

PORTFOLIO COMMITTEE NO. 6 - TRANSPORT

Wednesday, 26 October 2022

Examination of proposed expenditure for the portfolio area

METROPOLITAN ROADS, TRANSPORT, REGIONAL TRANSPORT AND ROADS, INFRASTRUCTURE, CITIES, ACTIVE TRANSPORT

UNCORRECTED

The Committee met at 10:00.

MEMBERS

Ms Abigail Boyd (Chair)

The Hon. Mark Banasiak (Deputy Chair)

The Hon. John Graham

The Hon. Shayne Mallard

The Hon. Daniel Mookhey

The Hon. Chris Rath

* Please note:

[inaudible] is used when audio words cannot be deciphered.

[audio malfunction] is used when words are lost due to a technical malfunction.

[disorder] is used when members or witnesses speak over one another.

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**

The CHAIR: Welcome to the supplementary public hearing for the inquiry into budget estimates 2022-2023. I acknowledge the Gadigal people of the Eora nation, who are of course the traditional custodians of the lands on which we're meeting today. I pay my respects to Elders past and present, and celebrate the diversity of Aboriginal peoples and their ongoing cultures and connections to the lands and waters of New South Wales. I also acknowledge and pay my respects to any Aboriginal or Torres Strait Islander people joining us today and those who may be watching online. Today the Committee will examine the proposed expenditure for the portfolios of Metropolitan Roads, Transport, Regional Transport and Roads, Infrastructure, Cities and Active Transport. I welcome department officials to this hearing. We're very pleased to have you all together—there's a great number of you, all in the same room.

Before we commence, I make some brief comments about the procedures for today's hearing. Today's hearing is being broadcast live via the Parliament's website. The proceedings are also being recorded and a transcript will be placed on the Committee's website once it becomes available. In accordance with the broadcasting guidelines, the House has authorised the filming, broadcasting and photography of Committee proceedings by representatives of media organisations from any position in the room and by any member of the public from any position in the audience. Any person filming or photographing proceedings must take responsibility for the proper use of that material. This is detailed in the broadcasting resolution, a copy of which is available from the secretariat.

All witnesses in budget estimates hearings have a right to procedural fairness according to the procedural fairness resolution adopted by the House in 2018. There may be some questions that a witness can only answer if they have more time or have certain documents to hand. In those circumstances, witnesses are advised that they can take a question on notice and provide an answer within 21 days. If witnesses wish to hand up documents, they should do so through the Committee staff. I remind witnesses that they are free to pass notes and refer directly to their advisers seated at the table behind them, which, in these circumstances, is perhaps a long, long way behind. Finally, could everyone please turn their mobile phones to silent for the duration of the hearing. All witnesses are sworn prior to giving evidence. I remind a number of witnesses here today, however, that they do not need to be sworn as they've been sworn at an earlier budget estimates hearing before this Committee. Mr Bruce Morgan and Mr Mark Slater have not appeared at an earlier hearing before this Committee.

Mr BRUCE MORGAN, Chair, Transport Asset Holding Entity of NSW, sworn and examined

Mr MARK SLATER, Executive Director, Property Group, Infrastructure and Place, Transport for NSW, affirmed and examined

Mr DALE MERRICK, Chief Operating Officer, NSW TrainLink, Transport for NSW, on former affirmation

Mr MATT LONGLAND, Chief Executive, Sydney Trains, on former affirmation

Mr TARA McCARTHY, Deputy Secretary, Safety, Environment and Regulation, Transport for NSW, on former oath

Ms TRUDI MARES, Deputy Secretary, Greater Sydney, Transport for NSW, on former oath

Mr HOWARD COLLINS, Chief Operations Officer, Greater Sydney, Transport for NSW, on former oath

Mr ROB SHARP, Secretary, Transport for NSW, on former oath

Ms CAMILLA DROVER, Acting Deputy Secretary, Infrastructure and Place, Transport for NSW, on former affirmation

Mr SIMON DRAPER, Chief Executive Officer, Infrastructure NSW, on former affirmation

Mr PETER REGAN, Chief Executive, Sydney Metro, on former affirmation

Mr MATT FULLER, Deputy Secretary, Regional and Outer Metropolitan, Transport for NSW, on former oath

Mr ANTHONY WING, Commissioner, NSW Point to Point Commission, on former oath

Mr BARBARA WISE, Executive Director, Transport Partnerships, Transport for NSW, on former affirmation

Mr ANTHONY HAYES, Executive Director, Community and Place, Transport for NSW, on former affirmation

Mr JOOST de KOCK, Deputy Secretary, Customer Strategy and Technology, Transport for NSW, on former affirmation

Mr PETER ALLAWAY, Chief Executive, NSW Trains, Transport for NSW, on former oath

Ms DANIELA FONTANA, Acting Executive Director, Bus Procurement, Transport for NSW, on former affirmation

Ms CYNTHIA HEYDON, Executive Director, Planning and Programs, Transport for NSW, on former affirmation

Ms BENEDICTE COLIN, Chief Executive Officer, Transport Asset Holding Entity of NSW, on former affirmation

Ms KIERSTEN FISHBURN, Deputy Secretary, Cities and Active Transport, Transport for NSW, before the Committee via videoconference, on former affirmation

The CHAIR: Today's hearing will be conducted with departmental witnesses from 10.00 a.m. to 4.00 p.m. The morning session is scheduled from 10.00 a.m. to 12.45 p.m., but there will be a 15-minute break at 11.30 a.m. The afternoon session is scheduled from 2.00 p.m. to 3.45 p.m. During these sessions there will be questions from Opposition and crossbench members only. If required, an additional 15 minutes is allocated at the end of the morning and afternoon sessions for Government questions. Thank you for your attendance today. We will begin with questions from the Opposition.

The Hon. JOHN GRAHAM: Thank you to all the officials for returning for this session. We will cover a fair bit of ground today, but there was some concern about some of the answers to the questions on notice. I think that was signalled through the secretariat. There were two issues. One was that although the Ministers were reporting separately to the previous estimates hearings, obviously the officials are largely the same, but we're having answers in one portfolio from the same officials not being returned because it was a different Minister—hence the reason we're in dealing with all these portfolios together today to hopefully resolve some of those issues.

ROB SHARP: Yes, I understand the issue.

The Hon. JOHN GRAHAM: Yes, and, secondly, there was some information not provided that, in general, we would just expect to be provided, the most basic of which I might just start with was some of the financial information. You will recall, Secretary Sharp, one of the issues that we were canvassing in the previous estimates hearings was, simply, what are the budget allocation figures in each of the financial years for key

transport projects? That's probably the most basic question one could ask in budget estimates hearings, but one which has been failed to be answered when the returns have come back in to those questions. We will come back to some of these questions on notice later. I might return firstly to this question that we asked on notice: What are the allocations in each financial year for some of these key projects, for example, the Sydney Gateway project?

ROB SHARP: I'll pass to Ms Drover to talk to the specific projects that you want. If we don't have the data here, we'll ask the teams to get it straight through and present it today.

CAMILLA DROVER: I have a comprehensive list of projects. I just need to go through them.

The Hon. JOHN GRAHAM: I might just indicate that I'm referring to supplementary question 087 of the Ward estimates. This was where we started, right at the start.

CAMILLA DROVER: I might say that we're obviously happy to provide this information. If there are a range of projects, perhaps we can take it on notice and give you that comprehensive—

The Hon. JOHN GRAHAM: I'm not happy, Ms Drover, for this to be taken on notice. I think that's the point here. I asked exactly this question, the most basic question: How much will be spent in each of the four years? The answer that came back was "This information is in the budget." It's not in the budget. It has been in the budget in some previous iterations, but the only information contained in the budget is the expenditure in this financial year and the expenditure over the four financial years rolled up. We're asking this simple question: How much will be spent in each financial year? There really isn't a more simple question.

CAMILLA DROVER: I don't have every year but I can tell you that the project is on time and budget so the expenditure will largely be completed by the end of 2024, when that project is due to achieve completion.

The Hon. JOHN GRAHAM: Just so I'm clear, are you saying you don't have that information to hand and available right at this second? I might understand that.

CAMILLA DROVER: I don't have it right in front of me at this second, but I'm sure I can find it by this afternoon's break.

The Hon. JOHN GRAHAM: So you will be able to supply it in this session.

CAMILLA DROVER: I am very happy to supply it.

The Hon. JOHN GRAHAM: Perhaps I might direct you to SQ087 of the Ward estimates, if we are able to visit that information specifically.

CAMILLA DROVER: Yes.

ROB SHARP: We will return with that, Mr Graham.

The Hon. JOHN GRAHAM: Yes, we'll come back to that. I think that's reasonable to say that we can deal with that later in the session. But this information must be available to the agency to do your job and should be available, in our view, to the estimates.

CAMILLA DROVER: It is. Absolutely. No problems. We'll just come back to it, particularly over every one of those forward years.

The Hon. JOHN GRAHAM: Secretary Sharp, I might turn to you about these answers to questions on notice in general. What is the issue here? Is it that a question like that has been misunderstood or not answered? On occasions, we've seen these answers happily supplied by the department but then edited by Minister's offices. Can you give us any guidance as to what is going on here?

ROB SHARP: There are two issues. With this particular one, I'm not across why that wasn't provided. We'll get that information. It is available. As a general comment, information has been put up to the Ministers and then the Ministers are the ones who are actually submitting it. They are submitting that through the protocols they have. I think that's why you've seen some trade-offs between the Ministers. You have us all here today. If there are particular ones you want, we'll be able to provide that or get it for this hearing today.

