 of them.

The Hon. JOHN GRAHAM: Are there are instances where the State might have to compensate the operator?

Ms MILDWATER: It is not so much under the abatement regime. It is to do with the base assumptions and whether any of the base payments need to be adjusted. They will be netted off.

Mr STAPLES: To expand on that a little bit, in the contract there are a number of fixed costs that the contractor has to wear the risk around. There are some adjustable components such as fuel indexing, for example. We do not want them to be taking the risk on fuel price. That is unrealistic. They will end up pricing it very high. There are adjustments made around things such as that.

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The Hon. JOHN GRAHAM: Understood.

Mr STAPLES: There is always an up and down in the amount that we would pay on a cyclic basis.

The Hon. JOHN GRAHAM: We are taking the risk on fuel indexing. What else?

Mr STAPLES: I would have to take it on notice. In fact, the contracts are available so we can—

The Hon. DANIEL MOOKHEY: Are we taking the risk on passenger volumes?

Mr STAPLES: We take the risk. We take revenue. We pay them for their performance.

The Hon. DANIEL MOOKHEY: When you say "base assumptions"—I think that it is the term Ms Mildwater used—are there base assumptions around the number of people who will be using those bus services?

Mr STAPLES: I would not mind completing what I was saying first and then come back to that. The way the payment process works is that essentially there are adjustments up and down on a cycle. There might be some up things because of things such as fuel indexing, and if there is abatement then we adjust down against that. It is not like a penalty notice goes out and they send money back to us. It is essentially we adjust the amount that we pay overall as part of the payment. That is pretty standard practice in franchising-type arrangements here and elsewhere in Australia.

The Hon. DANIEL MOOKHEY: Did you want to answer further or not that base assumptions cover passenger volumes?

Ms MILDWATER: I would have to take that one on notice.

The Hon. DANIEL MOOKHEY: And on notice, if it is passenger volumes, over what period of time are we guaranteeing it to the operator? Is it quarterly? Is it monthly? Is it yearly?

Ms MILDWATER: No, I do not think we guarantee. I will take it on notice.

Mr STAPLES: The payments that are made to the operator are not dependent on the number of people that are carried.

The Hon. DANIEL MOOKHEY: Sure. The amount of services that are operated.

Mr STAPLES: We made a fairly significant shift in the nature of the contracting back in 2011, 2012, 2013 because there was a view both from the industry side as well as ourselves that people were getting money without earning it, and vice versa. They were subsidising things, cross subsidies and so forth. We think what we have now is a far more balanced arrangement where they are focused on things that they can control, which is the performance, the customer service and those sorts of things. There is a whole series of external factors, such as growth in population, that can influence patronage numbers just as much as the number of services run.

The Hon. DANIEL MOOKHEY: In the course of that answer you gave to my colleague you said that there were a couple of KPIs which were new and being applied to this region that have not been applied to any others. How many are they and what are they?

Ms MILDWATER: I would have to take that one on notice. Some of the KPIs are commercial in confidence. But I could take it on notice to see what we can provide you in terms of what are new and what are similar but calculated differently as well.

The Hon. JOHN GRAHAM: That would be useful. Under this contract for region 6, is on-time running a class one KPI under the contract?

Ms MILDWATER: On-time running is certainly a KPI. I will take on notice the classes.

The Hon. JOHN GRAHAM: One would expect it would be, though. It is probably one of the most important customer measures.

The Hon. CATHERINE CUSACK: She just said that it is.

Ms MILDWATER: Yes.

The Hon. JOHN GRAHAM: Sorry, the Government is saying you have suggested it is a class one KPI.

Ms MILDWATER: I said I will take on notice. I know it is an important one and obviously one that we report on every month. I am not familiar with the actual classes and what is in which class.

The Hon. JOHN GRAHAM: Is it possible under this contract to issue any penalty in the first year of the contract or does the first year come free—

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Ms MILDWATER: I can actually correct that. That is a class one KPI. I have just had it confirmed. And yes, the abatements apply from the start.

The Hon. JOHN GRAHAM: From the start of the contract?

Ms MILDWATER: The calculations apply from the start.

The Hon. JOHN GRAHAM: Under this contract, if a class one KPI—you have confirmed that on-time running is one of those—is breached more than three times in 12 months, that is quite a serious issue under this contract, is it not? For example, it might lead to the contract not being renewed when it comes time to assess how this has gone. Is that accurate?

Ms MILDWATER: I could not comment on any particular KPI. I said there are 19 and many subparts. When it comes to renewal, you are looking at the performance across the entire contract.

The Hon. JOHN GRAHAM: I might help you by referring to the contract where it says that, in assessing the performance of contract, one of the things that the operator must do is during the second, third and fourth contract years, they must not have breached two or more class one key performance indicators—put that aside—or a class one key performance indicator on any more than one occasion during any six-month period. Here is a clear example, as we move into the second year of this contract, where this class one key performance indicator is being repeatedly breached. Do you agree that this is now a breach of the contract for region 6.

Ms MILDWATER: You have the contract in front of you. Without looking at that document, I could not agree.

Mr STAPLES: For all of our contracts with private operators where there is a performance regime similar to the one we are talking about, there are levels of escalation essentially around performance. You have just pulled out a little example of that where if we get repeated poor performance over periods of time then, in terms of the contract, there is increased action between ourselves and the operator around what we do on that. At the extremes, they lead all the way to termination of contract. That always remains an option for government if their performance deteriorates enough.

There will be a regime like that within this contract like there is on every other bus contract. The specifics of the numbers in that will vary across the contracts but the principles are small lapses in performance are tolerated. There are abatements around that. If they are significant ones and they are repeated over periods of time then there are points of escalation for us to step in. They do not immediately lead to termination, I just want to be really clear on that, but they can lead to requests for management responses and action plans and so forth to be undertaken. This goes bus, light rail, ferry—we have similar regimes on all of those.

The Hon. JOHN GRAHAM: Understood—although, to be fair, it is quite a strict contract; it says the operator must achieve these things. I think we are agreeing that they are in breach of this because they have got to achieve this class one key performance indicator. They cannot fail it on any more than one occasion in a six-month period; they are clearly done that. They must achieve it or you have got to waive it. They are the two options under this course

The Hon. CATHERINE CUSACK: Madam Chair, I would like to take a point of order, trying to be constructive. Generally speaking, it is not appropriate to be asking legal questions of witnesses. It has been indicated that the member has got the contract, which is great. The witnesses are saying they do not have the contract in front of them and they are legal questions. I wondered if there could be some more guidance around the nature of the questions being asked.

The Hon. DANIEL MOOKHEY: To the point of order: They are not. They are questions that arise from a contract but they are operational in detail—namely, what is the department doing to enforce its rights? They do not require legal interpretation.

The CHAIR: Is it possible to table the contract?

The Hon. JOHN GRAHAM: I would be very, very happy to table the contract. It is a public document.

The Hon. CATHERINE CUSACK: The manner of enforcement action in relation to compliance in a contract is a legal question not an operational question.

The CHAIR: I would agree that the interpretation of those provisions is a legal question, but from an operational perspective—

The Hon. CATHERINE CUSACK: The member just said, "We have all agreed that it has been breached." I am sorry, but that is 100 per cent a legal matter.

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The CHAIR: The Hon. John Graham has run out of time.

The Hon. JOHN GRAHAM: I will table this in the break and then we can continue.

The CHAIR: That would be great.

The Hon. MARK BANASIAK: Sticking with the speedway and the transition, the Minister was quoted last week saying that it is going to be a two-year process in terms of transitioning speedway to another location. There is a press release from Sydney Speedway today saying that they will be continuing to try and stay at that current location until they have a venue to go to. Has there been any modelling done in terms of what the downtime will be for speedway? Obviously, you cannot just rip up the site and then magically transplant them to another one and be operating the very next day. Has there been any modelling done by your department in terms of potential downtime?

Mr STAPLES: Certainly, as you would expect, the speedway's strong preference is that the new facility is up and running and functioning before the old facility closes. We understand that, and we will work hard to see whether or not we can deliver on that. In terms of whether we can achieve it, we need to develop the detailed program more because there are approvals to go through, contracts to be signed for the construction and so forth. We will aim very hard to get it done by then. If there is some downtime then we will work through it with the speedway on how we manage that. We will aim very hard to get it done by then. If there is some downtime, then we will work through with the speedway on how we manage that.

The Hon. MARK BANASIAK: If there is some downtime would there be compensation for loss of income and for, essentially, a breach of lease agreements by the Government?

Mr STAPLES: The just terms compensation Act provides some pretty clear steps to go through to manage the way you determine financial compensation and so forth. I would not want to get into the specifics of what we will and will not pay for, but I am confident that it gives due consideration to all the circumstances around a business. If it cannot operate for some period of time, you expect that it will provide some provision around that.

I would just say that these things are never as simple as they seem in terms of lease agreements, Crown lands, new locations and so forth. In the nature of the existing contractual relationships and leases, we need to look at all of that and understand that because somewhere in the background, while we absolutely want to make sure that we support and contact the businesses, we are also balancing that with making sure that it is the right amount of money from a taxpayer point of view as well. We are really mindful of balancing that.

The Hon. MARK BANASIAK: But just clarifying one point, you think you can actually make that successful transition while still, obviously, keeping with your time frames to get the train line built?

Mr STAPLES: This is very early days. I think what I can say is that we are really committed, with the speedway, to working with them really closely on how we can manage this transition with as little impact as we possibly can on the broader speedway community that love to get out there and drive their cars really fast around the track, which is a great fun thing to do. We want to be able to continue that as best we possibly can while balancing off the need of getting on with the delivery of the project.

The Hon. MARK BANASIAK: Going back to taxis, Mr Wing spoke about different enforcement notices et cetera. Is there anything within the power of the Point to Point Transport Commissioner or Transport for NSW where you can deal with anti-competitive behaviour by rideshare? I say this because there was a news story done where they found on the Uber app that Uber was advertising gross misrepresentations about what it costs you via Uber versus taxi, to the point where it was a \$60 difference they were claiming in fare charge, when that was clearly not correct. Are there powers for the Point to Point Transport Commissioner to pull up that sort of anti-competitive, misleading advertising behaviour or is that something that sits somewhere else?

Mr STAPLES: To be honest with you, I do not know. I will take it on notice and see whether I can get you a response this afternoon to address that, rather than take the whole thing on notice. But if not, we will take that on notice. I am sorry; I just do not know.

The Hon. MARK BANASIAK: That is fine.

The CHAIR: I have a few questions in relation to the Windsor Bridge and Thompson Square, which is probably directed to Roads and Maritime Services.

Mr STAPLES: Yes.

The CHAIR: Let me ask the question and you can direct me where you need to. The first question is when did RMS become aware that the new bridge would not improve the intersection function at Bridge and George streets and require an intersection improvement?

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Mr STAPLES: Can I just make an introductory comment: There has obviously been pretty substantial oversight and there has been a parliamentary inquiry in relation to Windsor Bridge in the past, where a lot of these things have been addressed—in fact, also in this room as part of that inquiry as well. The project is well advanced in its construction now, which we are really looking forward to seeing completed. I might just hand to Mr Hardwick, who will have a little bit more of the specifics around that.

Mr HARDWICK: Thank you, Mr Staples. If I look at the Windsor Bridge, are you talking of the component about the slight widening of the road beyond the intersection?

The CHAIR: Yes. I am looking at a report that says an extra 300 metres could be taken off Windsor's Thompson Square to accommodate it.

Mr HARDWICK: When we continue to look at the performance and the capacity of the road network, we have identified in the future there will be a need to potentially get more capacity through that set of traffic signals. The decision is around whether we should do it now or later. When we looked at it whilst they are actually in construction, the best time to actually proceed with any of that type of activity would be now. So we have put that back out to the community to see whether that is possible because it will allow the throughput of traffic much better over the next five years to 10 years.

The CHAIR: How was that not picked up in the original proposal and construction design?

Mr HARDWICK: The original construction and design happened back around 2008-09, so there has been many years since the original designs were put through and the wait process we went through in the environmental court and the other components of that. But over time we continued to review the performance of the network and look at the volumes of people that live in the areas and look at the traffic volumes, and it was identified that it would be able to be done now as part of this project. It certainly would cost the State very little money to do it now whilst we are in construction, where in the future, if we needed to do it, we would be looking at alternate solutions.

The CHAIR: Will it involve an extra 300 metres being taken off Thompson Square? Is that the proposal?

Mr HARDWICK: We will minimise the amount of space required. It will mean that where the current cycleway is, the cycleway will need to be moved a little further towards the park, which will allow us to get an extra—through the set of traffic signals, you get two westbound lanes through the signals, and the merge will happen after the signals to getting across the bridge, which gets more traffic through the set of traffic signals before the bridge.

The CHAIR: The report is saying 300 metres, which is quite a lot. Is that accurate?

Mr HARDWICK: I believe that is the absolute maximum, but it is a slip of land. So it is not 300 metres into the park; I think it is around about three metres wide and about 10 metres long, approximately—square metres.

The CHAIR: Okay, understood.

Mr HARDWICK: Do not quote me on the exact number, but it is actually in the document that has been presented. It shows the slip of land as to where that is. I am happy to take that on notice to give you a copy of what that looks like.

The CHAIR: So the community has been consulted on that?

Mr HARDWICK: Is being consulted.

The CHAIR: Okay, but it sounds like they had the choice of doing that now or in the future.

Mr HARDWICK: We have the choice of either doing that now or looking in the future how else to solve that potential issue. It does not necessarily mean we have to go to that option, but that is an option that would certainly be a very low-cost option for us to achieve.

The CHAIR: What are the other alternatives?

Mr HARDWICK: We would have to review the ways in which the road network works around that whole area to see other options available to us to move traffic.

The CHAIR: So no other options are being consulted on, just the one to take up more of that square?

Mr HARDWICK: At the moment, the option is to just take a thin strip of that land that is there. We are still returning more land back to Thompson Square than what was there when we started.

The CHAIR: Thank you.

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The Hon. JOHN GRAHAM: Has the secretary got that document now I have tabled it? If that could just be provided.

The Hon. CATHERINE CUSACK: I would love you to go to Mick now, but it is not up to me.

The Hon. JOHN GRAHAM: It would be over to Mick now and this would be all done if you had not slowed me down.

The Hon. DANIEL MOOKHEY: It is publicly available.

The Hon. JOHN GRAHAM: That is right. I am just looking at clause 6.3 "Performance Benchmarks". I might rewind, given the Government members had some questions about where I was up to. I want to suggest, firstly, I think we agree that the operator must achieve the following performance benchmarks during the second contract year. In that clause 6.3 (a) (i) (A) they cannot breach a class 1 key performance indicator on more than one occasion during any six-month period. I think we agree that that clause has been triggered. I do not think that is controversial. What happens from there is then a question.

Mr STAPLES: I am not trying to be evasive around it, but having sat around a lot of contracts over the time, just pulling a clause out and starting to provide feedback specifically on what that means—for example, the very first few words of 6.3 refer to clause 6.2. So I would not go any further in reading this clause until I have read 6.2 to make sure I understand that.

The Hon. JOHN GRAHAM: I am going to suggest that to you: On the face of it, that is what this looks like. I am happy for you to take that on notice. My question is, then, I want to clarify where this is up to. In that clause 6.3, Transport for NSW, then, at (b) has the option to waive any non-compliance. That is within your power under this clause. You have already indicated that you have not yet exercised that waiver, which I think sounds sensible.

Mr STAPLES: Yes, I think broadly that is correct. Why would we waive, just to give you a sense of that: There may be other extenuating circumstances that we are aware of at a particular time. On-time running might be affected by something that we can see; there might have been an intervention or a significant event on the network over a period of time that would have disrupted the timetables and so forth.

The Hon. JOHN GRAHAM: Ms Mildwater has already given evidence that you have not waived any penalty—

Mr STAPLES: That is right.

The Hon. JOHN GRAHAM: —under this contract, which I think sounds sensible. I just want to clarify, you are also giving evidence that no penalty has been delivered on the company? You are accruing those abatements, you are keeping a running tally of what might be delivered against the company as a penalty later in the contract. Is that an accurate statement about where you are up to?

Ms MILDWATER: We are absolutely monitoring the performance and measuring against the KPIs and we are in the process of determining what the abatements would be, what the payments the other way might be and coming to a conclusion.

The Hon. JOHN GRAHAM: I am just struggling to translate it into terms that the public would understand. If this operator keeps turning up late there will be some penalty under this contract, you are saying that is the case? You will add it up, but there will be a penalty under this contract if they keep not meeting the on-time running?

Ms MILDWATER: We will apply the terms of the contract.

The Hon. JOHN GRAHAM: The terms of the contract—

Ms MILDWATER: Include abatements, yes.

The Hon. JOHN GRAHAM: —for this breach of the on-time running?

Ms MILDWATER: Yes, they include abatement which we are tracking, yes.

The Hon. DANIEL MOOKHEY: Mr Staples, I want to turn to the western metro. In terms of delivery structure, is that being delivered by Sydney Metro?

Mr STAPLES: Sydney Metro is an agency that sits within the Transport cluster. Mr Lamonte was the chief executive of Sydney Metro. They are the lead agency essentially managing the construction and the oversight of the operating contracts on all of the metro network.

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The Hon. DANIEL MOOKHEY: Just to establish it is being done through the existing Sydney Metro structure and no specific delivery agency or like body has been contemplated for this project?

Mr STAPLES: No, in fact, if you step back and look at the legislation that was put into the Parliament with the Sydney Metro authority and it coming into existence, in the middle of last year there was a recognition by the Government that there was a 10- to 20- to 30-year program of delivering the development of a metro network, Sydney Metro Northwest being the first part of that and extending into the city and south-west. The Metro West, the Metro Greater West to service the Western Parkland City in western Sydney, and also in Future Transport 2056 there are other metro corridors. The policy view was taken that given the longevity of the rollout of that program we wanted an expertise in that agency that could contract with the market to deliver the construction and to oversee the operations. I think we are pretty clear on the public record.

The Hon. DANIEL MOOKHEY: I am confirming that is still the case. It is not a criticism, we just want to know who precisely is delivering it. Who is the project director?

Mr STAPLES: I might refer that to Mr Lamonte.

Mr LAMONTE: We have Colin Gainsford, who is the project director.

The Hon. DANIEL MOOKHEY: How many people are in the project office?

Mr LAMONTE: The numbers vary over time. Depending on the phase of the project it will vary. There has been an initial build-up of people. With property that has been a focus and gradually we will build this up as we get into delivery. It will vary quite a lot over time.

The Hon. DANIEL MOOKHEY: How many are there now?

Mr LAMONTE: I have not got the precise number for you. I will take it on notice and come back to you with an exact number later today.

The Hon. DANIEL MOOKHEY: Do you have a range available to you?

Mr LAMONTE: I would rather come back to you and give you the precise number.

The Hon. DANIEL MOOKHEY: You were making the point that it changes depending on the stage.

Mr LAMONTE: Yes.

The Hon. DANIEL MOOKHEY: When is the next inflection point that would cause a change?

Mr LAMONTE: I suppose once we have got the next bit, as we have announced, we will be going to expressions of interest for the tunnelling package. Once we have that we will gradually be building up on the tunnelling package. We have got further contracts that will be let in early stages over the next few months and as each one comes on there will gradually be a build-up of people.

The Hon. DANIEL MOOKHEY: That is interesting. I might skip to those questions now given that you have raised it.

Mr STAPLES: I think the only extra point I would make is that by establishing the Sydney Metro authority with expertise in there we have got people that are working across projects. In terms of giving you a precise number of people, they are not sitting in a corner of the office working on Sydney Metro West.

The Hon. DANIEL MOOKHEY: But you have an FTE?

Mr STAPLES: We can but it is indicating to you that the whole purpose of creating the organisation was to have that resource available for the program as a whole.

The Hon. DANIEL MOOKHEY: I accept that, Mr Staples, we went through that in terms of the Parramatta Light Rail in the last estimates hearings. I do appreciate the information that has been given. I will turn to the contracting. We heard the Minister say this morning that there is going to be multiple contracts let. How many contracts are we talking about? There is one for tunnelling, I can infer from your last answer. What else is there going to be?

Mr LAMONTE: We have a number of components to the metro.

The Hon. DANIEL MOOKHEY: Take us through the structure.

Mr LAMONTE: The precise delivery structure has not been settled yet and that is reflecting the amount of engagement that we need to do with industry. We are wanting to get as much information from industry about how they can contribute to this and what the best delivery structure will be, what the appetite is for the work that is coming up. That is the approach we have taken on tunnelling to start off with where we have talked to the

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market about soft market engagement, about who is interested, what the appetite is, what scale they mean, to get the best approach we can to delivery.

The Hon. DANIEL MOOKHEY: Let us go through the components. There is a tunnelling component. Presumably you are going to have to buy the trains.

Mr LAMONTE: Absolutely. There will be components, some early works as we mentioned before, there will obviously be the acquisition of trains and the operations and maintenance that will go with that. There will be a number of components but the packaging of all of those has not been decided yet.

The Hon. DANIEL MOOKHEY: I understand? Presumably power systems.

Mr LAMONTE: All of those things. All the things that go with it: signalling, power, everything that goes with that.

The Hon. DANIEL MOOKHEY: You made some reference to the tunnelling. You made a reference that you are not far from an expression of interest. When do you anticipate the EOI on the tunnelling?

Mr LAMONTE: When the project was announced last week we talked about the registrations for expressions of interest that are out there now. The expressions of interest we expect to be in the first months of next year.

The Hon. DANIEL MOOKHEY: What about the other contract components, are any of them at the same stage?

Mr LAMONTE: No, we have not given dates to those as yet.

The Hon. DANIEL MOOKHEY: The tunnelling will be early next year?

Mr LAMONTE: Absolutely.

The Hon. DANIEL MOOKHEY: That is interesting. I want to turn to the planning processes around this. Mr Secretary, the Sydney Metro West project overview document—I can table it.

Mr STAPLES: Yes, please.

The Hon. DANIEL MOOKHEY: In terms of the planning instruments, which planning instrument are you seeking approval under?

Mr STAPLES: I do not like to quote clauses but it will be an environmental impact statement [EIS], if that is what you are asking.

The Hon. DANIEL MOOKHEY: Is it the critical State infrastructure approval process?

Mr STAPLES: Yes, State significant infrastructure will be the expectation, yes.

The Hon. DANIEL MOOKHEY: The consent authority in that is the planning Minister, is that correct?

Mr STAPLES: Yes.

The Hon. DANIEL MOOKHEY: In order for you to satisfy the requirements of the planning Act, as you make reference in that document, you are going to have to effectively initiate straightaway a scoping study around planning approvals that you have to lodge with the Department of Planning, is that correct?

Mr STAPLES: When you say "scoping study" are you referring to a specific clause?

The Hon. DANIEL MOOKHEY: I am. The document specifically refers to it, which I have not got available to me right now. The term that they use is a "scoping study for secretary requirements".

Mr STAPLES: Right. In preparing an environmental impact statement we do not just go into a dark room and write a document and then step out.

The Hon. DANIEL MOOKHEY: Yes, they have to tell you what they would like you to address.

Mr STAPLES: Yes. There is an engagement process that Mr Lamonte might be able to give us a progress update on. It commences some months, if not years, in advance to an environmental impact statement being put on exhibition. The Department of Planning and Environment coordinate inputs from other key stakeholders and industry about the requirements that we need to address as part of the environmental impact statement.

The Hon. DANIEL MOOKHEY: Can you clarify that you have completed that or you are close to completing and ready for lodgement?

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Mr LAMONTE: I am happy to answer that. We have lodged the scoping report with the Department of Planning, Industry and Environment and that would lead us to an environmental impact statement which we expect to have on public exhibition next year and at that time the community will be very much encouraged to have their say on the project. That scoping project is the first stage in the planning process. It does act as a request for the secretary's environmental assessment requirements.

The Hon. DANIEL MOOKHEY: Before we go beyond that point, you say that you expect the EIS to be out some time next year—is it early next year, mid next year?

Mr LAMONTE: I have not got a precise time for that.

The Hon. DANIEL MOOKHEY: Presumably, you have commenced preparation of the EIS.

Mr LAMONTE: We have done a lot of preparatory work, yes. As I say it will be lodged next year.

The Hon. DANIEL MOOKHEY: You have done that ahead of receiving the secretary's environmental assess requirements, logically, because you have not lodged it yet.

Mr LAMONTE: Correct. There is a whole process to go through and we are following the process.

The Hon. DANIEL MOOKHEY: Sure, but you have effectively anticipated what you think the environmental impact statement should address, is that a correct inference?

Mr LAMONTE: We have some of the material ready to contribute to the environmental impact statement and there is still a process to go through, lots of work to do yet.

The Hon. DANIEL MOOKHEY: Have you undertaken any public consultation, in terms of what you have anticipated might be required in an environmental impact statement?

Mr LAMONTE: I think that rather prejudices the process, actually.

The Hon. DANIEL MOOKHEY: That is actually my point. Generally with the secretary environmental assessment requirements—for example, the WestConnex fund—at a similar stage for WestConnex the secretary specified in her conditions what the public consultation should be. Whilst I accept it is prudent management on your part to get yourself ready to participate in that process, do you understand that could create an impression that perhaps Transport for NSW is pre-empting the public's right to even talk to the secretary about what they think should be in their requirements?

Mr STAPLES: I think we should be really clear that we actually started a community consultation engagement on this project some years ago.

The Hon. DANIEL MOOKHEY: But on the environmental impact statement [EIS], sir?

Mr STAPLES: Well, it all leads into the environmental impact statement. So the environmental impact statement is a critical milestone in the engagement process, but the concept of a Metro West was put out to the community for a considerable period of time wanting feedback around their support or otherwise for the route, their ideas on station locations. So what was announced last week in terms of confirmation of the scope was on the basis of considerable community input. Let us be very clear, if the Department of Planning and the secretary of that department have specific requirements in relation to community consultation, no matter what we have done to date, if there are specific requirements from them we will follow those requirements.

The Hon. DANIEL MOOKHEY: That is encouraging to hear. But, given that you have also just confirmed that you are commencing the contract processes around the tunnelling next year, how can you commence a project around tunnelling when you have not got environmental approvals?

Mr STAPLES: Because we commence a tender process—and this is very regular practice, not just in Sydney, New South Wales, Australia, but around the world—where, in parallel with the planning and land acquisition process, we commence the market process with contractors on a set of assumptions at that point in time about the environmental approval. And in most instances, prior to contract award, we will have received planning approval and then we can align the conditions of that planning approval with the contract to ensure that the contractor fully understands. There are some instances where we actually approach that differently and we actually receive approval after contract award, but in the main we actually run the two processes in parallel.

The Hon. DANIEL MOOKHEY: Do you understand that perhaps if you take the two things in conjunction—that is Transport for NSW has already effectively embarked on an EIS without actually giving the secretary the opportunity to set the requirements of the EIS and the fact that you are contemplating launching the contract process—effectively you are saying to the Department of Planning: Approve or else. Do you understand how that could create that impression?

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Mr STAPLES: No. In fact, I would actually say the exact opposite, because if we go through the entire planning approval process and we do not engage in a market process we get to the end and we have an environmental approval, and then we present it to market and market turns around and says, "We can't build that." In fact, the benefit of running the processes in parallel is that all the key parties that have got involvement in this project along the way—any project—get the ability to interact and, therefore, we can feed back to the Department of Planning as part of the planning process the sort of feedback we are getting from contractors about what is practical. We can build into the tendering process the sorts of feedback we are getting from Planning about their expectations on the environmental controls and expectations they have. And that is a really critical part of the interaction that we follow and it is not uncommon at all in any of our projects.

The Hon. DANIEL MOOKHEY: In terms of the planning approvals that you will be seeking under the State significant infrastructure provisions, does that cover the entire project, so that includes every station as well, or are there separate planning requirements that you have to follow or a separate planning approval required for that?

Mr STAPLES: I might ask Mr Lamonte to talk to the specifics of that because it does vary a little bit from project to project.

Mr LAMONTE: The scoping report will talk about the station locations, what we have done in terms of consultation to date, and then we will go through the consultation stage [CS] processes you have highlighted. You will be aware that there are still a couple of station locations that are still strategic options, so there is still work to do to refine that. Clearly it will not be all of the project until we have got those locked in.

The Hon. DANIEL MOOKHEY: The question is specific. When the planning Minister has to make his approval, is he going to be approving just the tunnels, just the stations, or both? What exactly is the scope of the planning approval that you are doing? Is it going to cover the stations?

Mr LAMONTE: I will take it on notice and come back to you with precisely what we are asking for, rather than something else.

The Hon. DANIEL MOOKHEY: I appreciate that. Is it possible to come back with that information this afternoon?

Mr STAPLES: Probably. Just to be clear about where we have separated out the approvals to date on metro projects, the approvals have largely covered all of the infrastructure build, including stations. What has always been excluded then is any subsequent development. Commercial and residential development is subject to a separate planning process through the State significant development framework in the planning Act, rather than the State significant infrastructure. So we would still define that and keep that clear separation.

The Hon. DANIEL MOOKHEY: Mr Lamonte, you made reference to the strategic options—and I appreciate the answer, secretary—of which there are two, Rydalmere and Pyrmont. What additional assessments are you undertaking as to whether or not we are going to be building a station at Rydalmere?

Mr LAMONTE: The process is a common process that we have used before, but the approach basically talks about more consultation with community and stakeholders to gain their views. There then has to be a look at the feasibility and the affordability of the options. And when we have got all that information, together with what the demand is likely to be, what developments are likely to be in that area, we can provide government with recommendations about how or whether these should be taken forward.

The Hon. DANIEL MOOKHEY: What is the timetable for that study to complete?

Mr LAMONTE: Both of those, for Rydalmere and for Pyrmont, will be done in the course of next year, next coming year.

The Hon. DANIEL MOOKHEY: Rydalmere was originally meant to be done in conjunction with Parramatta Light Rail stage two. In fact, the benefits that were articulated in the original proposition around Sydney Metro West is that is where the two projects will join. Is that still the design for which you are seeking consultation?

Mr LAMONTE: I cannot speak to the Parramatta Light Rail stage two. What I can say is that there is a whole range of consultation with the community to do on Rydalmere, whether that provides a reasonable alternative or not, and of course there are light rail connections in the area that we need to take into account.

The Hon. DANIEL MOOKHEY: I ask specifically because the Minister put out a press release with the then Premier in 2016 saying that is the point where Sydney Metro West will join to Parramatta Light Rail stage two, and he repeated that in the consultation or discussion paper in 2017. Is that still the plan, or is it not? Is

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it the case that you are contemplating the construction of Rydalmere without the Parramatta Light Rail? Which one is going out to consultation?

Mr LAMONTE: In terms of what work would be done that we are looking at, we are looking at the metro element of Rydalmere.

The Hon. MARK BANASIAK: Mr Holliday, I refer to the cruise terminal. It was raised by the former CEO that you are looking at two different sites, one was Yarra Bay potentially and one was Botany Bay. Are you still looking at both or have you narrowed it down?

Mr HOLLIDAY: We formally announced on 17 September that we were going to a detailed business case and consultation processes, and both sites are a part of that detailed business case.

The Hon. MARK BANASIAK: Is it only two sites you are looking at?

Mr HOLLIDAY: Yes, indeed.

The Hon. MARK BANASIAK: As part of that process are you considering or consulting with concerns from residents? I note that both sites have struck up fierce opposition. As part of that process and business case are you looking at the concerns of residents, and recreational fishers, in particular, for Yarra Bay? Is that part of that process in terms of weighing up which one you go to?

Mr HOLLIDAY: Absolutely. As part of the process that we have formally announced just a couple of weeks ago, we have already met with a number of organisations—Save the Bay Coalition, local councils, the Aboriginal land council and so on, as well as industry and other parties. That consultation is ongoing and there will be community sessions over the next couple of months as well, drop-in public sessions. We are gathering as much information as we can to inform the detailed business case.

The Hon. MARK BANASIAK: Do you have a time frame for when that business case will be finalised and an announcement as to which site you go to?

Mr HOLLIDAY: The detailed business case is scheduled to be complete towards the middle of next year.

The Hon. MARK BANASIAK: Switching to the Newell Highway upgrade, during an upper House debate it was mentioned that the procurement process followed RMS major contract procedures but in the Minister's discussion with my colleague in the lower House, Philip Donato, he intimated that the procurement process had actually changed, or had been simplified. Now that also lines up with comments made by the Forbes mayor, who stated that the only indication that they got was a fairly non-descript phone call asking for a wet hire rate. That was the only indication. There was no indication as to what the wet hire rate was for. Does that phone call fit in with the RMS major procurement processes?

Mr STAPLES: Obviously you are aware that there is a standing order in relation to documents around that, so we will respect that process going forward. I will hand over to Mr Fuller and Mr Wakelin-King and let them choose their response to that. I just want to make the point on what this is all about, which is a safer outcome on the Newell Highway and a desire to get there as quickly as we possibly can. I have been out on that road. There are heavy vehicles. We want to get more overtaking lanes and we want to get more safety features in there. The underlying drive here from everyone is to get to that end game as quickly as we possibly can. There have been processes to get that moving as quickly as we can.

The only other thing I would say before I hand over is that we have got ongoing work with a lot of local government within regional New South Wales. We will not always agree on every one—there is no doubt about that—but I think there is a very strong pipeline of work that has been undertaken and will continue to be undertaken on behalf of us by councils and I am very supportive of that. I will now hand over to Mr Fuller. He may wish to hand straight to Mr Wakelin-King just to talk more specifically about your question on the procurement process.

Mr FULLER: Thank you, Mr Staples. I think I will hand to Mr Wakelin-King in one moment but I suppose I will just point out up-front that obviously there is an overarching procurement process of the alliance contract partners in itself and then there are subsequent discussions and negotiations that they have to subcontract some of the arrangements within their day-to-day work. I think what you are referring to is post the formal procurement process of what we have undertaken to seek an alliance partner and that relates to kind of the procurement works at a local level to undertake those works. Can I ask, is that—

The Hon. MARK BANASIAK: Yes, that is it.

Mr FULLER: That sounds correct? Okay, then I will hand over to Mr Wakelin-King just to add to that.

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Mr WAKELIN-KING: Thanks, Mr Fuller. I can advise that the process for the procurement of the Newell Highway overtaking lane is to deliver, as Mr Staples indicated, at least 30 overtaking lanes of at least one and a half kilometres—in some cases more—each. That will yield very positive safety benefits for people travelling up and down the Newell Highway. As you may be aware, it is a heavy vehicle route, one of our most critical in the nation, and there are also a lot of people who use it as a tourist route and it keeps communities connected as well. The procurement of the alliance partner was in accordance with the New South Wales Government's procurement guidelines and went through an extensive procurement process, including an open tender process and a proper and thorough evaluation.

I should also add that the alliance arrangement is one of the key features of the New South Wales Government's 10-point plan for working with the construction industry. Post the establishment of the alliance partner, it includes in its performance requirements but not limited to is local engagement and they are looking to engage locally with a number of local contractors, including councils. The key with the alliance partner is that they do that efficiently. We have done and continue to work with the alliance partner to ensure that when they are doing that process they engage transparently with all subcontractors, be they local government or private contractors. They make them aware to that end that they hold briefings when they move to an area to actually brief local contractors, including councils, on what the intended work is and what the likely scope of works and the process will be.

If I may, I might just add that I was actually just recently—about two to three weeks ago—at the Marthaguy overtaking lane, which was under construction. We were actually sitting on the land of a private local contractor under a lease arrangement. He had a diversified business which also had plant and we had, as part of that process—or the alliance partner, I should say—as part of the process has gone through a process to engage their services. We will continue to monitor the alliance partner to ensure they meet their obligations in that regard and to work constructively with the local community and local industry, including local government.

Mr FULLER: I might add to that too, not disputing all the kind of formal processes, that Mr Wakelin-King, Alistair Lunn, our local regional director and I have all separately and in some cases collectively met with both the mayors of Forbes and Gilgandra shires as well as their general managers. We have all agreed that we will obviously give them further information and some more lead-in times et cetera just to make it as easy as possible for local councils and local contractors to have every opportunity to participate in the work. The alliance stood up last year and is doing some great work and has achieved some very quick progress to mobilise and get those works underway. As Mr Staples said, they are critical safety works that we wanted to get a really good start on. But we have certainly agreed that we will make the process a little bit more transparent and, you know, hopefully give them full opportunity to prepare bids accordingly and secure some of the work at some point.

The CHAIR: I have one final question to clarify an answer that was given to questions taken on notice. I am looking at a question in relation to how many stations in the New South Wales trains network operate regularly without staff. That was taken on notice and a response was given. I just want to understand the response better. It says that there are 192 New South Wales TrainLink, Intercity and regional stations and that 95 of those are unattended. Then it goes on to talk about which of those are remote monitored and which of those have help points and CCTV. Just to better understand that answer, if there are 192 TrainLink and Intercity and regional stations, how many of that 192 are regional stations and how many are Intercity?

Mr STAPLES: I would refer to Mr Allaway to see whether or not he has the specifics on that. Sometimes they can be both, bear in mind, in some locations.

The CHAIR: Okay. It just helps to understand the following answer.

Mr STAPLES: An example of that would be up at Newcastle there is a joint station. But I will hand over to Mr Allaway to see whether he can give you some more numbers.

Mr ALLAWAY: I would love to be able to give you the direct answer on that but I will have to take that one on notice.

The CHAIR: Okay, because it says—

Mr STAPLES: We will see. We might be able to get that this afternoon.

The CHAIR: Yes. I will tell you why I am interested. It then says that all Intercity stations are fitted with help points and CCTV while 62 regional stations have CCTV and/or customer information help points. I am trying to understand which of those 95 unattended stations, which of the regional ones also, do not have CCTV or customer information help points. What is that overlap between those? Also the answer talks about 77 per cent of those unattended stations are remotely monitored. What percentage of the other 23 per cent are not remotely

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monitored and how many of those have help points and CCTV and how many do not? I am going to get to an actual question now. How many of the 95 unattended Intercity and regional stations also are not remotely monitored? Part B of the question is: How many of those are not fitted with help points and CCTV?

Mr STAPLES: I think we understand the essence of the question, so we will see whether we can get that for you this afternoon.

The CHAIR: Thank you. It was not clear from the response.

Mr STAPLES: If not, we will let you know and we will take it on notice. Obviously we want to get those numbers right.

The CHAIR: Thank you very much. They are all the questions I have.

The Hon. PETER PRIMROSE: Mr Hardwick, can I ask you just one question briefly? If I was to access information under the Government Information (Public Access) Act [GIPAA] of all the correspondence and reports in relation to the proposal to take an extra 300 metres off Thompson Square for an extra lane, would I see that this was not being actively considered during the time of the parliamentary committee that I was a member of?

Mr HARDWICK: I cannot comment on whether you want to GIPAA something or not but as far as this was concerned it came to me in about the last two or three months as they had done some traffic studies in the area related to some other works. There was noticed around the changes that were occurring and the traffic uplift that had occurred was going beyond the bridge compared to the studies that were done leading up to the environmental impacts and those sorts of things. Remember it is 300 square metres. It is three metres wide roughly and 10 metres long.