The Hon. JOHN GRAHAM: Do you accept that that information about what is spent in each financial year should be available to the Parliament?

ROB SHARP: Correct.

The Hon. JOHN GRAHAM: There is no issue there that that creates for the department?

ROB SHARP: There is no issue there, no. Correct.

The Hon. JOHN GRAHAM: You see that as part of your role as an agency, to be able to provide that information?

ROB SHARP: It's a budget-related question and we'll provide that information.

The Hon. JOHN GRAHAM: We might come back to that and I might press that question about how we are not getting answers to a number of other questions later, just to give you that alert now. I did want to turn to one other funding issue now, and that's the cost of the changes that have been made to the Government's mobile speed camera warning signs policy. There have been a number of iterations of this policy. What is the cost of the most recent change—that is, to reintroduce warning signs?

ROB SHARP: There was an announcement recently to reintroduce those warnings signs before and after the vehicles. They are a mobile sign and need to be installed manually before and after the vehicles. I'll pass to Ms McCarthy just to talk through the current view on the costs.

TARA McCARTHY: At this stage, we're scoping options. As you're aware, it was only a recent announcement. There are some challenges with implementing the announcement, particularly around the vehicles that are currently being used. There are a number of vehicles in the current fleet that don't have the capacity to hold the same signs as we used previously, so we're looking at alternatives. We're investigating options such as lighter weight signs at the moment. We don't yet have a cost for the implementation. Until we land on a specific sign that's suitable, we won't be able to give you a cost—and also until we're clear as to whether vehicles need to be replaced or not.

The Hon. JOHN GRAHAM: How many vehicles have we got now?

TARA McCARTHY: A hundred and forty-three vehicles.

The Hon. JOHN GRAHAM: A hundred and forty-three up from 43?

TARA McCARTHY: It has been 143 since we moved to 21,000 hours.

The Hon. JOHN GRAHAM: How many of those 143 vehicles cannot fit the old configuration of the signs?

TARA McCARTHY: Forty-seven vehicles.

The Hon. JOHN GRAHAM: So 47 of the 143 cannot fit the—

TARA McCARTHY: That's the advice we've received from the vendors, yes.

The Hon. JOHN GRAHAM: And the rest can?

TARA McCARTHY: That's the advice I have from the vendors, yes.

The Hon. JOHN GRAHAM: What's the reason why the 47 cars cannot fit the old signs?

TARA McCARTHY: My understanding is the vendors have changed the fleet. Some vehicles are smaller than previous fleets and the back of the vehicle is fully taken up with cameras, equipment et cetera. Those signs that were previously used are quite heavy. They need to be properly mounted and they need to be properly restrained if we're going to use the same kind of signs. The advice from the vendors is that 47 of their vehicles in their updated fleet don't have the capacity to take those signs or will require significant modification, which includes potentially removing seats.

The Hon. JOHN GRAHAM: So removing seats, potentially removing equipment, to reconfigure it.

TARA McCARTHY: Yes.

The Hon. JOHN GRAHAM: Smaller cars is one of the reasons for these 47. The equipment in the back of the vehicle—that's configured differently in some of these cars. Can you tell us about that?

TARA McCARTHY: I don't know that it's configured differently. I think you've got a smaller space to put the equipment.

The Hon. JOHN GRAHAM: Right. Has the shift to bidirectional enforcement required different equipment in these cars?

TARA McCARTHY: No. The vehicles always had the capacity to do bidirectional enforcement. It just wasn't government policy at the time.

The Hon. JOHN GRAHAM: It's essentially the same equipment in the cars. The issue here is simply that the cars are too small in about a third of the cases.

TARA McCARTHY: That's the advice from the vendors, yes.

The Hon. JOHN GRAHAM: So that is causing some issues. What are your options in terms of signs?

TARA McCARTHY: As I said, we're currently looking at a lighter weight sign that can be collapsed down and folded in half so it takes up less space. Obviously, we need to test the robustness of that sign. We would have concerns if it blew over. Both vendors are investigating options in relation to that to see whether that's a viable solution. If it is, that would avoid the replacement of the fleet.

The Hon. JOHN GRAHAM: If it is, that would avoid the replacement of the fleet.

TARA McCARTHY: The 47 vehicles.

The Hon. JOHN GRAHAM: If it is not, we might have to replace those 47 vehicles. Is that correct?

TARA McCARTHY: That's potentially possible, yes.

The Hon. JOHN GRAHAM: Who would pay for that if those 47 vehicles had to be replaced?

TARA McCARTHY: That would be done within the existing contract. It would come under the contract that we currently have with the service providers.

The Hon. JOHN GRAHAM: It would be within the existing contract terms, but that means either the State might pay or the contractor might pay.

TARA McCARTHY: The State pays for the contract, so it would be within the current value of the contract to implement the change. So it might have an impact on the delivery of hours, for example.

The Hon. JOHN GRAHAM: Yes. You've talked to us about the way this contract works before, Ms McCarthy. What we might do is simply waive fines against the operators or we might ask for less enforcement because of the cost of replacing these vehicles. That's the way that would interact with the—

TARA McCARTHY: What do you mean by "waive fines" against them?

The Hon. JOHN GRAHAM: Under the contract, those suppliers did not supply the 21,000 hours originally.

TARA McCARTHY: Yes, that's correct.

The Hon. JOHN GRAHAM: The agency has told us before that it would have been due for penalties under the contract.

TARA McCARTHY: Previously, yes.

The Hon. JOHN GRAHAM: Those have not been enforced was the view you put to us as part of a trade-off for one of the previous costs. Is that correct?

TARA McCARTHY: That's correct, yes. In order to fit the rooftops on, the vendors had to take vehicles off the road, and that decreased the hours that they were able to undertake the sessions. They were not penalised for that.

The Hon. JOHN GRAHAM: So the \$2.6 million that it cost to put the signs on the roofs came out of the existing contract price, but the public was forfeiting the value that might have been attributed to the penalties that applied for services not being supplied.

TARA McCARTHY: The impact to the public was there were less fines. There were less enforcement hours so, therefore, there would be less fines issued to the public.

The Hon. JOHN GRAHAM: Yes. What are the make and model of the 47 vehicles?

TARA McCARTHY: I understand the vast majority of them are Nissan X-TRAILS.

The Hon. JOHN GRAHAM: Have you got a particular model or year?

TARA McCARTHY: I could take that on notice.

The Hon. SHAYNE MALLARD: And what colour?

TARA McCARTHY: All the fleet are different colours.

The Hon. JOHN GRAHAM: The Government members are asking what colour.

The Hon. SHAYNE MALLARD: Bright red with flashing lights?

The Hon. MARK BANASIAK: It's not your time. Save it for your time.

The Hon. JOHN GRAHAM: I think the transport officials are indicating a range of colours, but I thank the Government for its interest. At the moment you are considering options.

TARA McCARTHY: Yes.

The Hon. JOHN GRAHAM: You don't know what the final cost will be. What is the budget that is nominally allocated at the moment for this?

TARA McCARTHY: As I said, the budget would be within the original contract. I would have to look at what the value of the contract was. It will take me a moment to find that. The value of the contract was published on 27 July 2021. For Redflex, the value of the contract is \$91 million over the contract duration, which is three years. For Acusensus, that information was also published on the same day and the value is \$77 million over three years.

The Hon. JOHN GRAHAM: So you're guaranteeing it won't be higher than \$91 million plus \$77 million. But, hopefully, it will be less. What could be the cost of replacing those 47 vehicles if the worst-case scenario unfolded?

TARA McCARTHY: I don't have a figure on that. I understand some of the vendors lease the vehicles, so I would have to look at what their breakdown is and how they procure the vehicles.

The Hon. JOHN GRAHAM: Is that something that you've asked or you've been told by the vendors?

TARA McCARTHY: At the moment I have a figure of 47 vehicles. Our focus is investigating alternative options that will avoid the replacement of those vehicles.

The Hon. JOHN GRAHAM: My question, though, is have you been told by the vendors what the cost would be of having to replace those 47 vehicles?

TARA McCARTHY: No, I don't have a figure for that.

The Hon. JOHN GRAHAM: Ministers Farraway and Ward have given the public a guarantee that from 1 January there won't be mobile speed cameras operating without these warning signs in place. Given what you're describing, when does the decision need to be made about what signs are used in order to meet that 1 January commitment?

TARA McCARTHY: The decision needs to be made as soon as possible. As I said, it was only just announced recently. The vendors have responded very quickly. They're currently investigating the option of this lightweight sign. It needs to undergo testing to ensure that it's going to be suitable. But the Government's given a commitment that no vehicles will be operating under enforcement on the road from 1 January unless they have those signs before and after, and the rooftop sign.

The Hon. JOHN GRAHAM: Listening to you now, that decision hasn't yet been made—what sign will be used—and perhaps there is some testing to go.

TARA McCARTHY: Yes.

The Hon. JOHN GRAHAM: Will these signs be in place by 1 January?

TARA McCARTHY: They won't be in place for the entire fleet. They'll be in place for some of the fleet. The number of vehicles that will be fitted with the signs will depend on what option we go with by 1 January.

The Hon. JOHN GRAHAM: How many vehicles of the 143 vehicles will have signs on 1 January? What is your estimate at this point?

TARA McCARTHY: I don't know at this stage. Again, it's dependent on what option we go with.

The Hon. JOHN GRAHAM: This is budget estimates. I'm asking for your estimate about how many of these vehicles will have signs on 1 January. Knowing what you know now, having looked at it for the time you've look at it, how many of these vehicles are likely to have signs?