The Hon. PETER PRIMROSE: I distinctly remember the amount of detail we put into looking at the proposed traffic movements, which were actually used as the argument as to why you needed to put the new bridge there in the first place. If you cannot answer that question, who can? Maybe Mr Staples can. If I was to put in a GIPAA request for all correspondence and reports in relation to the proposal for an extra 30 metres being taken out for an additional lane, would that show that this was not being actively considered during the period that I and other members of this Committee were members of the committee that inquired into the Windsor Bridge project?

Mr STAPLES: I am not trying to be cute but I think you will respect that I am not going to start providing advice on the GIPAA. I think the essence of what you are asking is: What knowledge did we have during that inquiry of the potential for that? If I can just set aside the GIPAA analogy—

The Hon. PETER PRIMROSE: The GIPAA request would show me—if I was given access to the information—what was being considered within your agency. I am simply asking you: Would I see that that was being actively considered by RMS or not?

Mr STAPLES: I certainly did some preparation for that inquiry because I attended part of the inquiry, if you recall.

The Hon. PETER PRIMROSE: Yes, I remember.

Mr STAPLES: I do not have any recollection of that. But with the help of Mr Hardwick we can undertake to see whether or not there was any work being done at the time of that inquiry and we can provide a response to your question.

The Hon. PETER PRIMROSE: If there was any work on that could you please advise me why it was not made available to the committee? You would recall that we went out there and also spent ages looking at projections to consider whether there would be sufficient width with the existing roads. That was, in fact, one of the things queried. I would be very interested to find out whether that information was being considered and whether it was made available to the inquiry. I will leave it to the witnesses to decide who the appropriate respondents are in relation to that matter.

I go to the *Review of Road Safety, Cyclist interaction within the mixed running alignment, Newcastle Light Rail* report dated October 2019. Page 23 of the report lists eight action plans as part of its recommendations. I would like to ask how those recommendations apply in relation to the CBD and South East Light Rail opening? For example, action 5 calls on Transport for NSW to "review New South Wales *Guidelines for Road Safety Audit Practices* with regard to the recently published *Managing Road Safety Audits 2019* report." Is that going to occur before the CBD and South East Light Rail opens?

Mr STAPLES: I will hand over to Ms Mildwater because she has oversight of the operational readiness area. Mr Regan has oversight of the project site. In terms of operational readiness, the thing I would acknowledge

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with that finding is that it has put us on notice to look more systemically at the way we go about the road audits, which is a healthy thing for us to do. Obviously we are looking at Sydney Light Rail's resolve of that. I might ask Ms Mildwater to give you a little bit more detail on what we are doing on safety readiness.

The Hon. PETER PRIMROSE: I accept what you are saying but my question is very specific. We had an inquiry following a death in relation to Newcastle and a number of injuries and there is a specific recommendation—action 5. Is that going to happen in relation to the CBD and South East Light Rail before it opens? It is a very simple question. Is it going to happen or not?

Mr STAPLES: We acknowledge the tragedy of the event in Newcastle—

The Hon. PETER PRIMROSE: Yes, we all have. That is presumably one of the reasons you initiated this inquiry. I am just trying to find out whether you are going to implement its recommendations.

Mr STAPLES: I will hand over to Ms Mildwater to give you a response to that.

Ms MILDWATER: I am looking at recommendation 5, which looks at a review of the guidelines. I do understand that that is underway and is expected to be completed soon. I can also tell you what we are doing in relation to the CBD light rail. Road safety audits have been undertaken for the CBD light rail at various stages from design and throughout development. A specific audit was undertaken on the project in May 2018 and a subsequent audit was undertaken straight after the fatality in Newcastle. The design of Sydney Light Rail has considered cyclists and the need for them to cross at an appropriate angle—ideally greater than 60 degrees. I can confirm that when we audited there were no locations on the CBD light rail that were the same as where the accident happened in Newcastle.

The Hon. PETER PRIMROSE: Has action 6 occurred, which calls on Transport for NSW to "review formal standards and policies catering for cyclists within light rail networks. To ensure a safe system compliant design for all road users, cyclists should be considered in the initial design phases"?

Ms MILDWATER: Yes. During the design of the CBD light rail cyclists were considered and safety audits were conducted. Recommendation 6 actually relates to a review of the policies and standards themselves.

The Hon. PETER PRIMROSE: Action 7 calls on "Transport for NSW to ensure that the learnings from this incident and subsequent report are passed on to other light rail projects within New South Wales to prevent similar road safety risks and incidents." Presumably you learnt various things. Can I ask you to take on notice and provide to the Committee what specific learnings you took from that, as per action 7, and how they were incorporated into the CBD light rail?

Ms MILDWATER: I can provide some further detail now. As well as actually reviewing the route straight after that accident to see whether there were similar circumstances—finding that there was not anything exactly the same—we have identified various areas along the route where we think we can do better with signage. We are implementing more signage for cyclists to help educate them. We have, of course, started increasing our safety awareness campaigns more generally in the lead up to light rail—both on radio and digitally. The signage for cyclists is one of the things we have looked at and will increase following that accident.

The Hon. PETER PRIMROSE: What about the issue of SafeRails or other technologies? Were they part of the consideration?

Ms MILDWATER: We are continuing to look at that. Light rail tracks such as these are in many cities around the world so we are also looking to see what has been used in other parts of the world. We have not yet landed on a piece of technology that would solve the issue, but we are continuing to look at it.

The Hon. PETER PRIMROSE: Action 8 recommends "Transport for NSW to carry out market sounding and assessment of potential innovative safety technologies that would address the specific risk of bicycle and other wheeled vehicles being trapped in the tram tracks." Where is that up to?

Mr STAPLES: Mr Fuller may have more responsibility around that at the moment, but I think you will recall that at the last hearing there were some questions put to us about specific technologies. At the moment our surprising take, as we look around the world at a number of instances where cyclists are running quite close and in parallel to rail, is that no-one has developed a widespread technology to address that risk. Our view is that we might get out into the market and see whether there are some organisations that could potentially develop something with us to address that risk. Mr Fuller could probably talk about—

The Hon. PETER PRIMROSE: I would particularly like to know what, if anything, you are proposing to do before it opens.

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Mr STAPLES: Just to be clear, the technology would be applied in the areas where the 60 degree element that Ms Mildwater was talking about occurs. We do not have that with the CBD and South East Light Rail. Sorry, I have made an error there. I might ask Ms Mildwater to clarify that for me.

Ms MILDWATER: We do. That is where we looking at signage in the interim, as well as education campaigns. We will continue to look at other technology. As the secretary said, we have not yet found anything that is appropriate. Mr Fuller might be able to update us on the process.

Mr FULLER: Basically what recommendation 8 is saying is that we will go right around the world to continue to look at options for new innovations to make light rail tracks safer. Right here and now my understanding, through a thorough assessment of a number of mixed running areas around the world—as Mr Staples and Ms Mildwater referred to—is that we do not believe there is an infill that is robust enough to operate successfully without creating further safety implications for other road users. The considerations at the moment are that it is not an appropriate improvement but we will obviously continue to seek improvements to make that mixed running corridor and any of our mixed running corridors as safe as they can possibly be.

The Hon. PETER PRIMROSE: So cyclists should feel safe?

Mr FULLER: What we have done is undertake a thorough safety assessment. It is not an inquiry. We had an independent safety assessment that has been undertaken by both the Centre for Road Safety in conjunction with a number of the stakeholders and user groups in Newcastle including the Newcastle Cycleways Movement, and the New South Wales police to ensure that the recommendations are as thorough as they can be to make people as safe as they can be into the future.

The Hon. PETER PRIMROSE: So cyclists should feel safe?

Mr FULLER: They should feel safe if they follow the recommendations and what we have put in place in the area, which is to exclude cyclists from that mixed running area, because we believe now that that risk profile has changed and so that is why the alternatives have been put in place to get them out of that environment.

The Hon. PETER PRIMROSE: So wheelchair users crossing roads should feel safe?

Mr FULLER: I think generally if you are crossing a road you are crossing it in a 90 degree perpendicular arrangement. As Ms Mildwater said, the recommendations and accepted practices are basically that if you achieve an angle of greater than 60 degrees then you should be feeling pretty confident you can cross those rail tracks safely, yes.

The Hon. PETER PRIMROSE: Okay. And elderly people with mobility devices, they should feel safe?

Mr FULLER: This review undertook safety about cyclists specifically. I am not a safety expert. I do not profess to comment on individual circumstances. What I can tell you, though, at a higher level is that not just the Newcastle Light Rail but all of our light rail environments and all of our projects, in fact, undertake stringent safety audits and inspections prior to them opening, in conjunction with the relevant legislation—in this case, national rail safety law—to ensure that they are put into the environment in what is considered to be safe and in accordance with either Australian design or international design standards.

The Hon. PETER PRIMROSE: The reason I am asking these questions is I am not a safety expert either. You are the ones building this thing. I have asked you and you have assured us that to the best of every piece of knowledge that you have, people using bikes, people in wheelchairs and particularly the elderly using mobility devices have nothing to worry about.

Ms MILDWATER: I might add, if you are asking in relation to the Sydney CBD light rail, we have been working with ATAC—which is the Accessible Transport Advisory Committee—for some time now and seeking their advice in terms of safety and accessibility on the light rail generally, so we have had their input and have been addressing their needs.

The Hon. PETER PRIMROSE: Can you maybe take on notice what some of those things are that they recommended that you do?

Ms MILDWATER: Certainly. But some of them include, for example, the tactile warnings near the edges of platforms, that type of stuff. But I can take it on notice to get some more information.

The Hon. PETER PRIMROSE: Good. Thank you.

The Hon. MICK VEITCH: My Staples, I want to continue on my theme around the drought and the supply of water to drink or critical water to communities running out of water. There may be now a rail slant to

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this. Have we conducted an assessment of our rail fleet carriages to see if there is any capacity for those to be used to deliver water or even the conversion of some of those hoppers et cetera?

Mr STAPLES: Personally I do not have any knowledge around that. I am happy to ask Mr Allaway and maybe Mr Collins because arguably we may not possess the particular type of carriages. It is more likely to be freight operators and so forth who would have more appropriate carriages. We might just ask Mr Allaway if he has any knowledge around that.

Mr ALLAWAY: I do not have any specific knowledge. As Mr Staples has pointed out, that would probably be something more for the freight industry than this. It is a good point to bring up and we have regular interactions with our freight industry colleagues. It is worth that conversation.

The Hon. MICK VEITCH: I just want to know whether that work has been done.

Mr COLLINS: I can probably add a little bit. I know that Southern Sydney Freight and a number of other freight companies have moved water. It is the equivalent of 45 of the largest trucks is one train. It is 725,000 to 800,000 litres. A movement has been done for a couple of mines to keep them going. I certainly pass on and can give you on notice the freight companies. In terms of Sydney Trains and our infrastructure, we do have one or two water tankers but they are used for work purposes and are probably not of the size necessary for movement. But I know my freight colleagues and a member of the Australian Rail Association are working hard again with the community in understanding how we can use rail, which obviously has a huge capacity but does not get it to the local towns that perhaps need it, could assist and will assist in this matter.

The Hon. MICK VEITCH: As a part of that exercise have we given consideration to maybe reopening some of the suspended rail corridors to get water to those communities that are in critical need of water? Is that a part of the assessment?

Mr STAPLES: Not to my knowledge. I am not aware of whether we specifically looked at rail corridors opening for the purpose of carrying water, no.

The Hon. MICK VEITCH: Would that be one of the options, if required?

Mr COLLINS: Obviously having visited a number of these sites recently I think one of the difficulties we have with some of these closed or let's say non-operational lines is the bridge structures and the weight which would be incurred in water. I think it is probably going to be their biggest issue. Obviously along with our colleagues from the country rail network we will look at that. But I believe it is probably unlikely to be the main use of rail. Those existing corridors which do stretch into regional railway areas could be used.

The Hon. MICK VEITCH: Mr Staples, I think I explored the use of water in road construction a little at the previous hearing. In some of these communities are there any road projects that look like being deferred or postponed because of the inability to get water to those projects now?

Mr STAPLES: I do not have anything specific at hand. I can tell you it is a very active conversation with all of our road maintenance crews around how water management is going. I will ask Mr Wakelin-King whether he has any specific examples where we may have done that at this stage.

Mr WAKELIN-KING: No, there are no projects which are currently being ceased as a consequence of water. We do monitor it continuously, as I mentioned at the last hearing. What we do, and we have done this recently with the Bolivia Hill project, is seek alternative water sources if water supply is a challenge. We are also looking at other initiatives in terms of capturing run-off water where that is possible in the circumstances, albeit I acknowledge that that is not common at the moment. And we are looking, where appropriate, at possible use of grey water, although that is still under further examination because there are implications of quality and other issues that we need to be aware of. But we are looking at all options available. At this stage no major projects and no major maintenance works have been ceased as a consequence but we are actively monitoring it.

The Hon. MICK VEITCH: Have any councils flagged with you or your department, Mr Staples, that they may well struggle to now meet requirements? There is funding going out to do roadworks. If they do not have water, they may not be able to do those roadworks. Or are they now starting to flag the issue that they may not be able to conduct—

Mr STAPLES: I have not received any advice within the department around that but I am happy to ask Mr Fuller and Mr Wakelin-King whether they have seen any evidence for that.

Mr FULLER: As Mr Wakelin-King said, we are already using grey water in some projects, including the Newell Highway overtaking lane. So there is a number of projects in place and we are actively in discussion about where we can defer the use of local water and local content. As Mr Wakelin-King said, Bolivia Hill is an example in the north-west. Are there any others that you would like to call out?

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Mr WAKELIN-KING: To answer your question specifically, councils have obviously raised with us the issue of water generally in the context of road maintenance and road construction as a concern but they have not advised us, to my knowledge, that they are not able to fulfil any programs that either are being implemented now or may be implemented in the future. But we work very closely with them on this particular matter. As you would be aware, obviously a large number of councils manage their water sources. Hence in accessing water, be it from a river or a dam et cetera, for our works and obviously their works we consult with them and seek their approval prior to doing so. We also actively use bores and we monitor the groundwater within the bores carefully so that they are not overused and we distribute those evenly where possible, particularly, as you are aware, in the far west.

The Hon. MICK VEITCH: I know there was a benefit-cost ratio [BCR]—for a lot of these construction projects there are BCR requirements. For some there are not, depending on the funding program. But where there are those that require a BCR is there any sort of lenience or weighting being allocated now to the need of having to bring in water from greater distances for the road construction?

Mr STAPLES: I might ask Mr Wakelin-King because he would be the one to have the closest knowledge of that.

Mr WAKELIN-KING: At this stage it has not been a factor that has been raised in the BCR process. That is not to say that it may not or may in the future. As you have pointed out, some programs require a BCR, others less so, but at this stage it is not a factor that we have applied yet. We look at all cost estimates, as you appreciate, in terms of construction and maintenance of major projects. To the extent that we need to bring not only water supplies but also other supplies, because some projects are in a very remote region, that goes into the factor of the cost, which, obviously, then factors into the BCR itself. But at this stage, for no projects that have a BCR that is challenged, has it been brought to my attention that that challenge is water.

The Hon. MICK VEITCH: Mr Staples, with regard to water at regional railway stations—critical water will start to be delivered to some of these communities—has the department looked at its own use of water, so at its own railway stations, and how that could be accommodated once a community has run out and is then receiving an emergency supply of water?

Mr STAPLES: Yes, the thing that I would acknowledge first and foremost is that the staff who are in our regional stations, living in the regional areas, are very much front of mind. In fact, a couple of weeks ago I was in Tamworth talking with the staff and the first thing that came up was water and how they are managing water because they live in that community. Mr Allaway may be able to talk about anything specifically that is going on across TrainLink but I think just by virtue of the fact that the people who work there live there, it is really front of mind.

Mr ALLAWAY: I would just echo Mr Staples' comment. I get regular feedback from our staff that they are abundantly aware of water shortage in certain areas. Also, over 80 per cent of our staff who are in regional communities already are activists within those areas too. So we do keep a constant monitor on our water usage.

The Hon. MICK VEITCH: Can I give an example, Mr Staples? I am not sure about railway stations but for some of those communities the predominant source of cooling for summer will be evaporative air conditioning as opposed to refrigerative. What is the railway stations' accommodation for our employees? Is it refrigerated or is it evaporative?

Mr STAPLES: Personally I have to say that you have me on a point of detail there that I cannot answer but maybe one of my colleagues here can. I will share it around the table.

Mr COLLINS: Obviously I am responsible for the infrastructure. Generally they are the more traditional refrigerated usage rather than evaporation, although some of the smaller communities may still use water. We will keep an eye on that and, certainly, I know Mr Allaway's people are particularly keen to ensure that we, as an organisation, minimise the use of water and support the local community.

The Hon. MICK VEITCH: With regard to the air conditioning on the XPT train—and this is a question that you may not have the detail on, and I do not know myself—how does it operate? Is it the refrigerative model running off the engine?

Mr COLLINS: It is like your car but a slightly bigger version. So it is a refrigerant-based unit and therefore does not use water. It produces water in small amounts in its process.

The Hon. MICK VEITCH: Condensation, yes, thank you. Are we looking at deferring any of the road projects? I know some have not yet been flagged. But we are now moving into a period when no rain is expected in a lot of these communities. We know they are getting close to critical supply. Is there active consideration as

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to which road projects or even rail projects we may need to put off because of that—rather than start the project we are going to have to stop it?

Mr STAPLES: There is no active program for that at the moment but obviously we are alert to the situation and will adapt as necessary as events unfold within the regions. We take that whole issue incredibly seriously. Obviously we are pretty committed to and passionate about continuing the investment in the roads. There are a lot of safety benefits in the work we are doing here. So every time there is a thought of not doing something we see the downside of that as well. But obviously we are really respectful of the balancing act we are making here around water use and road projects. I do not think it will be a blanket, statewide thing. It will be more a case of if we have a particular region with a particular need we might move some resources around in due course.

The Hon. MICK VEITCH: I am not an engineer but as I understand it water is not the only medium that can be used in road construction. There can be other mediums used if you were pushed to that?

Mr STAPLES: The engineers within Roads and Maritime Services, within the department, have certainly been looking at the standards. I think Mr Wakelin-King referred to Bolivia Hill before. We have certain standards for concrete and water supply and so forth. We are challenging ourselves internally to say, "Can we change the way we look at our standards and our processes to reduce water usage to be able to rely on other materials as a general approach?" I think that has been pretty successful so far.

The Hon. MICK VEITCH: I move back to the 15,000 kilometre reclassification process. In light of the fact that the panel will commence its work, hopefully, early in the new year, previously at budget estimates we were told we were looking at about an 18-month to two-year period. Is that still the time frame or does that time frame commence once the panel is in place?

Mr STAPLES: I might ask Mr Fuller whether he has any clarity on that timeline.

Mr FULLER: I think we do not have clarity on the time frame as it stands now. I think what we did say at the last budget estimates was that it is a complex process and that the last review took a number of years to undertake and then about three years to implement. So we are using that as a bit of a benchmark, I guess, to assess what happens going forward. Once that committee is brought together and the terms of reference are better understood, I think we might have a clearer indication of time frames.

The Hon. JOHN GRAHAM: Can I just express some concern there because the language has shifted to being very long term, to quote you briefly, Mr Staples. I do not think the view of councils is that this process will be rolling for a very long time. Can you give us some assurance that this is not being pushed off into the never-never?

Mr STAPLES: It is certainly not being pushed off into the never-never, just to be really clear. Sorry if there is a misunderstanding about that. Certainly we are taking some time to get the panel in place but it is not like if we decide that there are some roads to be transferred that we have got a date further out and we are just going to wait. Once the determination is made, then we will be able to move on the transfer of those sorts of things.