TARA McCARTHY: I'm unable to say at the moment. I don't have a figure for that. As I've said, they've just started to investigate the lightweight signs. If they prove viable, then they'll be able to be rolled out very quickly. If we're looking at the previous types of signage, that's obviously going to be a slightly slower rollout.

The Hon. JOHN GRAHAM: What you're telling us is: If cars don't have signs on 1 January, they simply won't be on the road; there will be less enforcement.

TARA McCARTHY: That's in line with the Government's commitment, yes.

The Hon. JOHN GRAHAM: But as of today you can't tell us how much less enforcement might be in place?

TARA McCARTHY: Not yet, no.

The Hon. JOHN GRAHAM: You can't tell us how many of these 143 vehicles will be on the road?

TARA McCARTHY: No, I'm unable to tell you, as I said, until we further investigate options.

The Hon. JOHN GRAHAM: As of 1 January, there might be a small number of these vehicles off the road, or a very significant number of the 143 mobile speed cameras might not be operating on 1 January. Is that a possibility here?

TARA McCARTHY: It's a possibility, but I'm unable to say at this stage.

The Hon. JOHN GRAHAM: When will you know?

TARA McCARTHY: I would expect in the next couple of weeks when the testing is complete and we get a decision as to whether those signs are suitable.

The Hon. DANIEL MOOKHEY: Ms McCarthy, do you mind if I just ask two questions to follow up on that line of questioning? Why weren't these questions all resolved prior to the Government announcement?

TARA McCARTHY: Sorry, could you say that again?

The Hon. DANIEL MOOKHEY: Why weren't all these issues resolved prior to the Government announcing its decision to reverse its policy here?

TARA McCARTHY: As you can appreciate, we would give the Government advice on the implementation of this policy. I'm unable to talk about that because it's Cabinet-in-confidence.

The Hon. DANIEL MOOKHEY: When did the department give the advice? I'm not asking you what the advice is. When did the department provide the advice to the Ministers?

TARA McCARTHY: We provided advice on this policy prior to the announcement.

The Hon. DANIEL MOOKHEY: Yes, I presume that's true, but approximate to, prior to, months before, day of, day before?

TARA McCARTHY: It would be, I would say, around a month—somewhere within weeks to a month before.

The Hon. DANIEL MOOKHEY: Did you flag with the Government that there were these considerations that needed to be resolved prior to the announcement?

TARA McCARTHY: It's Cabinet-in-confidence so I can't comment on what I advised the Government.

The Hon. DANIEL MOOKHEY: Sure. When were the contractors advised that there was to be a change of policy?

TARA McCARTHY: When were they advised?

The Hon. DANIEL MOOKHEY: Yes.

TARA McCARTHY: At the time it was announced in the media.

The Hon. DANIEL MOOKHEY: So the first time the contractors are told that up to half their fleet might need replacement is after they read about it in a press release?

TARA McCARTHY: The contractors were aware that this option was being investigated.

The Hon. DANIEL MOOKHEY: No doubt.

TARA McCARTHY: But obviously until the announcement was made, that was the time which we became aware that it was going to be the change in policy.

The Hon. DANIEL MOOKHEY: Sorry, did you say that you only became aware that the change of policy was to be made when the Government made its press release?

TARA McCARTHY: Just prior to that.

The Hon. DANIEL MOOKHEY: But the announcement was at five o'clock, wasn't it, or 5:30?

The Hon. JOHN GRAHAM: At 4:45.

The Hon. DANIEL MOOKHEY: Mr Sharp, when were you told?

ROB SHARP: We were told just before the formal press release went out.

The CHAIR: Perhaps I could start with you, secretary. The \$14.9 billion of Commonwealth funding that was noted in the budget, what has happened with that following the Federal budget announcement last night in relation to infrastructure spend for the States?

ROB SHARP: We were very interested to understand what was in the budget that came down last night. We had had preliminary information provided, so these are high-level fact sheets. What we don't have is cash flow and timings. Some of my team are actually meeting with the Federal Government department right now as we speak, going through that detail. We do understand some of the projects that have been specifically counselled. We also know there are some new ones that have been put on the agenda. But we'd need the next level of detail because there is \$1.4 billion over 10 years, and those forward cash flows weren't available. So we're still understanding the detail—is probably how I'd put it—and we'll have a much better view this afternoon in terms of what comes out of that meeting this morning.

The CHAIR: Okay, thank you. I appreciate that you don't have all the detail as yet. From everything that has been reported, it does seem that there will not be that Commonwealth funding for the Western Harbour Tunnel and Beaches Link project. What will be the financial impact of that then if that is not coming through? Exactly how much of that amount will need to be funded by the State?

ROB SHARP: I'll just ask Ms Drover to talk specifically to the Western Harbour Tunnel project.

CAMILLA DROVER: We weren't expecting any Federal funding for the Western Harbour Tunnel nor Beaches Link. Those projects were always to be State-funded.

The CHAIR: So 100 per cent funded by the State?

CAMILLA DROVER: The Western Harbour Tunnel and the Warringah Freeway. Beaches Link is still in the planning phase. We're waiting on the planning approval.

The CHAIR: I seem to recall it being said previously that the Beaches Link funding was going to be reliant on Commonwealth funding. Is that not correct?

CAMILLA DROVER: No.

The CHAIR: What are the projects that are in the infrastructure pipeline that we think we're not getting any Commonwealth funding for?

ROB SHARP: The projects that were cancelled were the Wakehurst Parkway, \$60 million; federally funded commuter car parks at Hurstville, Panania, Macarthur and Gosford for about \$57 million; Balgowlah Interchange, \$50 million; Dixons Long Point Crossing, \$28 million; Heathcote Road planning, \$17 million; Port Botany to Kingsford Smith Airport and Mascot was about a \$9 million project; and James Ruse Drive planning, \$4 million. Those ones were listed as being cancelled. Then there were some inclusions, so \$500 million for the corridor acquisition for the fast rail. That's the Newcastle to Sydney. And there was funding for new projects: \$110 million for Epping Bridge; \$75 million for Bandon Road and Garfield Road, which was planning and early works only; \$65 million for Dunns Creek Road; and \$50 million for the Castlereagh connection. Once again, that's planning and preparatory works. They were they main inclusions.

The CHAIR: Of those where the funding has been cancelled, were any of those related to the Western Harbour Tunnel and Beaches Link project?

CAMILLA DROVER: No, I don't think so. I'm not quite clear what the Balgowlah Interchange is—the \$50 million—but, largely, no.

The CHAIR: While we're on the Beaches Link, we may as well have a discussion. Is the Beaches Link still going ahead?

CAMILLA DROVER: As advised at the last budget estimates, we are still in the planning approval stage for Beaches Link. The community consultation has concluded, and we're waiting on planning approval from the Department of Planning and Environment.

The CHAIR: The intention of the department, though, is still to progress with the Beaches Link?

CAMILLA DROVER: It is still a commitment of the Government. We have told the community, particularly those impacted property owners, that no construction works will commence until at least Q1 of 2024. We're busy with other projects at the moment. We're waiting on that planning approval, which will inform how we go forward.

ROB SHARP: We have allocated \$1.1 million in the 2023 budget to continue the activities.

The CHAIR: I remember last time we were talking about that amount and saying that it was related to the compulsory acquisitions.

ROB SHARP: Yes, correct. That's one of the areas.

CAMILLA DROVER: And there's another \$8 million, I think, for the two subsequent years.

The CHAIR: The tree removal activities, is that coming out of that \$1.1 million as well?

CAMILLA DROVER: I'm not clear what tree removal activities you're referring to.

The CHAIR: If we look around the Cammeray golf course, I understand there have been quite a lot of trees being removed there. There are also a bunch of trees that have been removed—I understand 1,000 so far. The EIS anticipates 3,500, but 1,000 trees have been knocked down for the project as a whole.

CAMILLA DROVER: Yes.

The CHAIR: Is that being funded by that \$1.1 million?

CAMILLA DROVER: As part of the Warringah Freeway Upgrade program, which is an enabling project for the Western Harbour Tunnel, we did take part of the Cammeray golf course for two reasons: One as a temporary construction site for the Warringah Freeway, but also a smaller proportion for some permanent facilities for the Western Harbour Tunnel. Part of our planning condition for the Western Harbour Tunnel and the Warringah Freeway was a requirement—because we are impacting the Cammeray golf course—to reconfigure the golf course so it was still a viable nine-hole golf course right through construction. We have had to clear some trees for that staging area for construction. But there was also some additional clearing to reconfigure the golf course.

The CHAIR: I have a couple of questions out of that then. Firstly, I've heard that there are two building facilities on that general site: a Western Harbour Tunnel facility as well as the Beaches Link facility. Is that correct, there are two different—

CAMILLA DROVER: Proposed is a permanent ventilation facility for the Western Harbour Tunnel. If Beaches Link proceeds, it is proposed that, similarly, it will be co-located with the Beaches Link ventilation facility.

The CHAIR: I understand there are three pieces—separate lots, I guess—on that golf course site. We've got the 1½ hectares of land, which I understand will be permanently acquired by the Government for this project, and so that's where we have those motorway buildings. Then there's the 2.7 hectares of what was Crown land that was acquired to be used, I understand, temporarily.

CAMILLA DROVER: We have a temporary construction lease actually, not acquisition. So we've taken a lease. In fact, we've taken only leases at that site at this stage. We'll confirm the permanent acquisition required later when we know exactly the areas we require.

The CHAIR: For those construction leases over both of those and the 1.5 and the 2.7, who is the lease with? Sorry, excuse my ignorance.

CAMILLA DROVER: The land at that site is owned by the Crown. The care and management manager of those lands is North Sydney Council and then there is a sublease to the Cammeray golf course to operate the golf course.

The CHAIR: Just from a procedural perspective, then, when those leases were exercised or when they were implemented, was it with consultation with council?

CAMILLA DROVER: Absolutely, and we've been liaising with all the affected stakeholders, including the golf course and North Sydney I think since 2020. Under the just terms Act we need to pay compensation to the leaseholder as well as ultimate landowners.

The CHAIR: So how much compensation is that golf course getting then under those three? Because there's the other 7½ hectares as well, I understand, of Crown land. For the entire plot, how much is the golf course getting in compensation?

CAMILLA DROVER: I might have to take the exact amount on notice. Unless I can just check with my colleague Mr Slater.

MARK SLATER: I don't know.

CAMILLA DROVER: We'll take that on notice.

The CHAIR: And if you could tell me how much—I know we've asked you this before, but I'm not sure we got an answer—compensation, if any, was given to Heworth Holdings for their site.

CAMILLA DROVER: I can talk to that. Heworth are the owner of the Tigers' site at Balmain. That's a project that was considered for the Western Harbour Tunnel project. We did rescind the lease for that site. So we were never going to acquire that property, we were always going to take a construction lease. Given the change of approach and design for Western Harbour Tunnel, we're no longer taking that site. We haven't actually paid them an amount yet. We are still talking to them about the compensation they're seeking and working through that with them. So no amount has been paid to date.

The CHAIR: But they will be paid compensation at some point?

CAMILLA DROVER: Absolutely, and that will be in line with the just terms Act.

The Hon. MARK BANASIAK: Through you, Mr Sharp, these questions may be best answered by Mr Collins. It's our favourite topic, Mr Collins: Kamay ferry wharves. In chapter 1 of the EIS, the introduction says the primary purpose of this infrastructure was to enable the return of public ferry services. That's reiterated in the planning determination that was sent to Minister Plibersek. However, in budget estimates hearings on 4 March, you stated:

This is not about a ferry service ... Let me make this clear ...

...

... not just a ferry service which may happen ...

Then on 26 August 2022 you also stated, "We have no specific plans about a scheduled ferry service. However, it still sits there as a condition of approval E38 in terms of hours of operation."

Can you guarantee there will be a public ferry service, as promised, as part of this project?

HOWARD COLLINS: Thank you very much for the question. Yes, it is my favourite subject, being fairly local to at least one end of a potential service. I will be clear about the benefits. Obviously for future planning, there certainly will be the benefit of a potential ferry. Initially, though, we believe the construction of those two ferry wharves will not only protect the future access to up to 24-metre crafts but also provide for recreational vessels, small commercial tourism and improving generally the visitor experience, particularly highlighting the First Nations and Indigenous people in the theme, which we are working through and have now agreed designs for the construction of those wharves themselves. We do recognise that we want to consider the opportunity for other parties to come forward with proposals for ferries. At the moment we do not have a plan to start operating a ferry service for when those wharves are constructed, but we obviously are working with the industry and understand what those potential services could be.

The Hon. MARK BANASIAK: So it may not be a public ferry service after all; it may be a privately run ferry service? Is that what you're indicating when you say "other parties"?

HOWARD COLLINS: Let me clarify what we mean by "public ferries". All of our ferries are operated by franchised operations through private organisations. But I do see the opportunity for us to have a public service to connect those two communities. I do see there's a very important connection for the Aboriginal community as well, which we've worked with very closely. That may well even be public ferry charter services to understand and celebrate those cultures. We've been talking with the communities and we've left those options open. What we've been doing is building for the future so that we didn't end up building a wharf which was only available for recreational vessels, and then some years later regret that decision when we could provide a public service.

The Hon. MARK BANASIAK: When do you think we'll have a clear answer as to whether a ferry service will come to fruition? Do you have a time line as to when these discussions and plans will come to fruition?

HOWARD COLLINS: We have no specific time line, although we would encourage all interested parties to put forward perhaps some proposals. In our long-term plans, it is seen as one of the critical connections to engage and bring together two communities. The La Perouse peninsula has a lot of long-term planning to improve public transport.

The Hon. MARK BANASIAK: Do you understand my concern, though, when it seems the central purpose of this wharf, as communicated through the EIS, is the return of the public ferry service but the language coming out of the department now is sort of backtracking away from that? You mentioned employment opportunities and empowerment for Aboriginal people, but employment opportunities and empowerment for Aboriginal people is only mentioned once in a very general term in the EIS, and that seems to be now the primary

purpose of the project. It is fine if purposes change, but the EIS should reflect the importance of those changes, don't you think? It's only mentioned once.

HOWARD COLLINS: I understand your point. I think the EIS obviously did focus on a number of key points. As everyone who has interest in this area is aware, there was a public ferry service and the ferry wharf was destroyed by a storm. The intention is to provide that service at some time in the future and not to preclude that. But in the full, frank and good discussions we had—obviously we've had great community engagement with this—we have talked about all the other benefits we get from these two wharves, which is the opportunity for recreational boating and the opportunity to ensure that anything we build in the future has community involved, particularly First Nations Aboriginal people. I think that's a good thing. It may feel like we've changed, but I don't think we've backtracked at all. I think we've expanded and worked to understand what the benefits could be.

The Hon. MARK BANASIAK: Why was empowerment and employment of Aboriginal people only mentioned in a general way? There's a few references to possible ferry jobs, Indigenous guides. The guidelines and rules around SEARs is that any justification or purpose in an EIS has to be clearly defined, and alternate solutions. When it comes to employment and empowerment of Aboriginal people, there is no mention of that. It's just very broad and very general. If we're working with the Aboriginal community to make them part of this project, engage them in this project but the EIS tells a different story, it seems very tokenistic, which wouldn't be the department's intent there, would it?

HOWARD COLLINS: Absolutely not. Obviously the EIS is a moment in time, it is a process which needs to be followed. But I think it's more than just that process—the genuine engagement with the community, with a number of key people on both sides of that particular area. Certainly the previous engagement from secretaries of various departments has been most welcome. We continue to do that and get the best benefit out of this particular project, which is now, obviously, in its pre-construction phase and fully funded.

The Hon. MARK BANASIAK: It may be a moment in time in terms of EIS. But it seems like it's a bit of a "set and forget" because there have been so many changes to this project, including the length of the wharf—three or four times—and the EIS has never changed to reflect that. EIS shouldn't be a document that sits on the desk and gathers dust. If something changes, the EIS should change to reflect that. Do you agree?

HOWARD COLLINS: Yes.

The Hon. MARK BANASIAK: Why hasn't that happened?

HOWARD COLLINS: I think it's worth reflecting on your thoughts there and understanding when EISes are written. But they are a moment in time. But I would say this is not a "set and forget" project. This is important, as we've seen with the \$200 million-plus investment in maritime infrastructure, with a significant amount of focus on the industry, which, I'm sure, Mr Banasiak, you're very supportive of. We are very keen to ensure that this project, along with many others, does happen and does proceed as planned.

The Hon. MARK BANASIAK: Out of the \$65 million that has been spent on the project, how much of that is going to generate ongoing employment? Obviously there's going to be some short-term employment in terms of construction. How much of it is going to generate ongoing employment?

HOWARD COLLINS: Again we'll—

The Hon. MARK BANASIAK: Do we have any figures in terms of job numbers?

HOWARD COLLINS: I don't have those figures to hand. I certainly think investing in such infrastructure will lead, we believe, to—as you say, the construction alone does generate significant employment for local and national suppliers of materials. It also gives great benefits for all sorts of other people in that area. But I can only speak personally from the south side. I have visited La Perouse occasionally. It's a great place. But I would say we're already seeing in that area more cafes, more business, more employment.

The Hon. MARK BANASIAK: Do we have a projected figure anywhere in terms of the ongoing jobs?

HOWARD COLLINS: If there is one, I'll try and find it and make sure I find it by today so we don't take anything on notice, but I haven't got it to hand now.

The Hon. JOHN GRAHAM: Mr Sharp, we might go back to Ms McCarthy on that topic if that's okay. I might just recap on my understanding of what you've just told us, just to make sure I've got that right, firstly, and then ask a couple of extra questions on this matter. Of the 143 vehicles, there are these 47 Nissan X-TRAILS? Essentially these new cars that have been perhaps leased are too small to fit the old signs? That's essentially the key problem here, correct?

TARA McCARTHY: That's the advice we've received from the vendor and I can confirm they are all Nissan X-TRAILS, those 47.

The Hon. JOHN GRAHAM: Essentially your options, you have told us, either to get some news signs—that's probably your preferred option—or to replace the 47 vehicles. They are the options that are being considered.

TARA McCARTHY: That's correct.

The Hon. JOHN GRAHAM: You're going through a process of testing and then making a decision about the signs? That could take some weeks?

TARA McCARTHY: Yes, that's right.

The Hon. JOHN GRAHAM: As of 1 January there are two possibilities: there will be cars with two signs on the road working as normal, enforcing the speed rules; or if the cars don't have signs, they just won't be on the road at that point until they do?

TARA McCARTHY: That's correct. That's in line with government policy. From 1 January no vehicles will be operational unless they have a sign, before and after.

The Hon. JOHN GRAHAM: That will certainly include the 47 vehicles if we don't have signs that fit in those cars, but it could be the whole fleet if the new signs haven't yet arrived on 1 January. That's one of the possibilities.

TARA McCARTHY: I think that's very unlikely. The new signs we actually think we could procure, or the vendors could procure, more quickly.