The Hon. JOHN GRAHAM: Could roads be transferred earlier than the panel process? Could it be progressive? Could you see some roads if it really makes sense?

Mr STAPLES: We will take some guidance from the panel.

The Hon. JOHN GRAHAM: So it is not out of the question but it is up to the panel?

Mr STAPLES: That is right.

The Hon. MICK VEITCH: There could be incremental transfer—

Mr STAPLES: Essentially there needs to be. If you think about 15,000 kilometres to shift from one organisation's responsibility to another, I am not going to say how much is going to be transferred at this stage but we would expect it to be staged in an ordered way. My expectation of the panel would be that they will think about the practicalities of that as well. Chair, I want to come back to one of the questions on notice about point to point, which I think Mr Mookhey referred to, about anti-competitive behaviour.

The Hon. DANIEL MOOKHEY: No, it was Mr Banasiak.

Mr STAPLES: I apologise; I got a little bit lost in that. Just to clarify, any allegations of anti-competitive behaviour of a person or company carrying out a business are addressed in the competition and consumer law, regulated by the ACCC. I can confirm there is no specific point-to-point legislation for regulation of this so, to your question, we are essentially relying on the ACCC around that.

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The Hon. MARK BANASIAK: Thank you.

The Hon. JOHN GRAHAM: In relation to that 15,000 kilometre transfer—I know we asked about this before but I just want to be very specific—will this panel be appointed by Christmas?

Mr STAPLES: Yes.

The Hon. JOHN GRAHAM: Have people already been approached to serve on the panel?

Mr STAPLES: I might ask Mr Fuller whether he has more knowledge because he is a little bit closer to that.

Mr FULLER: I think the Minister's office is in some discussions with potential panel members, yes.

The Hon. JOHN GRAHAM: Can you give us any sense of the timeline from here? We have put some views to you but I am just asking an open question: What is the timeline from here in the agency's view?

Mr FULLER: Once the panel is appointed, obviously we will actively come together with it. I think Mr Wakelin-King's team has already put together a bit of a time frame in terms of how that might proceed. I might hand to him to cover that off.

Mr WAKELIN-KING: Thanks, Mr Fuller. Once the panel is appointed, and I refer to the secretary's comments with respect to that, and if I can say, as you appreciate, the panel once appointed and convened will need to consider the extent of the task, which, as you are aware, is quite significant. So it would need to give advice back to Government and the Minister directly as to the suitability of the time frame it has been given. The key steps that we have recommended are that there would be a deliberative, consultative process with local government, seeking submissions, and then that further discussions and recommendations would be made post that process. As for the time frames for that, we will obviously need to have an appropriate and quite extensive consultation period. Normally you would apply a four-week period but subject to the deliberation and decision of the panel as to whether it would be more than that, it needs to be taken into account.

The other thing that I think is really important to note with respect to this, and this goes to your question about any regional road transfers prior to any consideration of Government—because this would be a recommendation to Government—is that road reclassifications are matters that occur on what I would describe as an ad hoc process on a relatively regular basis. Particularly when we carry out a project, it may actually result in a change. Another example is we are working with Goulburn Mulwaree Council on a specific individual road transfer to enable it to activate its precinct in the town and we assume responsibility for another road. They are treated on their merits and in accordance with the roads Act in each particular case. So it does not mean that no transfers will occur. It just means that they need to be considered in respect of their individual merits and in the context now once the panel is appointed and any decisions made thereafter.

The CHAIR: You will be pleased to know it is lunchtime. We will reconvene at 2.20 p.m. Thank you.

(Luncheon adjournment)

The Hon. MICK VEITCH: I thank you all for your return after the lunch break. Mr Staples, I wanted to continue the conversation with Mr Wakelin-King about the 15,000 kilometre reclassification process.

Mr STAPLES: Certainly.

The Hon. MICK VEITCH: We were appropriately interrupted for the lunch break when he was providing us with the time frame. So just to be clear about the time frame, the panel will be essentially appointed by Christmas and then start its work early next year with a view to having it completed in a couple of years? Is that where we were going with the time frame?

Mr WAKELIN-KING: If I may, Mr Staples.

Mr STAPLES: Yes.

Mr WAKELIN-KING: For the record, the appointment of the panel and panel members is a matter for the Government. As per Mr Staples' advice, we understand that is likely to occur this calendar year. The committee—subject to the timing of that appointment—need to convene to get a briefing on the confirmation of the terms of reference and their responsibilities and any immediate feedback to Government. Then it is likely—given where we are at this time in the calendar year—that work will commence in earnest in early 2020. So in order to hit the ground running in early 2020, it is currently proposed that—and this is subject to the agreement of the panel and the chair of the panel—there would be a deliberative consultative process commencing not long after their appointment, requiring formal submissions.

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It is anticipated that there are likely to be some roadshows or consultation of that nature as you would expect. Submissions would then be received after that. The timing of the panel's interim, draft or first report to the Government would be a matter for the panel in discussions with the Minister and recommendation to the Government. I am not in a position to state something clearly on that. Obviously, there is a lot to consider here. There is a lot—based on informal discussions I have had with many local government sector members—that people want to have considered. I would prefer to leave it at that because there is quite a bit. The intent is to get it established as soon as practicable this calendar year, commence proceedings in earnest early next calendar year, undertake a deliberative consultative process and then recommendations to the Government on a time frame agreed by the panel with the Government thereafter.

The Hon. MICK VEITCH: Mr Wakelin-King, before the lunch adjournment we were talking about the possibility of some roads being transferred or reclassified earlier as part of this exercise for a range of reasons. In the time frame you have provided, when you are talking about an interim draft report, is that the sort of thing you are talking about?

Mr WAKELIN-KING: No, sorry. To be clear, at any stage between ourselves and a local council we may come to an arrangement for a transfer. There could be a number of reasons for that. For example, a project has been completed and a town might get its road reclassified. For example, if a highway goes through the centre of a town at the moment and it is bypassed then usually—not always—a swap of classification and the highway becomes a bypass road. That may occur as a normal course of government business during this process. There are other reasons for that. I mentioned discussions we are having with Goulburn Mulwaree Council around a street called Sloane Street which we are looking to do a swap on—for want of a better term. We will continue to undertake those as appropriate. However, we will keep the panel informed of any deliberations we may be having. They are the exception rather than the norm, I do wish to emphasise.

The Hon. MICK VEITCH: Thank you.

The Hon. PETER PRIMROSE: Mr Collins, at the last round of hearings I asked you a series of questions relating to asbestos registers. You indicated to me, and I quote:

I will take that on notice and see what plans you are referring to and make available.

Then you said, "There are thousands of documents," and asked if could I please clarify. I said:

The reason I suggested there were three plans is because that was your advice, and that those management plans were last reviewed on 3 January 2018, 14 August 2018 and 17 August 2018. Could you make those plans available to the Committee?

You replied:

Now you have given me what the records are, obviously, we certainly can make those available.

The answer that actually came back was that Sydney Trains takes its obligations regarding management of asbestos very seriously and complies with all its statutory obligations et cetera. So I put a question on notice in the House, question 504. I asked six questions in relation to asbestos registers, management plans and management. Finally, I also quoted you saying those plans could be made available. My question to you was how do Committee members access these asbestos records? The answer I got back was:

I refer you to the answer to 2019 Budget Estimates question on notice 9.

I have asked a whole string of questions. One of them related to getting information relating to the registers and management plans that you indicated you would make available. The answer I get back was, firstly, that you are doing the right thing, and the second—in relation to six separate questions—said I should refer back to question No. 9. It sounds rather like Monty Python. Can you tell me what is happening, please?

Mr COLLINS: Yes. All I can say is that I am sorry that did not get to you. I have here—which I can table to you—the three documents which are the operating procedure 0618, managing asbestos works; operating procedure 16, manage health and safety monitoring requirements; and operating procedure 067, managing risks with hazardous materials. That was what I genuinely believed I was going to table to you. I am sorry that somehow did not get to you but I will certainly table those if you require them now.

The Hon. PETER PRIMROSE: Thank you.

Mr COLLINS: I was not directly aware—I had not been covering the deputy secretary for a little while—of those six questions which you raised in Parliament.

The Hon. PETER PRIMROSE: If I can, the answer I got back was from the Minister, which basically said to go back and look at the non-answer I had got back. Thank you for those registers. These were outrageous political questions like, how many Sydney Trains sites workplaces have been identified as being affected by asbestos? How many asbestos registers are held at Sydney Trains? They are not unreasonable questions. For a

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parliamentary committee to be told to just go back and have a look at the previous answer, which basically said what a great job—

The Hon. CATHERINE CUSACK: Point of order: It is interesting what the member is saying but these are parliamentary questions on notice and this is budget estimates. I would ask that it be more confined to asking the witness a question and as to these other issues that he has, there are great forums in Parliament—and other places—to pursue those complaints.

The Hon. PETER PRIMROSE: To the point of order: The answer I received in relation to my questions in the Parliament referred me back to the answer given in budget estimates. I think it is reasonable for me to again ask Mr Collins if he would consider the questions I raised in my question 504 where the answer that came back to me was "refer back to the non-response here".

The Hon. CATHERINE CUSACK: I have no problem with—

The Hon. PETER PRIMROSE: I would ask that you please take those on notice.

Mr COLLINS: If you would like me to, I can talk very generally—

The Hon. PETER PRIMROSE: No. I have asked some specific questions and I would be grateful—

Mr COLLINS: I understand that.

The Hon. PETER PRIMROSE: I refer you to my question in notice 504 in the House, which simply referred me back to the answer in budget estimates that said what a great job you are doing. Thank you for that. My second question is to any officers here who might be able to answer it. I asked a question in supplementary estimates questions, question No. 382: "What is the estimated cost of the Western Sydney Freight Line between Chullora and Eastern Creek?" I asked that to the Minister for Transport and Roads. The answer I got back was: "I am advised this is a matter for the Minister for Regional Transport and Roads". I know that this has been referred to already, but I then asked the Minister for Regional Transport and Roads exactly the same question through a question in the House. The answer I got back was, "This is a matter for the Minister for Transport and Roads as the responsible Minister".

In relation to budget estimates, as I indicated: "What is the estimated cost of the Western Sydney Freight Line between Chullora and Eastern Creek?" Answer No. 222: "This question should be directed to the Minister for Transport and Roads". I assume one of these is wrong. I presume it is the Minister for Transport and Roads. Can someone give me the answer, please? I have asked it three times.

Mr STAPLES: I acknowledge the back-and-forth that you have just referred to. You are specifically wanting to know the cost of the Western Sydney Freight Line—

The Hon. PETER PRIMROSE: What is the estimated cost of the Western Sydney Freight Line between Chullora and Eastern Creek? I am happy for you to take it on notice.

Mr STAPLES: I was going to say that that is not a project in delivery at the moment. It is clearly identified in our western Sydney corridors, which we exhibited last year, but not a project at delivery. I will absolutely take that on notice and see what information we can provide.

The Hon. PETER PRIMROSE: Please. While you are about it, could you just confirm which Minister is actually responsible? My guess is that I was right the first time.

Mr STAPLES: My understanding is that it would be Minister Constance.

The Hon. PETER PRIMROSE: Yes, that was my guess. Thank you very much.

Mr STAPLES: Just while we are on it, Mr Primrose, we do have a little bit of extra information on Windsor if you wanted us to deal with that now, or we can deal with it later? I will ask Mr Hardwick to talk to that.

Mr HARDWICK: Thanks, Mr Staples. Just some clarifications around that: The actual dimensions of what was required from that was actually 160 square metres. It was a much smaller section than what was talked about earlier. It is just on the corner. The traffic studies were completed in August of this year, so we have just completed the traffic studies related to that. Because of the timing of the project we waited to do those after the contracts were let, in making sure we have the most up-to-date information about the future to test that. It was just making it really clear that that was the case and that it is much smaller. The current plan with that is there is still a substantial amount of extra space being allocated into Thompson Square than there was before we started the project.

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The Hon. JOHN GRAHAM: Deputy Chair, unless other members want to object to this we were proposing to release Mr Collins and Mr Allaway. We have dealt with any matters that relate to their areas.

The Hon. DANIEL MOOKHEY: With the secretary's consent, of course.

Mr STAPLES: Certainly.

The Hon. MARK BANASIAK: There are no objections—

Mr STAPLES: No objections.

The Hon. MARK BANASIAK: —from me, as Deputy Chair. I do not see any objections from the Government.

The Hon. SHAYNE MALLARD: Can you release us?

The Hon. DANIEL MOOKHEY: Yes, we can.

The Hon. MARK BANASIAK: We can.

The Hon. JOHN GRAHAM: I was trying to talk to you about that over the lunch break.

The Hon. MARK BANASIAK: Thank you Mr Collins and Mr Allaway for your time.

(Mr Collins and Mr Allaway withdrew.)

The Hon. JOHN GRAHAM: Thank you. It is appreciated. Deputy Chair, we may try and do that progressively as we move through, with the agreement of members. I might then turn the question back to the issue of the privatisation of buses. Mr Staples, or to whomever you want to direct this, I just want to understand the timing now of the process that is going to roll out. The Government has made some of this clear in public. In relation to the three regions which will now be "franchised"—in the Government's words—or privatised in our description, can you tell us what the steps are from here? What is the timing?

Mr STAPLES: I will hand to Ms Mildwater, who has got responsibility. The one point I would make is that the process we are going through is not three contract regions; it is 13 regions. As we announced last week, we are basically going to roll through the Sydney metropolitan area and all the bus contracts and renew those contracts so that we are on a more modern footing with bringing in some other things such as more on-demand features as a common feature. Based on the pilots we have done, we see some real benefits in that. We also want to start to build into those contracts procurement of low-emission fleet. So there is a program that will roll, but we are moving relatively early on the regions 7, 8 and 9. We are happy for Ms Mildwater to talk further about that.

The Hon. DANIEL MOOKHEY: Just before you pass to Ms Mildwater, Secretary, just to clarify that: Do the 13 regions have a common expiry date for their existing contracts?

Mr STAPLES: No. Certainly what we are seeking to do is to create sort of a roll-in program—typically the contract is for seven years—so that in seven years' time they are not all falling on one day but they actually progressively fall over a period of time. I am not sure whether we are still looking at changing the duration but there will be some staggering, for want of a better word, of the awarding of the contracts.

Ms MILDWATER: The first step is going to be a market engagement, which we are endeavouring to complete this year. We would give potential bidders plenty of time to come in and discuss with us and we would be testing them out on various topics before we actually shape the tender process. For example, the desire to extend the electric bus network, we would like to engage with market to see what is a sensible time line or way of doing that. We will engage with them this year on a fair few topics and then enter into the formal tender process early next year.

The Hon. JOHN GRAHAM: How deep is this market? How many bidders might you be engaging with in that process?

Ms MILDWATER: That is hard to say until we actually go, but we would like—

The Hon. JOHN GRAHAM: Just give us a rough idea.

Ms MILDWATER: —to get the best out of—I could maybe get back to you on notice. You would anticipate that all the current Australian companies would be bidding, as well as the international players that are already here, but there may also be some extras coming into the market.

The Hon. JOHN GRAHAM: Sure.

Ms MILDWATER: We want to get the most out of that over the next few months, then go to a formal tender process early next year. We are anticipating that that would publicly be about a six-month process.

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The ideal would be that we give incoming contractors about a six-month notice to do the transition properly. You would not want to do anything less than that. But for the three State Transit Authority regions, we are aiming for a transition about 1 July 2021.

The Hon. JOHN GRAHAM: Understood.

Ms MILDWATER: In parallel, next year we would then also start, once we have got that process in market and started, we would then also be starting the process for the other contracts as they come up. During the market engagement process what we will do is have a look at what is the best combination to get out in market, bearing in mind their end dates and also what is the best market process. We want to get the most competitive bidders but we also want to do it in a digestible bundle, both for us to transition—if it turns out private-to-private transition, these are all quite significant things. All up, the tender process will probably take about three years.

The Hon. JOHN GRAHAM: Yes. So there is no judgement at the moment about which other regions—other than 7, 8 and 9—might be in that next group?

Ms MILDWATER: We have done some scenarios, if I could say that. However, what we will do is absolutely test that over the coming month or so with the market. But yes, we have not absolutely nailed that down.

The Hon. JOHN GRAHAM: Presumably it will start with the ones whose due dates fall first? That will be one of the key criteria?

Ms MILDWATER: It will be key, but not absolutely essential if, for example, we want to bundle regions together or not. It would be a natural starting point, but we want to make sure it makes sense as well. By early next year we will have determined that. Probably once we go out with a first request for proposal I think we will have decided the order.

The Hon. DANIEL MOOKHEY: Just to clarify some of what you just said, are you contemplating changing the definition of a region for the purposes of the next contract rounds?

Ms MILDWATER: At the moment we are not. Again, it would be something we would take feedback on and consider over the coming month or so.

The Hon. DANIEL MOOKHEY: To the extent to which an incumbent private operator in a region that is already undertaken by the private sector would propose that its contract be reopened to allow it to bid on the basis of synergy with any of the regions 7, 8 or 9, is that something you are willing to contemplate as well?

Ms MILDWATER: Just to make sure I understand, so somebody whose contract is not expiring but they would offer for it to be—

The Hon. DANIEL MOOKHEY: Yes, so for example Transit Systems or someone who already undertakes one region—region 7 is a classic example. I do not think the incumbent provider is actually Transit Systems; the incumbent provider is more a ComfortDelGro-style group, I think, but I could be wrong or out of date in my market knowledge. But there is a lot of synergy for them being able to undertake to effectively combine their Parramatta services with their Ryde services. Would you allow them to reopen their existing contract in order to facilitate a better outcome, as they would put it?

Ms MILDWATER: It was not something we specifically contemplated. It was not something we had actually planned on doing but I suppose if it made sense maybe we would.

The Hon. DANIEL MOOKHEY: I am asking whether the bidder would be able to request it.

Ms MILDWATER: You are suggesting that the bidder might ask that their contract be—

The Hon. DANIEL MOOKHEY: Yes. For example, it is very easy for the Northmead depot, which right now conducts services for Parramatta and The Hills—

Ms MILDWATER: I understand what you are saying.

The Hon. DANIEL MOOKHEY: —to say, "We would like to use that depot to run a service up to Ryde but in order to do that we would have to change or effectively move some services out of the region." Is that something that you would allow them to do or not?

Ms MILDWATER: I think they are the sort of things that we will contemplate over the next month or so and decide by the time we go out to market early next year.

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The Hon. DANIEL MOOKHEY: Mr Secretary, you answered earlier that the contract period is roughly seven years. It is the case though that it is effectively five years with a five-year option. That has been the default, hasn't it?

Mr STAPLES: Yes.

The Hon. DANIEL MOOKHEY: Is that still the intended contract period?

Mr STAPLES: I will ask Ms Mildwater where the current thinking is on the new contracts. I will let her give the specifics on that.

Ms MILDWATER: I do not know that we have again absolutely decided. We have varied it though for the most recent contracts. I do not know that we have actually decided.

The Hon. DANIEL MOOKHEY: Region 6 was five years plus a five-year option. Is that correct?

Ms MILDWATER: No, there is a three-year option in that one.

The Hon. DANIEL MOOKHEY: Is that the latest thinking from Transport for NSW?

Ms MILDWATER: It is the most recent thinking but again you would think about these things over the next few months and get feedback.

The Hon. JOHN GRAHAM: What matters will be regulated in those contracts? Will you be using the region 6 contract as a bit of a model for what might be regulated?

Ms MILDWATER: Each time we do one of these we do build on what we have learnt before. Because it has just been announced, we have not settled the form of the contract. We would start with that one and then build it from there.