The Hon. JOHN GRAHAM: You've talked about the new signs. You want to make sure they are robust. That sounds sensible. Could the new signs be smaller than the old signs? Is that one of the possibilities or is that out of the question?

TARA McCARTHY: That's not something we're exploring. We're exploring the signs being the same size as the previous signs.

The Hon. JOHN GRAHAM: Obviously we have been through a range of policy changes. First, the warning signs were removed; then 1,000 general warnings signs had been established; then signs were put on the roofs of these cars; a survey about what the public thought about these mobile speed cameras was in the field and then cancelled; and then the warning signs have been reintroduced. What is the total cost of all those changes?

TARA McCARTHY: I can't tell you the cost of the reintroduction of the signs, as I said. It depends on which option is settled on. I previously advised that it cost \$2.6 million to install the roof-top signs. I don't have a cost for the 1,000 fixed signs. I will have to take that on notice.

The Hon. JOHN GRAHAM: I'll come back to that.

TARA McCARTHY: The survey was \$150,000 but, as you are aware, that money is being re-purposed for other research work.

The Hon. JOHN GRAHAM: Yes. Again, I will come back to that. Just for completeness, you have told us because you don't know which of those options will be used—replace the cars or get new signs—you actually don't know the cost of this final replacement at the moment?

TARA McCARTHY: That's correct.

The Hon. JOHN GRAHAM: Of the \$2.6 million, you have actually been more specific than that, you've told us that \$1.22 of that was for the operator Redflex in the north of the State, I think?

TARA McCARTHY: Yes.

The Hon. JOHN GRAHAM: Then \$1.36 million was for Acusensus operating in the south of the State?

TARA McCARTHY: I'll trust your figures. I don't have them in front of me.

The Hon. JOHN GRAHAM: They're from the answers on notice. I appreciated the breakdown you gave us. I will return to two of those questions. The first is the cost of 1,000 fixed signs. There was an answer on notice, but it was not really satisfactory. It was saying, "We're still rolling this out. We haven't finalised this totally so we can't tell you any of the cost details." I don't accept that. You must be able to tell us something about the cost of 1,000 general warning signs that have been rolled out across the State.

TARA McCARTHY: Yes. As I said, I would have to take that on notice.

The Hon. JOHN GRAHAM: In these circumstances I am not happy for that to be taken on notice, given the problems we are having. As I said to the secretary, I am not sure if that's an agency issue or the Minister's office is, frankly, interfering in the answers that are coming, but I am not happy to leave that on notice.

TARA McCARTHY: The signs are being rolled out by the regions. It is more an operational matter for Greater Sydney and regional and outer metropolitan areas so I don't know what the number is and I would have to find out.

The Hon. JOHN GRAHAM: That's the rollout but surely the procurement is centralised. We're not allowing each region to order their own signs, are we?

TARA McCARTHY: The procurement is not being undertaken by my team, the Centre for Road Safety, so I am unable to answer. I don't know if my colleagues can answer. I can tell you that 897 of those 1,000 signs have been installed to date.

The Hon. JOHN GRAHAM: Okay. Thank you. So 897 are up. Mr Secretary, can anyone tell us how much these signs—presumably we have asked for the cost of these signs before we have ordered them and put them up. I simply would like to know how much—

ROB SHARP: I don't know if we have the answers here. But just to your earlier point about questions, the process has been that the supplementary questions come via the Ministers to us. We provide that information back to the Ministers' offices and the Ministers respond. If you have specific questions that you want to target today, I have put my department heads on notice to have that information available. We will pursue anything you request.

The Hon. JOHN GRAHAM: Which is really appreciated and it is hugely helpful for us.

CAMILLA DROVER: I also have some more information on Gateway.

The Hon. JOHN GRAHAM: We might come back to that, Ms Drover, because there will be some other questions around that. I press this question though, Secretary: Of these 897 signs that have been put up, the 1,000 that should be put up, how much do they cost?

ROB SHARP: The team here doesn't have it. We will come back to the Committee on this one.

The Hon. JOHN GRAHAM: Ms McCarthy said it is not her team's responsibility. Who is in charge of these 1,000 signs?

TARA McCARTHY: The signs are being rolled out by Greater Sydney and regional outer metropolitan areas. They are determining the location of those signs, Obviously the cost depends on where they are put and so on. It is not a number that I have any knowledge of.

The Hon. JOHN GRAHAM: I totally understand.

ROB SHARP: It will be a procurement contract. We will track down the details of that.

The Hon. JOHN GRAHAM: And you will come back with that today?

ROB SHARP: We will come back straightaway.

The Hon. JOHN GRAHAM: You have talked about the repurposing of this survey. I know they have been rolling for some time, but at this point one of the ideas was we might test public opinion about mobile speed cameras. That survey has now been repurposed on the direction of the Minister. What is that research money now being used for?

TARA McCARTHY: It hasn't yet been decided what it will be repurposed for but we have—

The Hon. JOHN GRAHAM: And when will it be decided?

TARA McCARTHY: —three years to make a decision as to where that money goes.

The Hon. JOHN GRAHAM: Is there any time line for when that will be decided that you are aware of?

TARA McCARTHY: I can only tell you that we have three years. We are looking at options. Obviously we have got to look at options that are within the scope and the capability of the company that is being contracted.

The Hon. JOHN GRAHAM: I will take you to one of the other answers you supplied on notice. This is to questions on notice 53 and 54. This was the number of hours that are now being delivered in mobile speed camera enforcement. The contract, the Government's commitment, its road safety commitment was 21,000 hours

per month. In those answers in April 2022 just 7,380 hours were delivered; in July 2022, just 11,479 hours were delivered. What is going on? Why is delivery falling so short of the contracted hours?

TARA McCARTHY: The contracted hours have been significantly affected by the floods. There are a number of areas that the vehicles are unable to operate in because of the impact of the floods.

The Hon. JOHN GRAHAM: That has just dropped the hours. Rather than them being in other places, they have simply not been able to operate?

TARA McCARTHY: Some of them would operate in other places. They obviously have a fixed number of sites that are selected. Those sites have to be assessed. There are a limited number of sites. We obviously don't want to saturate those sites.

The Hon. JOHN GRAHAM: This is my final question on this topic for now and I will hand to my colleague. If you could help answer one of the mysteries of this set of policy twists and turns, Ms McCarthy, over what is now a couple of years as this has rolled out, the public never being asked in the first place. I will not ask you to comment on that as that is a matter for the Government. There is one mystery though. Where are the old signs?

TARA McCARTHY: The first thing I would say is Redflex—we have got two contractors, Acusensus was not a contractor when the signs were used. You have got one organisation that has never had the signs. Redflex did have the signs. My understanding is they disposed of the signs. They owned them; they disposed of them. That is the advice I have received from Redflex.

The Hon. JOHN GRAHAM: Was that something that the Government was aware of at any point, that these signs had gone? Has the agency been advised, have the Ministers been advised as the twists and turns have unfolded here?

TARA McCARTHY: We have been advised that those signs are no longer available when consideration was being given to whether we would reinstate signage.

The Hon. JOHN GRAHAM: When Cabinet made that decision, it did know that the old signs, for whatever reason in whatever direction, had gone?

TARA McCARTHY: Yes, that's right.

The Hon. DANIEL MOOKHEY: Mr Secretary, firstly, I didn't get a chance to say thank you for coming. Thank you to your officials for making themselves available to us as well. Mr Secretary, can I ask you to point me to where in the budget we have made provision for the construction of a rapid bus network at the Western Sydney Airport?

ROB SHARP: There is no provision in the budget. What I can say is that—and I'll pass to Ms Mares in a minute—we are planning, and we have concept plans that are being developed. There have been conversations around the tightness of time frames to achieve a bus solution for the new airport. I'll pass to Ms Mares on the details there.

The Hon. DANIEL MOOKHEY: We'll look forward to hearing from Ms Mares shortly. I suspect that Ms Mares may need to take the bulk of these questions anyway. But the question that I had is, is Sydney's airport at serious risk of opening without this critical public transport connection?

ROB SHARP: It's on a critical path. As I indicated, the planning is underway. There is obviously going to be funding needed for that. There has been public commentary around that particular issue. From the department's perspective, we're firming up those plans and will be presenting those plans to Government.

The Hon. DANIEL MOOKHEY: Indeed. We will tease this out, Mr Sharp, but it's fair to say that the department has already provided advice to the Government about this, haven't you?

ROB SHARP: There has been advice provided at various points.

The Hon. DANIEL MOOKHEY: We'll get to that. But just to be clear here, are you confident that there will be a rapid bus connection to Sydney's new airport when it opens in 2026?

ROB SHARP: I can only be confident once we've completed the planning and Government has decided on an investment. The investment decision does sit squarely with Government, so from our perspective, it is still contingent on plans and signing off of relevant costs.

The Hon. DANIEL MOOKHEY: Mr Sharp, just to be clear, I don't want to be misinterpreting what you're saying. Is what you're saying that in the absence of the Government making its investment decision, you're not confident that there will be a rapid bus connection to the airport when it opens in 2026?

ROB SHARP: There is still time to deliver. It is on the critical path.

The Hon. DANIEL MOOKHEY: What does that mean, by the way? What's a critical path?

ROB SHARP: Critical path means that if we waited another six or 12 months, then, no, we wouldn't meet the deadline. Critical path means it is getting down to a tight time frame. It is deliverable. The plans are there, and the Government will be assessing the options there.

The Hon. DANIEL MOOKHEY: Indeed. Let's just tease out the advice that the department has provided the Government already on this. Did Transport provide a briefing to Minister Elliott's office in March this year that included advice on this project?