The Hon. JOHN GRAHAM: So it is the model but you might amend it from here based on what the market says.

Ms MILDWATER: We might change it.

The Hon. JOHN GRAHAM: The Government set out some of the views about what would be regulated for these timetables, rates and bus stops—minimum service standards. You would be starting with the 19 KPIs you have referred to in those contracts. Is that your starting point?

Ms MILDWATER: We would certainly use those as a base to work from, being the most recent set. It does not necessarily mean that we would use exactly those. They are a good place to start.

The Hon. JOHN GRAHAM: The Government said that it is keen to ensure autonomy for operators. What might that mean in setting up these contracts? I was not clear what that might mean. What are they getting at?

Ms MILDWATER: Every time we do a tender process we seek to get the best out of the private sector. Again, one of the things that we will determine during market engagement is what that would mean in terms of what you would fix in the contract and what you would leave loose. When you are going through a tender process, that is actually the best time to get new ideas. That will be the key to crafting that process and then we will decide what we lock in in the process and what we leave free. Fares will continue to be set by the Government. There will be processes embedded in the contract whereby service changes would need to be agreed and that sort of thing.

The Hon. DANIEL MOOKHEY: Continuing on, to be clear, will STA be barred from participating in any of the tenders?

Ms MILDWATER: That is correct.

The Hon. DANIEL MOOKHEY: What plans do you have to ensure a minimum level of contestability and competition in the tenders in the absence of STA's ability to participate?

Ms MILDWATER: There is a reasonably deep market for these contracts. There are several different private operators already in operations and there are others that are not in New South Wales at the moment. We will test the market over the next few months but we would anticipate that we will have quite some interest. I remember the market soundings for the region 6 contract. There was a lot of interest shown.

The Hon. DANIEL MOOKHEY: Are you actually going to be going interstate and overseas to seek participants in this bid?

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Ms MILDWATER: We will not physically have to do that but we will advertise and the market will come to us, I would expect.

The Hon. DANIEL MOOKHEY: What about restrictions on bidders from ability to form joint ventures and otherwise to take steps to reduce competitive bidding in the contract rounds?

Ms MILDWATER: We have not actually turned our minds to those rules yet. We will consider them though over the next month or so once we hear what the market has when it comes to us.

Mr STAPLES: Without getting into specifics of requirements, when I anticipate it is narrow—for example, where there is one company operating all the regions—we will absolutely maintain our level of involvement of a number of companies. We are not at that point where these are the rules that we would set around that. In fact, we would rather not set rules and rather let the market work its way through that but we will watch that very closely because our intention here is to have a sustainable, long-term involvement with a number of bus operators in the market here in Sydney.

The Hon. DANIEL MOOKHEY: At the completion of this tender period, at the end of 2021, what is to happen to STA? Does the organisation still exist or will it be absorbed into Transport for NSW?

Mr STAPLES: Essentially the functions will transfer to the operator. In terms of delivery of service, Transport will have a contract, like it does in all the other regions. We have not firmed up on the legal entity status per se but it will not operate as a bus operator because the staff will have moved into the new operator or moved into Transport or taken voluntary redundancies.

The Hon. JOHN GRAHAM: Just before we follow that chain of thinking, I want to ask about one of the objections to this as being: If the STA is barred from participating, there is no private versus public benchmarking that is possible. That is one of the benefits in a mixed system that we have at the moment. Is there any system you will put in place to enable any sort of benchmarking that is not just these private firms competing against each other. Do you feel this is a problem and what are you doing about it?

Mr STAPLES: I will ask Ms Mildwater whether she has any insight into that but the Government has made the policy decision. That would be the first thing to say.

The Hon. JOHN GRAHAM: Understood.

Mr STAPLES: I think we stand to implement on the decision of it being a fully private operator bus market here in Sydney. We have various sources of benchmarking to compare, not just within Sydney but also other jurisdictions and linkages to other States. There are global bus groups that have benchmarking information available for us to compare and so forth. Outsourcing and franchising of bus services is pretty commonplace globally. We are not in a space that is by any means unusual. Melbourne has it fully outsourced, as an example. We are comfortable that we can operate a competitive environment with a consistent approach across Greater Sydney. I will ask Ms Mildwater whether she has got anything to add to that.

Ms MILDWATER: No, probably not. I was going to also say that there are global benchmarking groups. We will make use of that data as well.

The Hon. DANIEL MOOKHEY: When did the policy work on this policy start? When did Transport for NSW start providing policy advices to what its options would be in respect to this contract round?

Mr STAPLES: You are really asking us about a process for Cabinet, it would be fair to say. It is really difficult for me to comment on the specifics of that.

The Hon. DANIEL MOOKHEY: I do not want to touch on any Cabinet level discussion because you will not answer it but surely at some point Transport for NSW must have said, "The contract is coming up. Government, here are your options." I am not asking you to reveal what the advice was; I am just asking when this advice was prepared.

Mr STAPLES: I am not trying to be difficult about it but you are asking me to comment on a time line on advice to Cabinet and I am not wanting to do that. I am sorry but—

The Hon. DANIEL MOOKHEY: So I am assuming you infer that this all went to Cabinet then, including at that level?

Mr STAPLES: You expect decision-making of something of this significance would have had a Cabinet committee consideration.

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The Hon. DANIEL MOOKHEY: Secretary, I might return to the issue of Metro West. We heard that the New South Wales Government is in dialogue with the Commonwealth about the Commonwealth making a contribution. Is that dialogue being facilitated through Transport for NSW to Infrastructure Australia?

Mr STAPLES: In terms of funding agreements between the State and the Commonwealth, that is a matter that is being led by Treasury and the Treasurer.

The Hon. DANIEL MOOKHEY: In terms of Infrastructure Australia's requirements to produce a critical infrastructure list and then some element of priorities to advise the Commonwealth Government of the priority, presumably Transport for NSW has dialogue with Infrastructure Australia about that.

Mr STAPLES: Yes, we do. We coordinate that through Infrastructure NSW to provide the information through to Infrastructure Australia. We provide information on a range of projects. Ultimately it is for Government to decide which ones it wants to prioritise any requesting of funding, which is why I am referencing the Treasurer and Treasury.

The Hon. DANIEL MOOKHEY: Yes, of course. But the Commonwealth's ability to invest its Commonwealth infrastructure funding turns on Infrastructure Australia's advice. What dialogue are you having with Infrastructure Australia directly or is Transport for NSW saying it is not in direct dialogue at all with Infrastructure Australia?

Mr STAPLES: I will ask Mr Lamonte whether he has any particular knowledge in terms of the interaction we are having on that particular project and funding. If he does not, then we can see whether we can get some because I just do not have that particular information at hand.

Mr LAMONTE: I have had no interaction with Infrastructure Australia on this particular program at all other than it is obviously aware of what we are doing. But I have had no interaction with it on that.

The Hon. DANIEL MOOKHEY: They released their list of critical infrastructure in February this year. Is that your recollection? It is certainly my recollection. My report is upstairs. It did list this as being something that they did nominate as a critical project. Does that accord with your recollection?

Mr STAPLES: Yes. Infrastructure Australia has recently released an Infrastructure priority list, which does include Metro West on it. That would be a reflection of information that we would have submitted through Infrastructure NSW, as I said previously. I think you need to recognise where Infrastructure Australia sits within the decision-making. It does an independent assessment and it gives a priority list but that is not in itself the list by which the Federal Government determines its priorities. It looks at that for guidance—

The Hon. DANIEL MOOKHEY: I am aware of that.

Mr STAPLES: —but it is not the decision-maker.

The Hon. DANIEL MOOKHEY: Is Transport for NSW in direct dialogue with any Commonwealth agency about this?

Mr STAPLES: Certainly we talk with the equivalent Commonwealth department on project priorities on a regular, general basis across a range of things, you know, regional projects in delivery and so forth as well as future funding priorities so that they are informed of the nature of the projects and the case for those projects. But when it comes to the final funding decision-making that is ultimately done at a Treasurer level.

The Hon. DANIEL MOOKHEY: Can you say to the best that is possible Transport for NSW has satisfied any request that has come from the Commonwealth Government, from any Commonwealth agency—the Federal department of transport or Infrastructure Australia—and answered any questions they might have about Metro West?

Mr STAPLES: What I could say is that we will absolutely put Metro West in the usual processes that the Commonwealth establishes in seeking information about programs of activity and projects. The Infrastructure Australia one, being probably the most obvious one you are talking about and the most public one. We are putting that project forward in the same way as any other project.

The Hon. DANIEL MOOKHEY: Do you have any indication from any of the Commonwealth agencies as to when you think the Commonwealth agencies will finish their assessment process?

Mr STAPLES: I think Infrastructure Australia has essentially given us a status report recently by putting the project on the priority list. It is really then a matter for the Commonwealth and the discussions between the Commonwealth and the State as to whether or not there is a decision.

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The Hon. DANIEL MOOKHEY: What is the hold up, then, Mr Staples? Is it just the case that we are waiting for the Commonwealth to make a decision and effectively we are waiting for the two Treasurers to essentially resolve this? Is that the best way to characterise the state of the relations between the Commonwealth and New South Wales about Metro West?

Mr STAPLES: I think what you heard from the Minister this morning is that the State is committed to getting on with the delivery of Metro West but will continue to make representations to the Commonwealth about the potential for it to participate in the funding for that. But there is no precondition in the commitment in Metro West proceeding to the Commonwealth participating. The reason I keep referring back to the Treasurer is because you cannot look at these in isolation. You need to look at the overall capital program, the overall funding that the Commonwealth is providing and then looking across—just as we know in western Sydney the likes of the M12 and Sydney Metro Greater West have significant Federal contribution in them already.

The Hon. DANIEL MOOKHEY: I accept that is the policy objective of the Government and I accept what the Minister said, which is that the policy commitment does not turn on Commonwealth funding. I am just asking as a matter of process between the agencies at a departmental level, have all the processes been completed, to the best of your knowledge, that the Commonwealth would have to undertake in order for it to make an investment decision?

Mr STAPLES: Just to make sure that I do not mislead here, I think it is probably best that I take that on notice in terms of what we may be doing around that. But just to be really clear, the decision of the Government and the direction to Mr Lamonte in Sydney Metro is, "Get on with the planning and delivery of Sydney Metro West," that the Government will fund it and, in the meantime, the Government will continue to have dialogue—as I think Minister Constance has said publicly before—with the Commonwealth about its potential to participate in it.

The Hon. JOHN GRAHAM: Mr Staples, I will skip over some issues that we have not been able to touch on in the agency section with you. The first one of those I wanted to ask about was the trial of the on-demand ferry service to Blackwattle Bay, the fish market and Barangaroo. Can you give us any early indication about how this has travelled and whether it has been a success?

Mr STAPLES: I know that Ms Mildwater has actually experienced that one firsthand so I am certainly happy to give her an opportunity to talk to it. Obviously we are pretty excited about the possibilities with this at the moment and giving some of these things a go for our customers.

Ms MILDWATER: Yes, I would say that it has been running a couple of weeks now with a relatively soft opening when we launched it. We did not go very hard on the marketing. But the early indications are that it is very successful. It is a point-to-hub model—going from three wharves in Blackwattle Bay, Pirrama Park and the fish markets into Barangaroo. I would say by the end of today we would have probably had around 1,500 passengers, so that is pretty good for the first couple of weeks. Blackwattle Bay is proving to be the most popular wharf so far but, yes, we are very pleased with the early indications.

The Hon. JOHN GRAHAM: What is the total cost of running the trial?

Ms MILDWATER: I do not have that in front of me but I can take that on notice.

The Hon. JOHN GRAHAM: That would be good. Does the department have any plans to make it a regular scheduled service?

Ms MILDWATER: The reason for running an on-demand trial is to assess the demand before deciding whether it needs either a continued on-demand service or a regular route service. This pilot is a six-month pilot, so we would decide during that period what is the right approach after that—whether it is a continuation of on-demand, for example, or whether it does justify a regular route service. That is why we are running this method first.

The Hon. JOHN GRAHAM: I want to ask about on-demand buses. I asked a question on notice in particular about vehicles. The question was, "Will companies conducting the trial be able to retain the vehicles or other equipment procured for the purpose of the trial?" The answer I got was, "This information is publicly available." I have not been able to track it down but I am happy to be guided as to where it is publicly available. Will companies be able to retain the vehicles?

Ms MILDWATER: I will probably have to take that one on notice and get you the answer. I think different companies have probably procured vehicles in different ways. I was not aware of that answer so I will find out where the information is available.

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The Hon. JOHN GRAHAM: It would be helpful if you can answer that in general or if there is some variation between trials. I will also ask specifically in relation to the services that I have previously asked about down in Candelo and Eden. I note the Candelo service has now concluded, is that correct? The on-demand trial down there?

Mr FULLER: Yes, I can answer that. That is correct. It was concluded on 27 September.

The Hon. JOHN GRAHAM: On 27 September this year?

Mr FULLER: That is right.

The Hon. JOHN GRAHAM: How many people caught the service in total—that particular aspect?

Mr FULLER: I would have to take that one on notice. Obviously we have cancelled that one and revamped the overall offering in that area.

The Hon. JOHN GRAHAM: Secondly, I am told in answers to questions on notice—so this is information from the agency—that a revamped Eden service will commence in mid-October 2019, at which time the current Eden service will end. So what does that actually look like?

Mr FULLER: That commenced on 14 October. That has just recently kicked off literally in the last couple of weeks. I know that patronage continues to improve down on the South Coast as a result of some of these fine tunings. As we said at the last hearing, in terms of our broader on-demand process, all of these different services undertake a monthly review meeting, a governance meeting with the contractor. We take on board their insights and feedback on what is happening in the local environment—

The Hon. JOHN GRAHAM: How is the new Eden service different from the old Eden service?

Mr FULLER: I could not give you the exact details. I would have to take the details on notice to see exactly how it compares.

The Hon. JOHN GRAHAM: Just in relation to that question about, "Will companies conducting the trial be able to retain the vehicles," I am asking that in general. I am also asking it specifically in relation to Candelo. I think this was a \$300,000 trial—feel free to correct me; I am going from memory. Was a vehicle purchased? Where is that vehicle?

Mr FULLER: We can take that on notice.

The Hon. JOHN GRAHAM: I might then turn to the question about the Fixing Country Bridges program. This is probably one that I might direct to Mr Staples. Feel free to redirect this.

Mr STAPLES: Sorry, I just wanted to clarify something else.

The Hon. JOHN GRAHAM: I am just turning to the Fixing Country Bridges program. I asked some questions of you last estimates about this. This was the question about the \$500 million program for fixing country bridges, the cost of which was \$524.5 million once you took into account the capital and the operating funding. I asked about it on notice and the answer came back saying, "In addition to the \$500 million," that is capital money, "funding for the maintenance of the bridges has been included in the operating expenditure budget." As I read it, that means it has been absorbed in the ordinary operating budget. In other words, this is a \$24 million funding cut. Do you want to correct that view?

Mr STAPLES: That is not the way I am interpreting it but I might ask Mr Wakelin-King whether he has got some more clarity on that.

Mr WAKELIN-KING: The Fixing Country Bridges program is \$500 million. These are bridges that are to be replaced on local government-controlled roads and they are local government assets. The program itself is being developed as a strategic business case.

The Hon. JOHN GRAHAM: To save you time, I am reasonably familiar with the background. I am asking if this is fully funded because at the moment there is a Treasury allocation for part of the costing for this, that is, the \$500 million, and there is no sign of a specific Treasury allocation for the \$24.5 million that should be there to maintain these bridges once they are fixed. Is there any sign of it, in your view, Mr Wakelin-King?

Mr WAKELIN-KING: What I was coming to is that because they are bridges on local roads owned by local councils and managed by councils they will be local government assets and therefore the ongoing maintenance of these bridges, as it exists now, is a matter for councils.

The Hon. JOHN GRAHAM: That was not the case when this was costed at the election. When this commitment was made it was a \$524.5 million commitment. Now it is down to \$500 million.

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Mr WAKELIN-KING: The announcement in the pre-election period, in February 2019, was \$500 million for this program.

The Hon. JOHN GRAHAM: I am referring to the PBO costings.

Mr WAKELIN-KING: Yes, and \$500 million for Fixing Local Roads and also, as you will be aware, it also included the announcement on—

The Hon. JOHN GRAHAM: Where is the \$24.5 million—

Mr WAKELIN-KING: I will need to, if I may, take that specific question on notice because the principle of the program is to provide funding to replace local government bridges on local government roads. We, the State, do not maintain those bridges or those roads. So I will take on notice, if I may, in respect of those.

The Hon. JOHN GRAHAM: My reading is this clearly says this has been absorbed. I do not want to be incorrect though. If there is a specific Treasury allocation which meets the costing that was taken to the election I am happy to be contradicted. That is what I am asking on notice. Is there a specific Treasury allocation to meet the full costing of that program, as it was advertised prior to March?

Mr WAKELIN-KING: We will take that on notice.

Mr STAPLES: I think the only other comment I would make is that where part of the confusion has come on this one is the funding stream is a capital for council but it is essentially an operating cost for us because of the way it passes through.

The Hon. JOHN GRAHAM: Agreed.

Mr STAPLES: I do not want to get into it again too heavily. The benefit for councils out of this program is often a reduction in day-to-day maintenance costs because they might be spending a lot of time year on year maintaining an old timber bridge and you replace it with a concrete bridge, which is much more static and does not require as much work. In fact, one of our priorities at the moment with our bridge replacement is to sometimes reduce the maintenance activities.

The Hon. JOHN GRAHAM: We covered a fair bit of this ground last time.

Mr STAPLES: I just wanted to make sure that we did not lose that element. But we will take on notice the clarification.

The Hon. JOHN GRAHAM: I might finally ask about this issue and then hand over to my colleagues. I again asked a question on notice last time, Mr Staples, after we covered a bit of ground on this in relation to this 26 September 2016 memo entitled "Failure and critical options analysis". In answering it last time you were concerned about saying this is a 2016 memo, so I did not want to press it at that point. You will recall the memo saying there is a Cabinet level directive that does not allow a comparison between road and rail options for the F6 corridor and it also suggested that might be the case for the Western Harbour Tunnel & Beaches Link. I have asked on notice about it and I will not trouble you with the answer but it does not go to what I was interested in knowing. What I really want some assurance about is if there is a Cabinet level directive, as was spelled out in this memo, that stops a proper comparison between road options and rail options in a single corridor?

Mr STAPLES: No, and in fact I think in more recent times, with the direction we are going with Transport for NSW and the overall evolving transport model, it is more and more pulling the decision-making of individual modes under an integrated banner. This model sits here today not with any modal bias but looks at the entire system of decision-making around that now. Even the way we are moving to set ourselves up almost makes it impossible for us to do that as an overall approach. We think that is going to be a long-term benefit for Sydney and regional New South Wales in the way we are approaching it. There is no Cabinet directive—I cannot talk about Cabinet decisions—no government directive, would be a way I prefer, to exclude a modal comparison of some sort around this.

The Hon. JOHN GRAHAM: Can you confirm the existence of this document? I am happy for you to do that on notice.

Mr STAPLES: Which document are you referring to?

The Hon. JOHN GRAHAM: I am referring to the 26 September 2016 memo that I referred to last time on notice and again today headed "Failure and critical options analysis", which was released under GIPAA—I have not seen it myself—which put these things in writing. Can you confirm—and I suggest you do this on notice—in order to provide us some reassurance that this document exists that the reporting is accurate at the time and what has changed since to be able to give us the assurances you have given us? Because it is of significant comfort that this was of significant concern.