ROB SHARP: There would have been two or three occasions we've provided advice.

The Hon. DANIEL MOOKHEY: When was the first time?

ROB SHARP: I'd have to go back through the dairies, but there was a particular meeting with—

The Hon. DANIEL MOOKHEY: Let me be very specific.

ROB SHARP: —the various councils and the Commonwealth on the city's agreement. So there's a tripartite agreement between the Commonwealth, New South Wales Government and a number of councils to deliver infrastructure for the new airport.

The Hon. DANIEL MOOKHEY: Sorry, Mr Secretary, I don't mean to be rude, but I am aware of that context. My question was very specific. My question was, in March did Transport provide a specific briefing to Minister Elliott's office which included a specific briefing on the Western Sydney Airport bus connection?

ROB SHARP: I'll just clarify with Ms Mares whether that date is correct.

TRUDI MARES: Thank you, Mr Sharp. I'm happy to take that question. Yes, we did provide a full briefing on options for western Sydney rapid bus to Minister Elliott's office in March, and, as the secretary outlined, we provided a number of briefings.

The Hon. DANIEL MOOKHEY: Did you flag in that briefing that there was a specific delivery risk to do with funding?

TRUDI MARES: Yes. We talked about the planning and business case funding we had in place. We looked at time lines for options and that would include providing bus services on existing routes, planning for roads and bus network improvements for future rapid bus routes, which would take us beyond that 2026 date for Liverpool, Penrith and Campbelltown. We also spoke about the option of rapid bus routes on the existing upgraded roads around the airport.

The Hon. DANIEL MOOKHEY: I do appreciate that context. Deputy Secretary, did you specifically inform the Minister's office that funding was required by July 2022 to meet the city deal commitment for rapid bus services to be operational by 2026 in time for the opening of the airport?

TRUDI MARES: That was one of the time lines outlined for investment decision.

The Hon. DANIEL MOOKHEY: Just to be clear here, did you flag as a delivery risk the funding required by July 2022 to meet the city deal commitment?

TRUDI MARES: We were seeking an investment decision to see which business case option we would advance, and that was the time line presented to the Minister's office.

The Hon. DANIEL MOOKHEY: So, again, Deputy Secretary, I don't want to misinterpret you. I want to be very clear here: You actually did say specifically to the Minister's office that funding was required by July 2022 to meet the city deal commitment for rapid bus services, didn't you?

TRUDI MARES: We said that, for that option, that is when we would need that funding requirement. But as I outlined, there were other staged options.

The Hon. DANIEL MOOKHEY: What did the Minister's office say in response?

TRUDI MARES: We were progressing looking at that in the future budget. We were progressing discussions with our Federal counterparts as well, so we were really looking at funding options.

The Hon. DANIEL MOOKHEY: Indeed, but that's not my question. My question was: What did the Minister's office say in response after you warned them that a decision was required by July 2022?

TRUDI MARES: We worked the western Sydney rapid bus through the budget process for prioritisation with Government, but certainly Minister Elliott's office was supportive of us progressing our work.

The Hon. DANIEL MOOKHEY: I can only infer, given that it's not in the budget, that it was knocked back by a decision of Government. Is that a fair interpretation of events, Mr Secretary?

ROB SHARP: Yes.

The Hon. DANIEL MOOKHEY: What reasons were you given for why it was knocked back?

ROB SHARP: The budget process is a very thorough process; all projects are reviewed and prioritised.

The Hon. DANIEL MOOKHEY: Allegedly.

ROB SHARP: We don't get feedback on every single project and the reason why something is or isn't in the budget; that is squarely a question for Government.

The Hon. DANIEL MOOKHEY: So you weren't given an actual reason?

ROB SHARP: No, through that process, I was not given that reason for it.

The Hon. DANIEL MOOKHEY: Did Treasury flag concerns with this? Are they the guilty party here?

ROB SHARP: There are a number of departments involved in the budget process but, ultimately, a subset of Cabinet reviews the final allocations of project money.

The Hon. DANIEL MOOKHEY: That's true. Mr Secretary, you're telling me that you warned the Minister's office that there was a need for a decision to be made by July. You provided advice to provide the funding. The Government disagreed with you but, sitting here right now, no-one has actually given you a reason why that request was rejected.

ROB SHARP: Not that for that particular project. What I will say—and I'll just re-emphasise what Ms Mares said—is there were ongoing actions in terms of what options there were. We were continuing conversations with the Federal Government in regards to funding, so those processes continued through that budget process.

The Hon. DANIEL MOOKHEY: To be clear here, Mr Secretary, I'm not being critical of the department. I have no doubt that the department is responding the best it can to the decision of the Government not to heed your warning here, and we can tease out some of how you are intending to respond in that respect. But I want to concentrate on the question that I asked you, Mr Secretary, which was: Sitting here right now, no-one has given you an explanation as to why you failed to get the millions of dollars you needed to ensure that Sydney's second airport will have a bus connection when it opens.

ROB SHARP: As I indicated, there are numerous projects that are on the potential list for funding. Those get discussed through the budget process. I don't get a detailed commentary from the Government on each project as to why it may or may not have been prioritised. The prioritisation of the budget funds really does sit squarely with the Government. In terms of "Was there a particular reason?", that would have to be a question for Government.

The Hon. DANIEL MOOKHEY: Deputy Secretary Mares, did you warn the secretary in an email in May this year that, to put the routes and roads in place, we would need an investment decision now?

TRUDI MARES: Thanks for that question, Mr Mookhey. Yes, I did provide the secretary with some context around the development and infrastructure build required for the aerotropolis ahead of a meeting he was attending.

The Hon. DANIEL MOOKHEY: Who was that meeting with? That was a meeting with the city deal councillors, wasn't it?

ROB SHARP: I believe that's the case, yes.

The Hon. DANIEL MOOKHEY: Secretary, you were warned again—and, to be fair, this was before the Government made its decision, I can only presume. But you were clearly put on notice by your deputy secretary that there's a need for an investment decision now. Is that fair?

ROB SHARP: Yes, and also I was aware of the March meeting as well.

The Hon. DANIEL MOOKHEY: Could I just ask one more question, Chair? Has the investment decision been taken by Government since the budget?

ROB SHARP: No.

The Hon. DANIEL MOOKHEY: I know I'm stretching our friendship here, Chair. In light of the rejection, when will Transport be providing its next set of advice to the Government for them to make an investment decision on the other alternatives?

ROB SHARP: We're working on that at the moment. What's the status?

TRUDI MARES: We have a number of options. We've progressed internal funding for business case development for stage delivery of bus services and rapid bus services—

The Hon. DANIEL MOOKHEY: For business case development?

TRUDI MARES: For the next budget round.

The Hon. DANIEL MOOKHEY: For business case development? Not for an actual—

TRUDI MARES: We will have everything ready for policy proposal decision. For investment decision, we will be ready for next budget round.

The Hon. DANIEL MOOKHEY: So, what, next July or June?

TRUDI MARES: Unless there's a decision for investment before then.

The CHAIR: I will just cover off a couple of additional things in relation to the Western Harbour Tunnel project. Looking back on the transcript from the last estimates session, Minister Ward referred a few times to there being three projects being put under the Western Harbour Tunnel umbrella. Can you confirm if Beaches Link is now seen as one of the parts of Western Harbour Tunnel as opposed to its own thing?

CAMILLA DROVER: It was originally developed as a program—so the Western Harbour Tunnel Beaches Link program. In terms of the way planning approvals were sought for that program, the first EIS was for Western Harbour Tunnel and the Warringah Freeway Upgrade project. We have planning approval for that and obviously construction for both those projects. The other EIS covers only Beaches Link. That's the one that we're waiting on final planning approval for.

The CHAIR: When the business case was done for the Beaches Link—is that the one back in 2016? Was that when it was first proposed?

CAMILLA DROVER: Before my time, I understand, there was an early program business case. Going forward—and the planning approval process reflects this—it's now being delivered as two projects, the Western Harbour Tunnel and Warringah Freeway, and then, separately, Beaches Link because they've got different planning approval pathways. Then there are different packages for Western Harbour Tunnel and Warringah Freeway. Warringah Freeway is largely being delivered as one package; Western Harbour Tunnel, largely two. Of course, there are also enabling works packages as well associated with each.

The CHAIR: Just to confirm, there's never been a whole-of-project EIS or a whole-of-project business case analysis done when you consider Western Harbour Tunnel and Beaches Link together?

CAMILLA DROVER: I can't comment on what happened before 2017. But there has never been a combined EIS for Western Harbour Tunnel and Beaches Link. Having said that, though, we did need to give consideration to the Western Harbour Tunnel and Warringah Freeway impacts in the latter Beaches Link EIS.

The CHAIR: Well, this is the question: Has there been any new business case analysis undertaken since 2016?

CAMILLA DROVER: There was a final business case for Western Harbour Tunnel and Warringah Freeway and there's obviously—

The CHAIR: When was that finalised?

CAMILLA DROVER: It would've been finalised before investment decision.

The CHAIR: Which would have been?

CAMILLA DROVER: I just need to check that. I can't remember if it was 2020 or 2021.

The CHAIR: Similarly for the Beaches Link, then, when was that?

CAMILLA DROVER: We're obviously in the planning and development stage still.

The CHAIR: So there'll be a new BCR coming in—

ROB SHARP: Investment decision hasn't been made yet.

CAMILLA DROVER: Yes, we haven't made the investment decision for Beaches Link yet.

The CHAIR: That's useful to know. Covering off one of the discussions we were having last time in relation to tolling—I know we had a very spirited discussion with the Opposition and the Minister in relation to ruling out the privatisation of the Harbour Bridge and tunnel.

The Hon. SHAYNE MALLARD: Not the Opera House.

The CHAIR: And not the Opera House and not Government House. But what we didn't touch on, which would be good to understand and cover off, is has the department been asked to investigate, or has it investigated of its own accord, the idea of tolls being placed on the Anzac Bridge?

CAMILLA DROVER: Not to my knowledge, no.

The Hon. SHAYNE MALLARD: Scare campaign abort.

The CHAIR: It's a question. There were some gantries.

The Hon. SHAYNE MALLARD: We're not going ahead with the gantries.

The CHAIR: What was the reason for the original gantries proposal on the Anzac Bridge? Where did that come from?

CAMILLA DROVER: Perhaps if I can give context because there is some complexity. Obviously the Anzac Bridge was opened in 1995, so it has been nearly 30 years since we've done anything to the Anzac Bridge. It is a primary corridor into the west of the CBD but it also takes that traffic across the Western Distributor, then onto the Sydney Harbour Bridge and north to North Sydney. We are putting in the Western Harbour Tunnel, and that will take some of the capacity off the Anzac Bridge, but pre-COVID it carried about 130,000 vehicles per day across that bridge. Everyone is aware that at peak times it is heavily congested. It's also a road that has received a number of traffic incidences and crashes. In fact, there are over 100 crashes per annum along that corridor, so it's timely that we look at how we are going to manage the congestion and the traffic through that route and how we address some of those safety issues.

We are in consultation with our review of environmental factors for some of those works. It actually closes this Friday, so we're still in consultation. The first part of that is looking at some physical changes to the infrastructure, and that's that new on-ramp from Fig Street, Pyrmont, onto the Western Distributor. That's really important because at the moment traffic needs to go across more than one lane to get onto the Sydney Harbour Bridge, and that's where we're seeing lots of these crashes and incidences. That's obviously not good for people's safety, but it also slows down the traffic flow and contributes to the unreliability of that corridor and also congestion. We are doing some physical changes to that corridor. There are also some proposed intersection upgrades around the Pyrmont area as well. In addition to that, in the REF there are three proposed gantries: One is at the western end of the approaches to the Anzac Bridge and there are two gantries that were proposed to be on the actual Anzac Bridge deck itself.

The CHAIR: What was the purpose of those? What were they intended to be used for?

CAMILLA DROVER: Those gantries were to host variable message signs and other directional signage to help manage the traffic but also to support tidal flow potentially on the Anzac Bridge. It is very much about managing traffic, dealing with congestion and addressing safety.

The CHAIR: Was this proposal developed in consultation with Mr Carlon? Was it primarily driven by a road safety perspective or was it driven from a congestion perspective? What was the primary goal?

CAMILLA DROVER: There were many factors, and obviously we engaged with Greater Sydney as our client, but it is a corridor that is subject to many safety incidents. But it was about congestion and management of the traffic. A lot of land use change has occurred in that precinct in recent times, so it's timely now, after 30 years, that we address that. There have also been changes, of course, across the rest of the network.

The CHAIR: And there will be changes brought in if we have the Western Harbour Tunnel. That will make big changes to the traffic flow, you would expect.

CAMILLA DROVER: Yes, correct. Obviously the Anzac Bridge is a landmark. We're very conscious of that. We have been working with stakeholders like RSL NSW but also Heritage NSW. We also worked with the original designer of the Anzac Bridge and other architects to get the right solution. But, just to be clear, we're still in the consultation phase. It finishes Friday. We're not going out and building anything tomorrow. That's why we do consultation: to understand what the community thinks about what we're proposing to do. It's also just the REF stage, so it's not as if we've got a detailed design. But we will go away and look at other solutions to achieve that same outcome, whether they're different technologies or different architectural treatments. There are a few

interesting features of the bridge. It's actually got quite an arched deck, so some of the sightlines are compromised. It is more arched than, say, the Sydney Harbour Bridge, so that is why there were some technical reasons why we looked at gantries to support that.

The Hon. JOHN GRAHAM: Chair, can we ask about the cost of the gantries as well?

The CHAIR: Yes, give me one second. Did you advise the Minister that you were doing this work?

CAMILLA DROVER: The Minister was briefed on what was proposed as part of that REF and then we went out for consultation.

The CHAIR: So Minister Ward was aware?

CAMILLA DROVER: Yes.

The CHAIR: I will let you have your question in one minute.

The Hon. JOHN GRAHAM: I'm happy for you to ask it.

The CHAIR: No. I will come back to you in a minute. In the little bit of time I have left I want to cover off one final thing that came from the last estimates as well and that's for you, Mr Collins, in relation to the ferry steering issues. We talked at length about that and I presented to you what I thought to be compelling evidence of the steering issues and I recall you being very confident in the workability of those ferries and the way they were operating. Clearly, we are in a bit of a different situation two months on. What happened with those ferries? Why was the department unaware of those significant issues?

HOWARD COLLINS: Two different issues: The first one I think I was talking about last time was the toggle switches and the controls which we believe—the investigation is still ongoing but we haven't had any repeats. Since then we've had a reported issue on a number of occasions of the hydraulic system. This is an Australian designed and installed system as part of Birdon's work where a certain valve now has been identified, which controls the hydraulic flow. They've bench-tested it. They've been out on the water now, I think, three days. We're consulting with the health and safety reps, I understand, Transdev, this morning. If I check on my marine tracker and I see one of these ferries moving in service, I'll let the Committee know. Hopefully, it'll be today.

But we are, you know—I think that's why—and we've been very public about we are obviously reviewing the performance of both these classes of ferry. We have our own independent DNV company to understand the full history of some of the faults and things that we have found in both the Emerald class and the River class ferries but this is the gift which keeps on giving, I think, in some respects. We find one fault and others happen, but I would say every effort has been made by Transdev and also by ourselves to ensure these ferries are fit for purpose.

The CHAIR: I will pass over to Mr Banasiak.

The Hon. MARK BANASIAK: Thanks, Chair. Sticking with you, Mr Collins, on the same topic we were looking at before, can we go to the fact that the wharf and the La Perouse end has changed in size three times: first it was 100 metres, then it was 180 metres, now it's 230—that was from the determination and assessment report. Can you confirm that that is the full length, or does that not include the 80-metre dogleg on the end of the wharf, or parts of the wharf that are actually on land?

HOWARD COLLINS: Let me just double-check, re-examine and make sure I'm absolutely clear on my facts and I'll get my team to give me that information today so that you get the information. As you say, generally—obviously, after review and detailed design following outline design, things do change and that was one of the changes we identified to ensure that the wharf can operate and also is safe to operate under those conditions.

The Hon. MARK BANASIAK: Okay. So the changes were due to safety, or capacity?

HOWARD COLLINS: I'll find out the detail. I'm sure they're a combination of those capacity improvements feedback from the initial design. You're pretty expert in this area in terms of depth of tides and everything else which goes with wharf design, but we used a very referral-ed company and certainly used our expert advice within Maritime to ensure that we ended up with the appropriate design. But I'll double-check this for you, Mr Banasiak, and make sure you've got the information.

The Hon. MARK BANASIAK: Sure. Thank you. In estimates on 6 September, Minister Stokes said that the project was still going ahead despite issues with purpose and cost blowouts because "We're a Government that keeps its commitments." That's something that you reiterated when you said the Government's "commitment" to build the wharves. Who are we making this commitment to? Is it a commitment to Mr Morrison, the former Prime Minister, whose brainchild was this proposal? Have we made promises or commitments to the Aboriginal

people that they're going to get a gig out of this and we don't want to walk away from that? Is it to Royal Caribbean? By putting this infrastructure in, it may support a cruise terminal down the track? Who is this commitment to with which we seem to be ploughing ahead, regardless of the cost?

HOWARD COLLINS: Thank you very much for your comments on this. As far as I'm concerned, none of those are exclusive. Some of them that you made comment on I would say I have no idea and certainly had no information regarding certain aspects. I would say that this project is a commitment to ensure that many users—the first thing I would say is that there are no plans whatsoever in the design of these wharves, as I think you know, that would not be capable of dealing with a Carnival Cruises or whatever other company you wish to quote.

The Hon. MARK BANASIAK: No, but it would support a ferry service picking up the passengers from Yarra Bay and then taking them to La Perouse or Kurnell. That's the proposition I'm putting to you.

HOWARD COLLINS: What it does support is up to 24-metre vessels, which is the size of our River Class vessels at the moment. It's a fairly small craft. It would support the operation of either a shuttle service between those two locations, as described earlier, or some form of cruise or other commercial operation in that area. There's been no reason for us to consider anything other than that type of ferry service. As I said earlier, there are all sorts of other benefits for a massive increase in recreational boating use across the State. I'm sure many fisher men and women will find it an excellent location to support their sporting interests and also telling the story and people just enjoying the view from either one of those wharves, as many others do from other locations.

The Hon. MARK BANASIAK: Can we go back a bit? You said that it would support—what did you say—28 metres?

HOWARD COLLINS: I said 24 metres, maximum.

The Hon. MARK BANASIAK: According to the assessment, it's actually 40 metres. Can you go and clarify whether it's 24 or 40? That's obviously a big difference.

HOWARD COLLINS: I will. The information I read in my briefing notes said, "Supporting up to 24-metre vessels," but I will double-check that. Obviously there are a number of berths, but the plan was to ensure that we kept those vessels to that size. I will double-check that just in case there is some other information that you have that I haven't.