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Mr STAPLES: I do have some recollection of talking to this last time but obviously 2016 predates my time as secretary. I certainly remember it being well reported at the time when it came out in the public domain through media. I cannot remember how the document came out now but I certainly remember it coming out. I have no knowledge of any sort of direction, only having a modal focus. In fact, the amount of commitment we have made on rail to the Illawarra area in recent times is very significant. I think their actions are probably the best place to judge it and then I am foreshadowing that in terms of organisationally we really set ourselves up to make multimodal decision-making. But I will take on notice your specific request about a direction.

The Hon. MICK VEITCH: I want to move on to the Port of Eden attenuator, Mr Staples, and essentially where that is up to now since our last time together, since our last dance.

Mr STAPLES: I might ask Mr Fuller whether he has any information because, I must admit, I do not have anything new from what we spoke about last time on this around the Eden attenuator.

Mr FULLER: I have not had an update since the last hearing.

The Hon. MICK VEITCH: Are you able to take it on notice and give us a more current status on that?

Mr STAPLES: Certainly.

The Hon. MICK VEITCH: Mr Staples, last time we were doing the waltz you took on notice a question around asbestos for RMS sites. The answer came back and it says, "The department maintains a centralised consolidated asbestos register for sites under its management. As per regulations, hazmat assessments are to be undertaken every five years. The next one is due in 2024." Is that asbestos register centralised? Is it publicly available?

Mr STAPLES: I am happy to ask Mr Wakelin-King whether he has got any knowledge around that particularly. I am not expecting that it would be publicly available, to be honest with you, would be my response but I will ask Mr Wakelin-King.

Mr WAKELIN-KING: We will take it on notice. Obviously we hold the central register. To the extent it is publicly available, I do not have that information to hand but I can find out for you and, if not, get back to you this afternoon. I will take it on notice.

The Hon. MICK VEITCH: Thank you. The reason I ask is if you engage any contractors to, say, come into a workplace, often there is a publicly available register that people can go to and if there is identified asbestos they know before they get there.

Mr STAPLES: Certainly if it is our site and there is a contractor coming onto our site part of the process would be site familiarisation and part of that would be the system would pull out the relevant things around contamination, of which asbestos would be one. I am comfortable we would have an organisational process to manage the risks of sites that are in our control.

The Hon. MICK VEITCH: The response goes on further and says, "Remedial works that were required for four sites that fall under the P2 will be completed by the end of November 2019." Essentially what is the status? Are those works on track to be completed by the end of 2019?

Mr WAKELIN-KING: I will take that on notice. I will see if I can get you an answer before the end of business today, otherwise we will come back to you on notice.

The Hon. MICK VEITCH: The other thing about the asbestos question I was asking—I am not sure, it may well have been picked up but it is not clear—was to do with loose-fill asbestos in any of your operations. Because, as you would know, particularly down my way around Tumut and those places, if you have any buildings where people are working previously there was a real potential for loose-fill asbestos to be used. It was one of the hotspots in the State. I am just wondering when you do that asbestos register, is it issued separately and are there very clear signs to make sure that no-one pokes their head into a roof cavity, for instance, where there may well be loose-fill asbestos?

Mr WAKELIN-KING: We have very strict guidelines in respect of any work that we do, be it project maintenance, be it facilities management or major road construction in terms of management of hazardous material and obviously in this context of asbestos. It is part of the rigorous risk assessment process that we undertake. It is part of our ongoing inspections and we have detailed procedures for our staff and our work crews and our contractors in terms of making sure that we inspect and check for any contaminants, including asbestos, and carry out the necessary remediation. Where we have an asbestos find—I think I may have mentioned this at the last hearing, when we were doing safety works on Lucknow just west of Orange there was some naturally occurring asbestos found there. We have a set stop-work procedure and take all necessary action to identify,

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remove or remediate the work. So very confident—our staff are very well trained and we have a high level of focus on this issue right across all of our works.

The Hon. MICK VEITCH: I guess my question is pertaining specifically to loose-fill asbestos.

Mr WAKELIN-KING: Yes.

The Hon. MICK VEITCH: Just to be very clear. If I can just go to another matter that I raised last time we were together, that is, biosecurity training for RMS staff. I asked the question and the response came back that they are aware of their requirements. Can someone explain to me how are they made aware of their requirements? The Biosecurity Act in New South Wales in 2016 brought in a completely new paradigms into the management of biosecurity issues in this State, one of which is we are now personally responsible. So if you are a utility provider going onto a farm, if you are an RMS road worker and you convey a weed onto someone's property, you are actually responsible under the Act. My question was about not that everyone is aware of it; I want to know that they are aware. How are they made aware and is there a record of it that they have been trained in their quite specific obligations under the Biosecurity Act 2016?

Mr STAPLES: I will ask our attendees whether we have any specific examples on how we are going about doing that because personally I would have to confess I do not have knowledge of that. Someone like Mr Wakelin-King may.

Mr WAKELIN-KING: We do support our employees in the management of biosecurity risks associated with our works, particularly our road infrastructure works and maintenance works. We have a set of guidelines that are publicly available on our website about this and also specific instructions to our staff. We undertook a review of these guidelines at the time that the Act was changed and brought in in 2015. As the guidelines stood then, they are consistent with and support the implementation of the general biosecurity duty in respect of the obligations of the new legislation. We felt that our guidelines were fit for purpose.

We have a standalone fact sheet that was prepared and integrated into our environmental management plans and structures and systems to ensure that staff are aware of their requirements under the Biosecurity Act and we also align or link that with the Department of Primary Industries [DPI] website to ensure that the latest information is shared with our staff. We also undertake training for construction and maintenance crews. This is primarily done in location and on the site but it is carried out by our environmental staff and they are actually required to record that before they start work. We continually work closely with our environmental branch and also our colleagues in the relevant departments to ensure that we keep this up to date. Both the fact sheet and the guidelines are available publicly.

The Hon. MICK VEITCH: When it comes to contractors that you may engage, how do you ensure that they are then also conversant with their obligations as a contractor to the RMS to meet their biosecurity obligations?

Mr WAKELIN-KING: When we carry out that work—and when I refer to engaging with our staff and workers that includes contract workers where necessary—it becomes a contractual obligation under our necessary contracts and/or we provide them with direct briefings as part of our maintenance work. Included in that would be via toolbox talks or a specific environmental green safe instructions and green walk instructions that we carry out on site.

The Hon. JOHN GRAHAM: Chair, we are suggesting that you release Mr Faurby, one of the witnesses, with the secretary's agreement. We have some questions for Mr Holliday but then I think he will be in a position to be relieved after that.

(Mr Faurby withdrew.)

Mr STAPLES: While you reference Mr Holliday, you asked me before about the Port of Eden. I had a bit of an oversight and missed the point that Mr Holliday has knowledge of that. I am happy to direct the question to him so that he can answer what you are asking rather than take the question on notice.

The Hon. MICK VEITCH: That would be great.

Mr HOLLIDAY: In terms of an update, MIDO—which is an amalgam of personnel from Crown lands and the RMS—have been working on completing a reference design for the attenuator. Their intention is to obtain final business case approval for that attenuator. There was some work that was done previously. It was determined that that was probably a bit ambitious and so they are revisiting to see if they can scale that safe harbour project back down again.

The Hon. MICK VEITCH: Is that a re-scoping of that work? Is that is what is happening now, when you talk about the size?

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Mr HOLLIDAY: Not so much re-scoping as looking to say hang on a minute. There was a particular budget for this project and when they went out to market what was hoped for was not achievable. It was how can we scale that back a little bit?

The Hon. MICK VEITCH: The ask was more than the envelope?

Mr HOLLIDAY: Indeed.

The Hon. MICK VEITCH: If you could, I missed what you said at the start. You referred to MIDO? What does the acronym stand for.

Mr HOLLIDAY: I think it is the marine infrastructure delivery organisation.

Ms MILDWATER: Office.

Mr WAKELIN-KING: The Maritime Infrastructure Delivery Office.

The Hon. MICK VEITCH: That will help Hansard. Thank you very much.

The Hon. DANIEL MOOKHEY: I will continue along the theme of dust, which my colleague raised. The question is to you, Mr Secretary, or to whomever you wish to direct it. For the major tunnelling projects that the Transport cluster is engaged in, namely, the metro projects plus WestConnex, what dust standards apply?

Mr STAPLES: You are talking about for underground works. I might ask Mr Lamont whether he has any specific knowledge about it or whether Mr Hardwick might have any knowledge about it, or Mr Regan for that matter, because they are all involved in major projects that have got some tunnelling, whether they have any specifics on the standards.

Mr LAMONTE: Shall I start? Especially when it leads to silicosis, it is something we—

The Hon. DANIEL MOOKHEY: Let us start with silica dust. What standards apply?

Mr LAMONTE: The way we work is that we require people—the ideal is to reduce the hazards. We try and get filtration air pumping through to get rid of any dust and that is how we start to minimise. But where there is a likelihood, either because of the use of road headers or other techniques that are going to potentially reduce silica dust, we require face masks. We have face fits. Everyone has to have a form to say that they have completed face fit training and we require that of all our contractors. It is something that we really drive through. We have worked with other jurisdictions in the Queensland mining community and all of the rest of it to see how we can promote this because it is one of the biggest issues that we have in tunnelling in this particular area.

The Hon. DANIEL MOOKHEY: Let me just unpack that step by step. The question was specific about the legal exposure standard that is being followed. What exposure standard is being followed?

Mr LAMONTE: The precise standard I would have to come back to you on and take on notice.

The Hon. DANIEL MOOKHEY: Does it sound like it might be 0.1 milligrams per cubic metre over an eight-hour day, given that that is the national standard?

Mr LAMONTE: To the extent that there is a national standard, that is what we will be following. But I would probably come back to you on the precise nature of what we are following there.

The Hon. DANIEL MOOKHEY: When you talked about the equipment, what you are referring to there, am I correct in saying that you require personal protective equipment [PPE] that is standard three, which is the highest form? Is that what it is?

Mr LAMONTE: Yes.

The Hon. DANIEL MOOKHEY: And that is legally obligated on all your contractors?

Mr LAMONTE: That is what we do.

The Hon. DANIEL MOOKHEY: I would just pause there, Mr Lamonte, because I want to ask the same questions in respect to the road projects, if that is possible.

Mr REGAN: I am not aware of the specific standard that we are following and would also take that on notice, unless Mr Hardwick can answer that.

Mr HARDWICK: No. I believe it is the same, but I do need to just confirm that we are using the same standard.

The Hon. DANIEL MOOKHEY: Do you also require PPE level three?

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Mr HARDWICK: On the running projects I have been seeing, yes.

The Hon. DANIEL MOOKHEY: Next step: What are the dust monitoring systems that are in place?

Mr LAMONTE: From our side, we require the dust levels to be monitored. We have an exposure system where we check what level people are exposed to and we monitor that. We have our own people to confirm that contractors are doing their own monitoring, because that is what we expect.

The Hon. DANIEL MOOKHEY: So the contractors do the monitoring? Do they report it to you?

Mr LAMONTE: Yes.

The Hon. DANIEL MOOKHEY: Is that the same for the road projects?

Mr HARDWICK: Yes, that is correct.

The Hon. DANIEL MOOKHEY: How often are they reporting? Is it monthly? Is it weekly? How often do you check?

Mr LAMONTE: I am not sure. I would have to check that.

The Hon. DANIEL MOOKHEY: Is that the same, Ms Trussell? Did you want to say anything?

Ms TRUSSELL: No, I do not want to add anything.

The Hon. DANIEL MOOKHEY: Mr Regan?

Mr REGAN: No, I think it is probably best if we take the question on notice—the broader questions that you are asking—and come back with a more detailed response.

The Hon. DANIEL MOOKHEY: Okay. Are you informed if a contractor breaches the dust standards?

Mr HARDWICK: I can answer from that perspective. On each of the projects, all of the standards are set out within the contract. Any breaches of that would also come back to us for notification of any breaches.

The Hon. DANIEL MOOKHEY: So you have a mandatory notification clause, effectively?

Mr HARDWICK: Yes, that is correct.

The Hon. DANIEL MOOKHEY: Is that the same with—

Mr LAMONTE: Yes, we do.

The Hon. DANIEL MOOKHEY: Have you received any notifications?

Mr HARDWICK: I would have to take that on notice across so many projects to just test that.

The Hon. DANIEL MOOKHEY: I am asking specifically about WestConnex. Have you received any notifications about WestConnex?

Mr HARDWICK: I will have to take that on notice to confirm that.

The Hon. DANIEL MOOKHEY: Mr Lamonte, have you received notifications about any breach of this?

Mr LAMONTE: We receive notifications where there has been an exceedance of dust levels. But we also, to just be the other side of that, look at what mitigations have been applied as well.

The Hon. DANIEL MOOKHEY: Of course.

Mr LAMONTE: So it is not necessarily a straight: There has been a breach. It may be that there has been a breach of level of dust, but there might well have been some of the mitigations in place, whether it be face masks or anything else.

The Hon. DANIEL MOOKHEY: Of course, that is as you would expect. But how many notifications have you received?

Mr LAMONTE: I would have to take that on notice for the precise number.

The Hon. DANIEL MOOKHEY: Can you give us a range over the past 12 months?

Mr LAMONTE: In the past 12 months, I have seen probably two or three occasions where there has been an issue which needs to be resolved.

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The Hon. DANIEL MOOKHEY: Is it possible to get some answers this afternoon on this? We have got SafeWork witnesses coming this afternoon and I would like to be able to put some of this evidence to them if it is possible.

Mr LAMONTE: Sure.

The Hon. DANIEL MOOKHEY: That includes Mr Hardwick and/or Mr Regan as well. How many inspections of SafeWork NSW have they done that you are aware of? Have they issued any infringement notices or prohibition notices or mitigation notices of any form?

Mr LAMONTE: We have worked very closely with SafeWork. In fact, they visited our locations with us—with our safety teams, with our contractors. It is a very close relationship that we have had working with them and, indeed, as I mentioned, Queensland mining as well.

The Hon. DANIEL MOOKHEY: But my question is have they issued any infringement notices, prohibition notices, correction orders, anything of the sort?

Mr LAMONTE: Not that I am aware of.

The Hon. DANIEL MOOKHEY: Mr Hardwick?

Mr HARDWICK: I am not aware. I will take the question on notice.

The Hon. DANIEL MOOKHEY: We are going to move now to you, Mr Holliday. I want to resume the dialogue we were having with your predecessor about Yarra Bay. Firstly, you are the acting CEO now?

Mr HOLLIDAY: I am indeed, yes.

The Hon. DANIEL MOOKHEY: Is your appointment process overseen by Transport for NSW or Treasury?

Mr STAPLES: The process involves decisions at a ministerial and Cabinet level in terms of appointment of board. Appointment of chief executives are a matter at a ministerial level through a recruitment process, which is still to be finalised.

The Hon. DANIEL MOOKHEY: But is it the transport Minister or the Treasurer?

Mr STAPLES: I believe it is the transport Minister.

The Hon. DANIEL MOOKHEY: What is the timetable that you are aware of?

Mr STAPLES: I do not have a timetable available, but I am happy to take it on notice.

The Hon. DANIEL MOOKHEY: What is the selection procedure that has been followed? Is it a publicly advertised job?

Mr STAPLES: There is an involvement of the board, because it is recognised that there is a board for the Port Authority, who would make a recommendation to the Minister in relation to the appointment of a chief executive. My expectation is that they would follow a normal government recruitment process.

The Hon. DANIEL MOOKHEY: Does that mean the board is leading the process, or Transport for NSW is leading the process?

Mr STAPLES: The board.

The Hon. DANIEL MOOKHEY: Has the board yet advertised the position, to the best of your knowledge or Mr Holliday's knowledge?

Mr STAPLES: I have had a discussion with the chair about the recruitment process, but I am not up to date with the specific status of it. So if you do not mind, I will take the timing of that on notice.

The Hon. DANIEL MOOKHEY: Did you learn anything from that discussion with the chair that might give us a bit more information as to what procedures are being followed and when?

Mr STAPLES: No. I think that I had a conversation about what options they were considering, and I know that they are getting on with something. But I need to check and provide that on notice.

The Hon. DANIEL MOOKHEY: Mr Holliday, you made reference earlier to the announcement that the Government is embarking upon a strategic business case, or a detailed business case.

Mr HOLLIDAY: Detailed business case.

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The Hon. DANIEL MOOKHEY: Do you want to set out what is a detailed business case? Specifically, under which framework is this business case being produced?

Mr HOLLIDAY: There was a strategic business case that was undertaken during the course of 2018, and that was completed towards the end of 2018. The strategic business case is to identify whether there is a need to commit more resources to complete the detailed business case—final business case—and that was found to be the case. So we announced on 17 September that we would go to a full final detailed business case, and that is what we are doing at the moment.

The Hon. DANIEL MOOKHEY: Let's unpack that. Was the strategic business case produced under Infrastructure NSW's assurance framework, or are you using a difference assurance framework?

Mr HOLLIDAY: No, because the business case is presented at Cabinet, we are following the—

The Hon. DANIEL MOOKHEY: Treasury?

Mr HOLLIDAY: The business case was done in partnership with Treasury, and so we are following the process that Cabinet needs to approve.

The Hon. DANIEL MOOKHEY: Is that the framework that has been set out by Treasury or Infrastructure NSW?

Mr HOLLIDAY: Infrastructure NSW.

The Hon. DANIEL MOOKHEY: Okay, so that is the Infrastructure NSW framework.

Mr HOLLIDAY: That is right.

The Hon. DANIEL MOOKHEY: That means presumably you are seeking some element of public investment into the project? Or you would be seeking public investment in the project?

Mr HOLLIDAY: As part of the detailed business case, we are looking at funding options.

The Hon. DANIEL MOOKHEY: Presumably, if you are producing it under the Infrastructure NSW framework, that is because the intention is to be able to propose to the Government at some point to potentially utilise Restart NSW or any of those funding sources?

Mr HOLLIDAY: As part of the detailed business case, there is a range of options around financing, and some of that could include public money and others may not.

The Hon. DANIEL MOOKHEY: When is the timetable for the completion of the detailed business case?

Mr HOLLIDAY: We are working towards the detailed business case being completed towards the middle of next year.

The Hon. DANIEL MOOKHEY: That means, presumably, that is not the final business case, though? Then there would be the option to complete the rest of the Infrastructure NSW processes, is that correct?

Mr HOLLIDAY: We are working towards the detailed business case being completed towards the middle of next year. Afterwards, assuming that the business case says that we should progress further on, then there will be full planning processes, environmental impact assessments and so on and so forth.

The Hon. DANIEL MOOKHEY: In the detailed business case process, does Transport for NSW or Treasury get to express their views?

Mr HOLLIDAY: Working through the detailed business case, we are working with a range of agencies to have input into—there are a whole heap of studies that we are doing around technical studies. We are doing community consultation and funding options as well.

The Hon. DANIEL MOOKHEY: But, Mr Secretary, you would expect Transport for NSW will be participating in that process and will be providing a submission, effectively, to the Port Authority as it produces the business case? Is that correct?

Mr STAPLES: There will be a cross-government coordination and review and input to any decision-making around the port and as it goes into a final government decision, most definitely.

The Hon. DANIEL MOOKHEY: Is the detailed business case looking at the option of double stacking?

Mr HOLLIDAY: Double stacking is part of the interim considerations that we are doing to improve the capacity around existing infrastructure. But the detailed business case is focused on additional infrastructure.

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The Hon. DANIEL MOOKHEY: Is the detailed business case also identifying the unsolicited proposals framework as a pathway forward for this project to be built? Is that an option that is being considered in that process?

Mr HOLLIDAY: No, to the best of my knowledge there has been no unsolicited bids received. We are, as part of the detailed business case, consulting with a range of stakeholders who have expressed varying degrees of interest in the work that we are doing. There has been no unsolicited bids received, as I understand it.

The Hon. DANIEL MOOKHEY: That is good to know, but that is not precisely what I asked. All these business cases look at various options and one of the mandatory requirements of the Infrastructure NSW framework is you have to answer the question about whether the private sector can build this. Is that being considered in the detailed business case? Presumably you have to answer that question, arguably at the strategic business case level?

Mr HOLLIDAY: Within the detailed business case, as part of the consultation process that we are going through with industry and stakeholders, we are asking the questions around financing and funding and whether particular organisations are interested in being the proponent.

The Hon. DANIEL MOOKHEY: Let us go to that now. We learnt in the last estimates hearing from your predecessor that the Port Authority was talking to Royal Caribbean, you were talking to Norwegian and I think you were talking to Carnivale, amongst others.

Mr HOLLIDAY: Amongst others.

The Hon. DANIEL MOOKHEY: Are you still in dialogue with these three firms?

Mr HOLLIDAY: We are.

The Hon. DANIEL MOOKHEY: When was the last time you had contact with Royal Caribbean?

Mr HOLLIDAY: The formal consultation was announced on 17 September and we have had a series of meetings since then. I am fairly sure that the last meeting with Royal Caribbean was last week or the week before.

The Hon. DANIEL MOOKHEY: Your predecessor said that Royal Caribbean was prepared to invest their money in the construction of the cruise terminals. To the best of your knowledge is that still the position?

Mr HOLLIDAY: Royal Caribbean are very keen to see the development of an additional infrastructure in Port Botany and they have expressed a willingness to contribute in some way, shape or form given the opportunities.

The Hon. DANIEL MOOKHEY: Your predecessor helpfully told us that included a financial contribution. Is that still the case, that they are prepared to put their money into it?

Mr HOLLIDAY: That is the position they are putting forward at the moment during the consultation process that we have been going through, yes.

The Hon. DANIEL MOOKHEY: How are you going to consider that? As in, are you suspending the consideration of that proposal until the completion of the detailed business case or are you considering it as part of the detailed business case?

Mr HOLLIDAY: It is part of the detailed business case. What we are doing is going through to make sure that—there is a whole heap of studies. Their willingness or otherwise to contribute is a position that they have put forward. Of course we need to understand the full extent of what would be constructed, what the impact of that would be and whether it is appropriate to construct in the first place. As part of that process we also need to understand the final cost. While Royal Caribbean have flown across from America and waved a few dollars at us and got very excited, we need to fully understand the nature of the task we are faced with before we get too excited about their position.

The Hon. DANIEL MOOKHEY: In the last estimates hearing Mr Gilfillan did say the position of Royal Caribbean is that they would like ports to get on and build it.

Mr HOLLIDAY: Indeed.

The Hon. DANIEL MOOKHEY: Is that still the position?

Mr HOLLIDAY: The discussions about additional cruise infrastructure have been going on for years and each of the cruise lines is very keen for us to deliver something.

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The Hon. DANIEL MOOKHEY: How long is Royal Caribbean prepared to wait before they take their offer of money off the table?

Mr HOLLIDAY: They have not put a position. They have suggested that they cannot wait forever but they have not given any ultimatum in that regard.

The Hon. DANIEL MOOKHEY: To what extent have they given you a view as to their preferred timetable for them to be able to make an investment decision?

Mr HOLLIDAY: All they have said to date is that they would like it to be progressed as soon as possible.

The Hon. DANIEL MOOKHEY: Has Norwegian or Carnivale or any other cruise line also indicated that they would be prepared to make a financial contribution?

Mr HOLLIDAY: To varying degrees, yes.

The Hon. DANIEL MOOKHEY: Let us unpack that. Has Norwegian?

Mr HOLLIDAY: Norwegian have said that they would be very interested in the development of an additional facility in Port Botany but they are not looking to substantially invest in that.

The Hon. DANIEL MOOKHEY: Have Carnivale said to you that they are prepared to make a financial contribution?

Mr HOLLIDAY: Carnivale have suggested that they are very keen to ensure their long-term operations in Sydney and so they would be willing to make a contribution to their long-term operations, yes.

The Hon. DANIEL MOOKHEY: And which one is prepared to pay more, Royal Caribbean or Carnivale?

Mr STAPLES: I want to characterise this. This is a market sounding process, not a tender process. The Government still has to go through its decision-making on the business case that the Port Authority are preparing. Input to that will be a willingness of industry generally as opposed to specific organisations to participate in some sort of market process. That will influence our thinking about whether we are going out to build it and fund it ourselves or is there appetite in the market. It is important not to over-characterise the nature of those conversations at the moment. They are more: What sort of appetite is there in the industry to do this? That can help us with the way in which we may go about delivering it if government decides—

The Hon. DANIEL MOOKHEY: I agree with you 100 per cent, Mr Secretary. I want to understand the appetite of people to participate.

Mr STAPLES: But it is still in a market sounding. I think one versus another in how much they are prepared to pay is probably pulling the process further into detail than we are actually in a position to give at the moment.

The Hon. DANIEL MOOKHEY: Presumably if either of these companies are allowed private investment in any form they will have the opportunity to negotiate with you the conditions by which other cruise lines can access the facility?

Mr HOLLIDAY: As has just been pointed out, this is the early stages of the market sounding process. There is no determination yet as to which way this is going to go. They have not said to us in any level of detail what they want in return for their money.

The Hon. DANIEL MOOKHEY: Have you asked them?

Mr HOLLIDAY: No, what we have been doing is talking about what we are planning to build, what we are proposing to build, what we are looking to investigate building and whether that is of interest to them or not. The answers that we are getting back so far is that they are very interested in additional cruise capacity.

The Hon. DANIEL MOOKHEY: Have you provided any advice to the Government or to Transport for NSW about the scope of any negotiation from the New South Wales Government's perspective? That is, what concessions are you prepared to grant a private sector organisation that would invest?

Mr HOLLIDAY: No, we have not. At the moment, as I said, the formal process only began on 17 September. We are expecting it to go on for some months yet. While clearly Royal Caribbean and Carnivale are major players in terms of cruise operators we are also speaking to other potential providers of funding.

The Hon. DANIEL MOOKHEY: Who else are you speaking to?

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Mr HOLLIDAY: There was a process that invited people that were interested to get in touch with us. If they had an interest in being part of this process they could come forward and we would talk to them.

The Hon. DANIEL MOOKHEY: Have you identified any other organisation other than the two you mentioned that are prepared to make a contribution at this point of time?

Mr HOLLIDAY: Those meetings are ongoing at the moment. We have arranged meetings with a range of organisations who are keen to talk to us, yes.

The CHAIR: We are going to break for 10 minutes.

(Short adjournment)

The Hon. DANIEL MOOKHEY: Mr Holliday, we might continue with the discussion we were having. You said that there were a number of organisations other than Royal Caribbean and Norwegian Cruise Lines who were prepared to make a contribution. Did you have who were?

Mr HOLLIDAY: When we formally announced the detailed business case we also invited organisations to register an interest. Commercial and industry engagement commenced and registrations to participate in that industry engagement closed on 4 October. There were 59 registrations received from interested organisations covering cruise lines, financiers and design, construction and delivery contractors. Thirty organisations were selected for one-to-one meetings based on a range of evaluation criteria, and these meetings have commenced and will conclude in early November. Those organisations that were not selected for interview have been offered the opportunity to provide a written submission by the end of October. An information memorandum was distributed to registered parties after signing a confidentiality deed. So that is where we are in the process.

The Hon. DANIEL MOOKHEY: On notice, can the Committee have the names of the 59 organisations that registered and the 30 that were invited to one-on-one meetings?

Mr HOLLIDAY: I can take that on notice and see what I can provide to you.

The Hon. DANIEL MOOKHEY: How do the people of Yarra Bay and Little Bay input into the process of the detailed business case?

Mr HOLLIDAY: One-on-one briefings have been held so far with a range of stakeholders, both internal to government and external. These include at the moment Bayside Council, Randwick City Council, La Perouse Local Aboriginal Land Council, Eastern Suburbs Memorial Park, NSW Ports, Save the Bay Coalition and Yarra Bay Sailing Club. We have distributed 22,000 households a newsletter, the first of a series of newsletters.

The Hon. DANIEL MOOKHEY: When was that?

Mr HOLLIDAY: That was done in early October, and we have launched an interactive have-your-say website with an information hotline number and email address for people to get in touch with us.

The Hon. JOHN GRAHAM: Can I turn to one other matter that was the subject of some discussion this morning, and that was the Newcastle Cruise Terminal. I was having a little bit of trouble understanding the Minister's precise position so I do not want to misquote him, but it seems like the \$12.7 million will be withdrawn because the Port of Newcastle has been unable to deliver the project on those terms—that is probably the best way to put it. The question has been raised, and the Minister seemed quite open to this option, would the Port Authority be in a position to happily accept this \$12.7 million and assist with the Newcastle Cruise Terminal?

Mr HOLLIDAY: That \$12.7 million was applied for by the Port of Newcastle and offered to them by Infrastructure NSW on the basis of a specific task to be undertaken. The Port of Newcastle has not proceeded with the delivery of that and so it is a matter between Infrastructure NSW and the Port of Newcastle as to what happens next.

The Hon. JOHN GRAHAM: We know what happens next: That money is about to disappear or it will be reallocated to drought funding. We support money being given to drought funding; however, could you take the offer that has been made and deliver this project, given the Port Authority is involved, for example, in Eden?

Mr HOLLIDAY: The Port Authority is very keen to ensure that cruise up and down New South Wales continues to grow and we have been involved recently with various agencies, including the Hunter joint organisation, to fund a cruise coordinator for the Hunter region to try to encourage further cruise vessels to go. But at this moment in time we do not own any land in Newcastle. The Port of Newcastle is the landowner and we have not been asked to get involved in the delivery of any infrastructure. At this time we have not been asked and we have not offered.

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The Hon. JOHN GRAHAM: Understood. Let me put it to you this way. The money is there now, it will not be shortly—possibly by the end of the week. The Minister seemed open to the option being floated, the local member has called for it. Would you rule out the Port Authority being involved if it became an option for you to do this, given you have done this in Eden?

Mr HOLLIDAY: That money was offered to the Port of Newcastle.

The Hon. JOHN GRAHAM: I understand the history. Are you closed to this if it was put to you in a more formal way?

Mr HOLLIDAY: That would be a discussion to be had, if that request was made.

The Hon. JOHN GRAHAM: I think we are finished with you, Mr Holliday. You are welcome to leave. Thank you for your assistance today.

(Mr Holliday withdrew.)

Mr STAPLES: We do have an answer to a few of the questions that have come up along the way. I am happy to take your guidance as to when you want us to cover those.

The Hon. JOHN GRAHAM: We might have Mr Veitch, then responses.

The CHAIR: Yes.

The Hon. MICK VEITCH: As part of the Forestry Corporation sale or disposal scoping that has been undertaken by government, as of today has RMS been consulted in any way about the extensive road network that is established and maintained by the Forestry Corporation, either looking at taking it over or have it classified as regional road?

Mr STAPLES: I might ask Ms Trussell whether she has any knowledge around that, or Mr Wakelin-King.

The Hon. MICK VEITCH: I would hate for Ms Trussell to be here all day and not answer a question. Let us let Ms Trussell have a go.

Ms TRUSSELL: I would have to take that on notice.

The Hon. MICK VEITCH: Mr Wakelin-King?

Mr WAKELIN-KING: The issue of State Forest roads and other roads and roads authorities may be a matter that will be considered in the whole road reclassification review that will be undertaken by the panel. The extent to which there may be any change to that would be a matter for those deliberations.

The Hon. MICK VEITCH: The question that has been taken on notice, to be very clear, is: As of today, have you been involved at all in any of the discussions as to what is to happen to those roads?

Mr STAPLES: Understood.

The Hon. JOHN GRAHAM: Maybe some answers now, if you wanted to?

Mr STAPLES: The first one, there were some specifics around silica. Mr Lamonte can give you a little bit more detail around some of the notifications we received from contractors and so forth. We do not have that on roads but we thought we might as well cover the metro.

The Hon. DANIEL MOOKHEY: That will be appreciated.

Mr LAMONTE: Probably just to contextualise this, we are doing an awful lot of work here and if I call out Cate Cole, who is a Churchill Fellow, who is pretty much an international expert in this field working for us. She has done some great work and one of the early things she has done is made virtue out of an open and honest reporting system. So perhaps we will see the figures in that sense. In the 12 months to the end of September there have been 63 individual exceedances reported in 47 incidents. They are reported on a monthly basis. There have been no notices from SafeWork NSW or Comcare. And just to be very clear, of course the primary means of mitigation is filtration and ventilation, but most tasks require a P2 respirator but some specific tasks require P3 level, and that is applied.

The Hon. DANIEL MOOKHEY: Just to quickly follow up on that, Comcare's involvement, does that stem from, is it Leighton's?

Mr LAMONTE: I would have to come back to you on that specific one.

The Hon. DANIEL MOOKHEY: Of the 63 notices and 47, what did you do?

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Mr LAMONTE: What we do is follow up with the contractors to understand why there have been these errors—is it the insufficient filtration ventilation as the primary means of reducing dust levels, or is it that we have had exceedances where they have not had adequate personal protective equipment [PPE]? How far away were they from the workface where the work was going ahead? Has this been properly planned out? We work through all of those incidents. That is one of Cate's really big areas too, to try and influence.

The Hon. DANIEL MOOKHEY: Which tunnel was it?

Mr LAMONTE: There will be across a range of our worksites, and I can provide you the details if you wish?

The Hon. DANIEL MOOKHEY: Yes, I would.

Mr STAPLES: The second one was in relation to the scope of the planning approvals for Sydney Metro West. We took on notice whether it went beyond the tunnel. Mr Lamonte can give you a little bit more detail around the scope of that.

Mr LAMONTE: Just to start off with, we have got 100 people right now working on Sydney Metro West, which answers one of the points which was raised earlier. We mentioned the scoping report going into the Department of Planning, which went in last week, and that is the driver for CSs to be issued. We mentioned EIS for the first stage of the project and that actually is looking at the Westmead to the Bays tunnelling. That is going on public exhibition next year. The further stages of Sydney Metro West will be assessed in subsequent EISs. That obviously then links to the next stage which will be submissions and preferred infrastructure report, which will then be lodged with the Department of Planning in the usual way.

Just to round that one out, on the first stage of the planning process, what we were looking for planning approvals for, which I think was the specific question you asked, was approval for the whole Sydney Metro West broad concept and specifically for approval of major civil construction work between Westmead and the Bays Precinct. Future planning processes will include the remaining civil construction work from the Bays into the Sydney CBD. The rail system's fit-out, the station fit-out, aboveground building construction and operation of the metro line—all that is still to come.

The Hon. DANIEL MOOKHEY: Will all that is still to come be pursued as State critical infrastructure as well?

Mr LAMONTE: I would have to check on that bit.

The Hon. DANIEL MOOKHEY: Right.

Mr STAPLES: I have two more.

The Hon. JOHN GRAHAM: Two more. Good.

Mr STAPLES: I have a little bit more detail around the Eden-Candelo on-demand bus. Mr Fuller can provide a bit more on that.

The Hon. JOHN GRAHAM: Thank you.

Mr FULLER: So there were a couple of questions. The first one was: How many people actually patronised the Candelo service at start-up? It was 38 trips in total and it did finish on 27 September. The next question was about how different the Eden service was—what was the comparison? Previously it was basically a fairly refined route around the old 790-791 bus routes within a determined distance of those. The new service actually allows for a more customised pick-up and residents' drop-off at any location within a four-kilometre zone of Eden. It is a much more flexible arrangement.

The Hon. JOHN GRAHAM: It is a much more zonal arrangement rather an add-on to an existing on-demand or route.

Mr FULLER: Exactly.

Mr HARDWICK: I do it to an existing plan.

Mr FULLER: To a rounded route. That is exactly right. It runs between 8.45 and 1.00 p.m. In relation to vehicles on that service, because we are leveraging an existing contract with an existing provider, they are existing buses that were in downtime during that period and they continue to be that way. There have been no specialist buses purchased for those routes.

The Hon. JOHN GRAHAM: Right. At the start of the trial, you are referring to the commencement of the Eden-Candelo trial there.

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Mr FULLER: That Sapphire Coast trial is with our local provider that has existing buses that had dead running at the time. They were put into service to provide that. There were no additional purchases.

The Hon. JOHN GRAHAM: Okay, thank you—in that instance, but there might be in other trials.

Mr FULLER: There could be. We can come back if there are.

The Hon. JOHN GRAHAM: Okay. Thank you.

Mr STAPLES: The last one we have at the moment, unless we get some more along the way, is to do with what we call card clash—the Opal card you were asking Minister Constance about this morning. I guess, just to explain what happens, we do not get a double tap. We do not have a situation where you take, in my instance, my phone. I have got the Opal card jammed in the back of it so that is pretty much my life. I do not carry a credit card in the back because I use that, but some people do carry a credit card in the back as well. They might tap on and the system might recognise the Opal card tapping on and then when you tap off, it might accidentally pick up the credit card.

You can actually visibly see that if you are watching as a user. You can see which card it has gone to because it will give you an Opal balance or it will tell you that it was contactless payment. There is a visible thing immediately available to you to sort of spot this. But what happens is if you tap on with one and then you tap off with the other, I am actually getting the full fare on each end because all we have is visibility that someone tapped on and did not tap off. The system defaults to full fare, as it does if you forget to tap off.

The Hon. JOHN GRAHAM: Two full fares.

Mr STAPLES: To date, in terms of what we have seen where people have called in and said that there is a problem here, it is 0.0016 per cent of adult trips across the network where we have had linkage to that. We have been running contactless across the whole network since the end of September so that you can go anywhere on the Opal system with a contactless card now, like a credit card, of that we have had about 6.4 million trips using credit cards in that period, so just in the last month across the whole Opal system, and 0.02 per cent, so around about a bit under a thousand have been associated with an accidental tap at one end versus the other. That is sort of where it is at; hence the education campaign is to get out and raise the awareness for people about that conflict to maybe think about how many things they have put in the back of their phone at this point in time to sort of manage that particular risk. We do not want that to be happening to customers.

At the moment in terms of the reimbursements, it does take about 20 business days from when you ring up to fix it up. We are actually working on a digital product whereby you can do things online to get that sorted out and turn that around more quickly but we have not got that sort of fully bedded down at this point in time. I acknowledge the issue that is there for customers at the moment. I guess, stepping back, that it is an implementation issue that we have got. The flipside of that is the openness that we are now creating for casual users on our system that do not necessarily want an Opal card because they might come to Sydney only occasionally—whether they are from overseas or elsewhere. Their ability to sort of come in and not to have to experience the idea of navigating a ticket machine and buying a ticket, we see a huge amount of upside from a customer's point of view. We are getting really positive feedback about that occasional user and how much better the system is for them. We think that where we are at is a good place, even though we have got this education campaign to reduce the risk.

The Hon. JOHN GRAHAM: Thank you. We might turn now to some Roads questions. I will start with the Western Harbour Tunnel & Beaches Link. The next step in this process is for the EIS to go on exhibition. Can you give us any update as to the timing of that next step?

Mr STAPLES: Obviously that is one of our really critical road projects. Mr Regan and Mr Hardwick have got some involvement in that so I might turn to Mr Regan first to give you a bit of a run down about the timing. He may ask Mr Hardwick for some input.

Mr REGAN: Thanks, Mr Staples. Yes, as the secretary mentioned, this is one of our major and most critical projects we are in the process for finalising materials for. In the planning process and the environmental impact statement we do not have a final time frame for yet, but that work is well advanced. We will update the Committee in the future.

The Hon. JOHN GRAHAM: Okay. Can you give us any sense, though, of how close we are?

Mr REGAN: I think it is something that we are working through. We have further discussions with government so I do not expect it will be too long at the moment.

The Hon. JOHN GRAHAM: Is this going to happen before Christmas?

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Mr REGAN: I do not have a time but I can take it on notice, if you wish, and come back with more detail.

The Hon. JOHN GRAHAM: Yes. I think that would be really helpful. We are at the end of October now. Will this be out before Christmas?

Mr REGAN: Yes.

The Hon. JOHN GRAHAM: I have been asking questions on notice about the property acquisitions that have taken place for that project. This is for the Western Harbour Tunnel & Beaches Link. The answer was extraordinarily general. I will not trouble you with the details of this very general answer. Have property acquisitions taken place for this project?

Mr REGAN: There have been some property acquisitions done to date. Just bear with me on this. You will recall that when some earlier announcements were made—and it must have been back some 18 months ago—there were a number of properties that were identified that might be impacted. Discussions did commence with those parties at the time. In some cases people have opted to conclude a transaction by agreement but we have not been in a compulsory acquisition context. We have continued to discuss. It is obviously important that we work to finalise the alignment and to continue to work to minimise any property impacts and to confine the design around that. That is something that there will be more information on and, back to your previous question, to give more advice to the community on.

The Hon. JOHN GRAHAM: The reports were that 71 property owners might be impacted. Is that still an accurate report?

Mr REGAN: I do not have a sense of the number at this point and I think I will perhaps add that to my previous responses.

The Hon. JOHN GRAHAM: That you will take on notice?

Mr REGAN: Yes.

The Hon. JOHN GRAHAM: Thank you. Can you tell us, perhaps on notice, how many property owners by agreement have concluded negotiations?

Mr REGAN: Yes. I will look at what I can come back with on notice.

The Hon. JOHN GRAHAM: Okay. I appreciate it. There has been a suggestion that in relation to the funding of this project—and we are talking tens of billions of dollars—there have been meetings between the government agencies and some of the domestic banks and offshore banks in order to send out the financing options. Can you confirm that, Mr Staples?

Mr STAPLES: Actually, I think Mr Regan might be best placed in terms of knowledge of the engagement we have been having with the market.

Mr REGAN: Certainly of late no, there have been no further discussions with financial institutions.

The Hon. JOHN GRAHAM: When were the last discussions?

Mr REGAN: Some time ago there was and I think even well before that there was a degree of interaction right at the very start of some processes, but there has been no final investment decision on the process at this point. A few months ago we were looking at having a further round of discussions with financiers but we felt that there was further information that we wanted to pull together before doing so. There was a little bit of commentary in the media at the time. But those sessions have not taken place. I expect that they will probably take place this side of Christmas, with further discussion with parties around potential procurement and funding models.

The Hon. JOHN GRAHAM: It is really to shape up what the private sector appetite might be to invest in this project and how the deal might be structured in order to do that?

Mr REGAN: Yes. With a project of this scale and complexity—and as you indicated, it is very large—what we normally do is interact on an informal basis and then in a more formal market sounding context before finalising investment decisions and the procurement strategies for the project. That is to ensure that we are taking into account the different views of parties in the market, the level of appetite, market conditions and the like. That is something that we will be looking to refresh soon, given the scale of the project.

The Hon. JOHN GRAHAM: Before Christmas?

Mr REGAN: At this stage, yes. It is not absolute but that is certainly our intent.

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The Hon. JOHN GRAHAM: I might turn to WestConnex and the so-called residual land. First, I want to ask about a particular part of the residual land—the bit that was discussed before the election. It was described in one report as roughly an acre near Underwood Road and Ismay Avenue near Powell's Creek. It looked like it was going out to market but then it was withdrawn by the Government until a Minister for Planning and Public Spaces was in place. What is the status of that land?

Mr STAPLES: I do not have a particular knowledge of that. I will ask Mr Regan whether he knows anything about that. Obviously we are working within the Government's commitment to not proceed with a sale on that land. We are not doing anything against that policy, but I could not give you the specifics at this stage.

Mr REGAN: I am aware of the property you are referring to but I do not have the specifics to hand. I am happy to come back to you with an update on notice.

The Hon. JOHN GRAHAM: Thank you. In general what is the Government's general policy with the residual land as a result of WestConnex? Is the general policy that it should not be sent to sale?

Mr STAPLES: There were some specific commitments made by the Government around particular parcels of land on WestConnex that they will be retained for public purpose, rather than being sold. The working through with local stakeholders on the specifics of that use is still to be completed from a process point of view. I would not rule out that there are still some sites in the right locations where it is appropriate to sell. I think what we were talking about is some of the larger parcels that could have a public use, rather than a commercial or residential use.

The Hon. JOHN GRAHAM: On notice will you provide what particular bits of land you consider the Government has made a commitment to?

Mr STAPLES: We can give you a list of the lands that we believe form part of the policy position.

The Hon. JOHN GRAHAM: Thank you. Could you also let me know how much land is considered residual for each of stage of WestConnex at the moment—for stages 1 to 3A and 3B?

Mr STAPLES: Yes, we can certainly do that. The only reason I slightly hesitated was that some of the land transitions between stages. We will endeavour to split it as best we can.

The Hon. JOHN GRAHAM: I think you know what I am asking. If there is a sensible way to present that information I am open to that. Has there been any residual land sold as part of the WestConnex project?

Mr STAPLES: Certainly not since that policy was issued by the Government. I might just check that with Mr Regan.

Mr REGAN: Not that I am aware of.

The Hon. JOHN GRAHAM: If I say that all of the residual land should now be subject to a residual land use plan, even if a subsequent decision is made to dispose of it, is that the correct position of the Government's policy?

Mr STAPLES: Yes.

The Hon. JOHN GRAHAM: And will that take into account the public spaces policy, which is in the process of being developed?

Mr STAPLES: Yes. As you would appreciate, we have a focus on the place and amenity outcome, but it is not for us alone to make the decisions. We have local councils, we have—as you indicated—a Minister for Planning and Public Spaces, and we have a Department of Planning, Industry and Environment to work with on that. We have got some work to do.

The Hon. JOHN GRAHAM: On that point, what is the ministerial responsibility here? How do those two things interact? We have had a bit of trouble understanding how the Minister for Planning and Public Spaces interacts with some of the other agencies.

Mr STAPLES: As I understand it, the Minister for Planning and Public Spaces has more of an oversight of the policy setting. We are the owner of the land for the purposes of construction. There will be variety of ways around how public space is created, depending on who the end user will be. There is no single model.

The Hon. JOHN GRAHAM: By and large they will set the policy, but you are the decision maker within the framework of that?

Mr STAPLES: It may well be a joint decision-making process.

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The Hon. JOHN GRAHAM: Finally, the total number of stacks for the WestConnex project is reported as 29. Is that accurate?

Mr STAPLES: Are you talking about the filtration buildings?

The Hon. JOHN GRAHAM: I am asking about—

Mr REGAN: The ventilation facilities?

The Hon. JOHN GRAHAM: Yes.

Mr STAPLES: That was my error, sorry.

Mr REGAN: I will come back and confirm the number. Are you asking how many facilities there are?

The Hon. JOHN GRAHAM: Yes. It has been reported as 29. Could you tell me if that is correct and could you provide the locations that are publicly known on notice? I take it that after the public discussion none of those are proposed as filtered at the moment.

Mr STAPLES: I apologise for my error on that.

The Hon. JOHN GRAHAM: There is no need to apologise.

Mr STAPLES: Obviously that information is in the environmental impact statements in terms of where those locations are. What are you looking for?

The Hon. JOHN GRAHAM: If they are all public, could you provide me with the locations?

Mr STAPLES: Okay.

The Hon. DANIEL MOOKHEY: Secretary, do you happen to have a copy of the questions of notice that were previously provided?

Mr STAPLES: I do. It might take me a minute or two to find them.

The Hon. DANIEL MOOKHEY: Do you mind turning to question 61?

Mr STAPLES: Are you talking about the session with Minister Constance or the session with Minister Toole?

The Hon. DANIEL MOOKHEY: Minister Constance.

The Hon. CATHERINE CUSACK: Madam Chair, I do not have those questions in front of me. I am wondering if the member would mind sharing with the rest of the Committee what he is asking about.

The Hon. DANIEL MOOKHEY: I am happy to table it but—

The Hon. CATHERINE CUSACK: Could you just say what it is?

The Hon. DANIEL MOOKHEY: It is about the CBD light rail. I will happily table it. I just need the document right now to ask the questions. I am happy to table it at the end.

The Hon. CATHERINE CUSACK: I do not need it tabled; I just need you to tell us what it is.

The Hon. DANIEL MOOKHEY: I am about to. Question 61 deals with modelling to be undertaken for trip times on the CBD light rail. I was asking you specifically about how much time it will take to travel on the CBD light rail. It has come back on notice that from Circular Quay to Randwick the estimated time is within 38 to 40 minutes. It states, "We consider this indicative of the journey time between Circular Quay to Kingsford. Further modelling for the Kensington to Kingsford section will be undertaken in October 2019." Has that modelling commenced?

Mr STAPLES: I have the question in front of me but I just want to read it. Are you referring to the answers we have given, as opposed to the answers that were given at the hearing?

The Hon. DANIEL MOOKHEY: I am referring to the answers you have given on notice.

Mr STAPLES: Okay. I will just give it a read through. So your question was about the modelling for the Kensington to Kingsford section?

The Hon. DANIEL MOOKHEY: Yes. Has it started?

Mr STAPLES: I simply have to say that my expectation is that it would have started. The main input to that modelling—and the reason it would take place around October—is that we are starting to move into testing and commissioning trams on that section. The key input to get validation of the times is to start to run the trams

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on the system and then start to run them through the intersections and so forth. It is a progressive build up in confidence to be able to run those trams between the terminals at Kingsford through Kensington to where it joins in at the Alison Road-Anzac Parade intersection. We would progressively be getting the data out of those run times as we are doing the testing and commissioning, and would be feeding what was originally a theoretical model about what that time would be into actual travel times.

The Hon. DANIEL MOOKHEY: Sure. Well, let's unpack that. What does the theoretical model that you just referred to say the trip time should be?

Mr STAPLES: For the Kingsford to Circular Quay section? I might just ask whether Mr Regan or Ms Mildwater has the end-to-end time for that, because I have only got the Randwick to Circular Quay time, which is the 38 to 40 referred to. It is similar, I believe.

The Hon. DANIEL MOOKHEY: Okay. Does it strike you that this is awfully late in the piece for us to have an understanding as to what the trip time is likely to be, given that we have been asking this for a while?

Mr STAPLES: No. I think what we are doing is going through a progressive assurance. So we have talked about the 38 minutes for a considerable amount of time, right back through the planning of the project. What Mr Pascale was talking to and then I subsequently spoke to at the meeting, and I think it is reflected in this answer, is that we are now into the real life of the system running and there is a number of component parts that make up the travel time. There is the actual, as the wheels are turning, running at the operating speeds that we expected them to run at. There are the dwell times of the driver stopping at the stations, opening the doors, holding them open and closing the doors. And then, critically for the operation, there is the time sitting at intersections as you run through.

The Hon. DANIEL MOOKHEY: I was actually about to ask that.

Mr STAPLES: So we have had a theoretical model to estimate the time and now that we actually have the system we are moving through and progressively checking in on how we are going against those expectations. Critical variables around the travel time at the moment are definitely focused on the intersections and the phasing and sequencing of those intersections.

The Hon. DANIEL MOOKHEY: I was about to ask you about that. One of the things the Auditor-General identified back in 2015 was that the success of delivery will turn on whether or not you get the signalling right at the traffic lights. Has the work on the city link been completed yet?

Mr STAPLES: The physical work has been largely completed; I am not sure about the Kensington section. Mr Hardwick can probably fill you in on that but I can certainly say that the physical infrastructure is in place for Circular Quay to Randwick.

The Hon. DANIEL MOOKHEY: Clearly I am asking you about that priorities at intersections issue.

Mr STAPLES: So each of the intersections has what we actually call a "personality". In that personality is, essentially, when you use an intersection it goes through a cycle and over time if you use the same intersection you pretty quickly learn what that cycle is and which phase moves and where pedestrians move and so forth. So we are progressively refining that to optimise the intersection and the throughput between the light rail vehicle and the motor vehicles and pedestrians, depending on the particular intersection, and also bearing in mind that light rail vehicles are going in two directions.

A good example would be the crossing of South Dowling Street near the Eastern Distributor where we have got pedestrian movement as well as motor vehicle movement as well as light rail, often in two directions, making decisions around whether we hold a light rail vehicle until the next vehicle comes and then have a long phase for the motor vehicles to stop and the impact that that has on the end-to-end journey time overall.

The Hon. DANIEL MOOKHEY: Was it ever flagged to the finance and risk committee of Transport for NSW that one of the key risks to the project was whether or not the signalling work would be done in time?

Mr STAPLES: I think we should get an update from Mr Hardwick on where we are actually at with that, because I think we are into the real life go live now and we are working very closely to that. So I think we can give you specifics on where we are at as opposed to what a theoretical risk might have been some time ago.

The Hon. DANIEL MOOKHEY: Sure. But I am asking specifically about the Kensington to Kingsford section. I might just ask also: Do we have an opening date for the Circular Quay to Randwick section and an opening date for the Kingsford to Kensington section as well?

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Mr STAPLES: We said publicly around the Circular Quay to Randwick as being the end of this year, so December. We are still aiming for that. The specific date we will determine close to the time. We will give notice.

The Hon. DANIEL MOOKHEY: What about the other section?

Mr STAPLES: I think we talked about March 2020 for the Kensington section. We are still working to that date as well. I might get Mr Hardwick to give you a little bit more on the specifics of the signalling installations.

Mr HARDWICK: Thanks, Mr Staples. With the traffic signals, as Mr Staples said, around the personalities, we have an initial set of personalities we did from the theoretical modelling and we have actually completed all of those initial personalities. As we have been learning and watching the way in which the vehicles work with those, we are tailoring those—watching what is happening on the light rail, what is happening with pedestrians and what is happening with the rest of the vehicles on the road. You actually tailor that personality so you give it the priority engine, like you said, for certain components of it but then you tailor that.

In other words, as Mr Staples said, once you get two light rail vehicles moving in both directions that personality has to decide the timing of bringing both those vehicles through the intersection. Every single intersection along the corridor had a new personality, and that included all of the personalities end to end. And now as each of the testing components are completed we are tailoring each of those personalities to get the best outcome for the intersection. We will continue to learn as that goes and we will modify that as we go.

The Hon. DANIEL MOOKHEY: Presumably forever.

Mr HARDWICK: Which is what we did in Newcastle as well—we will do the same.

The Hon. DANIEL MOOKHEY: Now that we are in testing and, as you said, you are capable of now testing a theory against the practice, from observation, which sounds excellent. Of the 38 to 40 minutes it takes to go from Circular Quay to Randwick, how long will a person on the light rail be waiting at intersections at red lights?

Mr HARDWICK: Are you talking about the whole length?

The Hon. DANIEL MOOKHEY: Of the 38 to 40 minutes—I presume that is inclusive of time waiting at traffic lights?

Mr HARDWICK: Correct.

The Hon. DANIEL MOOKHEY: How much time would a passenger be waiting?

Mr HARDWICK: Every trip will be different, depending on what happens.

The Hon. DANIEL MOOKHEY: Sure, but on average?

Mr HARDWICK: I would have to take it on notice how long. Average is going to be quite a wide average because of that, but I would have to take on notice the exact average time.

The Hon. DANIEL MOOKHEY: If I am a car at, say, King Street in the city, how long will I be waiting for a light rail to actually cross the intersection now? Do you know? How long does it take for the light rail to cross an intersection?

Mr HARDWICK: How long does it take for the vehicle to cross?

The Hon. DANIEL MOOKHEY: Yes, each vehicle.

Mr HARDWICK: Seconds for the vehicle to actually cross the intersection.

The Hon. DANIEL MOOKHEY: The 67-metre vehicle.

Mr HARDWICK: Yes. It is seconds to get across. It depends on the speed with which it is already coming at, whether it has just left a station. It will vary whether it is accelerating up or already at average speed. If it is at average speed, it is seconds. If it is coming out of a stop it will take a little longer because it is ramping up to speed.

The Hon. DANIEL MOOKHEY: But if I am a car, compared to now how much extra will I be waiting at the intersection?

Mr HARDWICK: The intent is to try to balance the vehicles with that. As we are doing the testing and the drivers are getting up to speed with driving through—because they have started at a slower speed whilst they have been doing testing—we are starting to get them up to speed.

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The Hon. DANIEL MOOKHEY: Do you have that information? Can you tell the public how long extra they will be waiting?

Mr HARDWICK: Not until we get into the final stages of testing as we start to continue to move the intersections. Because we can move the personality around to make sure we get the right balance between the light rail vehicle and the rest of the motor vehicles—and, critically, for pedestrians as well.

Mr STAPLES: We have made fair progress in the Randwick to Circular Quay section to teach the personalities around managing that. Obviously from the moment we started works in George Street we have put a real focus on trying to reduce vehicle movements within the CBD area. We have had some really good success around that. That is another key variable to how much time you will spend at an intersection because of the number of other cars that are there. The next big step for us in terms of really bedding in the confidence on the travel time will be when we go into passenger service because the other big variable is—

The Hon. DANIEL MOOKHEY: We have two minutes left, so I—

Mr STAPLES: I was just trying to help with the travel time.

The Hon. DANIEL MOOKHEY: I do, but is it possible to get the additional bit on notice just so I can ask the last question I wanted to ask and my colleagues can ask one more?

Mr STAPLES: Okay.

The Hon. CATHERINE CUSACK: You can always put it on notice.

The Hon. DANIEL MOOKHEY: Thanks. In terms of question 60, I asked you in the previous session, "What were the total costs involved with the Alstom litigation?" You have come back and said, "I'm advised financial statements including expenditure on consultants are available in agency annual reports." I have checked and the cost of the litigation is not disclosed in those reports. So can I ask what was the total cost to the New South Wales taxpayer for its involvement in Alstom litigation? That includes in-house costs and spending on consultants.

Mr STAPLES: I do not have that at hand. We would have to take that on notice.

The Hon. JOHN GRAHAM: On a separate matter, I want to confirm in the discussions we have asked about today in relation to the speedway and the impact on that I want to be clear about the commitment that the Minister has given that this is not just about relocation—that it is, as he reported this morning, about a bigger, better facility. Can you confirm? Are you aware of that being the commitment?

Mr STAPLES: I would take the lead of what he has written in his statement and what he has said in terms of the commitment at this point in time. Are you talking about what he said in the Committee this morning?

The Hon. JOHN GRAHAM: Yes. I was just wondering if you have been party to any of those. The Minister has been pretty clear about that. We ran out of time to quiz him on it this morning. But have you been party to any discussions that confirm that?

Mr STAPLES: I can say the Minister has been very clear to us about his expectation, which is that we get on and support the speedway community as a whole in creating a new facility for them so that they can have that as a location. Obviously the ability to build a new facility is going to give us some opportunities to put some new features in there that are not part of the old—

The Hon. JOHN GRAHAM: And has the Minister given you any direction about being a—

The CHAIR: Okay. I think that brings us to the end. I let you go for a little bit. Thank you everyone for attending this hearing. We have finished with your questioning. The Committee secretariat will be in touch in the near future regarding any supplementary questions and questions on notice, answers to which will be due in 21 days, as was the case last time. Thank you very much.

(The witnesses withdrew.)

The Committee proceeded to deliberate.