The Hon. MARK BANASIAK: I'm still going to push on this issue because Mr Stokes' comments in estimates last time gave me cause for concern about the repurpose of the wharves at a later date. He said:

... the nature of infrastructure can change over time. Obviously, the main use of the wharf should be characterised as transport access. I understand, certainly on the Kurnell end, it's about replacing a historical structure that was destroyed ...

He continues:

... it certainly does provide flexibility and opportunity in relation to public transport and ferry services at any point in the future.

The Future Transport 2056 document talks about "unlocking underutilised assets"—such as ferry wharves—"for use by the tourism sector". If you piece Mr Stokes' comment with that document of yours, there is no guarantee that these wharves won't be repurposed to facilitate ferries going up and back from Yarra Bay to the cruise terminal. Would that be a fair assessment to say that it could be repurposed in the future?

HOWARD COLLINS: What I believe Minister Stokes was saying is that there is great opportunity to utilise these structures for all sorts of purposes. Speculation about cruise ships or cruise terminals, I think, is not something that we are considering.

The Hon. MARK BANASIAK: It's not really speculation. Philip Holliday from the Port Authority is out there in *Cruise Passenger* saying that Yarra Bay is back on. It's a bit more than speculation.

HOWARD COLLINS: As far as we're aware, the main purpose, as you described, was a ferry service between those two points. We've worked closely with Tribal Warrior, for example, for their harbour opportunities going forward in the future. Many other commercial entities may consider this as an option. I think build it with capacity, but I don't think we want—our justification of building it wasn't to supply some form of service to the passenger cruise industry.

The Hon. MARK BANASIAK: We've spoken about the rise in price of this project before, Mr Collins, and you attributed it to the rising of steel prices and conditions of approval. But, let's boil it down here, we're talking about a 390 per cent increase from the original costing. I think I put some questions to Mr Draper previously about the cost-benefit ratio. What was the cost-benefit ratio when this project was costing us \$18 million, and what is it now that it is costing us \$65 million? Given this 390 per cent increase in prices, why wasn't

this revisited in terms of its viability? In my view, it probably shouldn't have got past Infrastructure Australia in terms of the Gateway project, given its blowout.

HOWARD COLLINS: I will get back to you if I have any more details of the cost-benefit ratio. I think the life of this project—

The Hon. MARK BANASIAK: Does Mr Draper have any advice?

HOWARD COLLINS: If I just finish this bit, and then if Mr Draper wants to answer further questions—

The Hon. MARK BANASIAK: Yes, sure.

HOWARD COLLINS: I think the life of this project, there have been times when people have been considering whether it should go forward or not. Obviously, the scope has changed significantly, the design, certainly material costs. But at the end of the day, Government decision was to progress this project, and we obviously facilitate that decision. I don't know whether Mr Draper would like to add any further comments.

SIMON DRAPER: No.

HOWARD COLLINS: But it is important recognising that we now have the funding, and work will start very soon.

The Hon. MARK BANASIAK: Perhaps by this afternoon, could you tell me what the cost-benefit ratio was and what it may be now?

HOWARD COLLINS: I will do my best to understand what those figures are and what is available.

The CHAIR: Just coming back to the ferries, how is it that there were so many steering issues that we were apparently unaware of as at the last estimates?

HOWARD COLLINS: I think there have been a number of issues regarding ferry introduction. It is disappointing that we have, over time, discovered a number of faults or design issues with the latest two ferry designs. I think ministerial direction has been quite clear about Transport having a much more hands-on approach to future design and, wherever possible, ensuring that we can build these vessels in Australia. This design, the Emerald and the River class, were designed by Incat Crowther, an Australian company. Some of the faults have been either globally sourced or design issues which have been sourced from Australia. If you go back through the history, I believe even the Freshwaters had steering problems, ending up permanently damaging one of them. But we are disappointed with the performance, and we are very clear with our partner in terms of franchising that we want the manufacturer—and all these issues have been dealt with by Transdev and the manufacturer and contractor, which is Birdon at Port Macquarie.

The CHAIR: The department then, by implication, was too hands-off previously?

HOWARD COLLINS: I don't know the history because it was prior to me being involved, but I think lessons learnt here does suggest that we now have a very competent team of naval or maritime specialists. We are calling upon those people and working more directly with the Australian industry going forward.

The CHAIR: Thank you. That brings us to almost 11.30 a.m. We will break for 15 minutes to have morning tea, and we will come back at 11.45 a.m.

(Short adjournment)

The CHAIR: Thank you to all of you for coming back and not doing a runner.

ROB SHARP: Chair, we have some answers to some of those questions, if you'd like us to table those.

The CHAIR: That would be fantastic. Yes, please.

ROB SHARP: Ms Drover?

CAMILLA DROVER: You asked about the compensation paid for the Cammeray golf course site. To the lessee, the Cammeray Golf Club itself, it was \$807,000. That was determined by the Valuer General, not Transport for NSW, and that has been accepted and settled. We also made an offer to North Sydney Council as the Crown land manager: \$35,000 was determined by the Valuer General. Council has objected to that amount, and we will approach the Land and Environment Court for that matter.

The CHAIR: That's very useful.

ROB SHARP: Ms McCarthy?

TARA McCARTHY: In relation to the fixed signs, the full amount of the contract is \$6.5 million. As of 30 June, \$5.6 million had been spent. The contract is currently projected to come in at \$6.3 million with those remaining signs. It's being funded through the Community Road Safety Fund.

ROB SHARP: Mr Graham, we've also got the Gateway numbers.

CAMILLA DROVER: The Gateway is \$1.4 billion over the next three years. The budget for this year, 2022-23, is \$680.5 million.

The Hon. JOHN GRAHAM: We're falling into the same problem, though, Ms Drover. I'm happy for you to go back. We're asking for the rollout over the forward estimates. For example, what's the amount allocated for the next financial year?

CAMILLA DROVER: We can take that away and get that.

The Hon. JOHN GRAHAM: That's exactly the issue we're having. Our expectation is that of course the agency should be able to say in each financial year what the allocation is. That's what we're hoping for.

CAMILLA DROVER: Just noting, though, obviously with a project that goes over multiple years it's more appropriate sometimes for a three-year budget, given that between one year and the other sometimes amounts move between those years. It will depend on the—

The Hon. JOHN GRAHAM: Yes, it's a point in time, but it's a point in time that has to be established for the budget, and it's reasonable for the public to know. That's our contention. If you're saying you're happy to provide it, I think we're comfortable.

CAMILLA DROVER: Yes, we're happy to provide it. We just haven't carried that round.

The Hon. DANIEL MOOKHEY: Mr Secretary, we might just resume with a little bit more on the Western Sydney Airport, if you don't mind. I think where we left it with Deputy Secretary Mares was apparently we're doing a business case again. Are we? Is that another one?

ROB SHARP: Sorry?

The Hon. DANIEL MOOKHEY: We're doing another business case, are we, ahead of next year's budget cycle?

ROB SHARP: We're in the process of developing a concept. Off the back of that would be a business case. But I'll ask Ms Mares to clarify.

The Hon. DANIEL MOOKHEY: So it's a concept for the Western Sydney—

ROB SHARP: Options. We mentioned there are a number of options.

TRUDI MARES: Staging options are being developed up into business cases, which can then be put forward as budget proposals for the next budget round.

The Hon. DANIEL MOOKHEY: This might be to you, Ms Mares, or to the CEO of Infrastructure NSW—whoever sees fit to answer it. Infrastructure NSW assured a final business case for western Sydney rapid buses in February 2022, correct?

TRUDI MARES: I'd have to check that date.

The Hon. DANIEL MOOKHEY: Does Mr Draper know?

SIMON DRAPER: I don't have that with me, but no.

The Hon. DANIEL MOOKHEY: The business case covered the delivery of three rapid bus services included in the city deal connecting Bradfield and Western Sydney Airport to Campbelltown, Liverpool and Penrith, correct?

TRUDI MARES: Without that in front of me, that would have been the substance of the full business case.

The Hon. DANIEL MOOKHEY: The final business case—to be clear, it's not the "full" business case; it's referred to as the "final" business case, which, as you would know, has a specific meaning—said that the cost is \$1.2 billion in capex and \$400 million in opex for a total of \$1.6 billion over 10 years. Is that correct?

TRUDI MARES: Yes.

The Hon. DANIEL MOOKHEY: Just to be clear, there already is a final business case, which canvassed five options, didn't it?

TRUDI MARES: Yes, without it in front of me, there were a number of options in the business case.

The Hon. DANIEL MOOKHEY: So what then? Are we going back to the drawing board for fun or we had a final business case, it's been assured, it listed five options, it came up with a cost, it recommended a final investment decision, so—what?—the Government rejected it and we're back to square one, are we?

ROB SHARP: We're refreshing the options. We were also, at that stage, in conversation with the Federal Government. There's been commentary around whether funds aren't available. Nothing was in the Federal budget overnight that I'm aware of. So the options would be reflecting an update to the environment we find ourselves in.

The Hon. DANIEL MOOKHEY: Sure. Secretary, I respect the different verbs. We're now "refreshing" a business case. That's what's happening?

ROB SHARP: We're updating the options. That's what we've been saying, correct.

The Hon. DANIEL MOOKHEY: To be clear, when was the last time we had a conversation with the Commonwealth Government about this? Did we make a budget submission for the Federal budget that was handed down last night or not?

TRUDI MARES: We had made two previous budget submissions to the Federal budget for Western Sydney Rapid Bus.

The Hon. DANIEL MOOKHEY: When?

TRUDI MARES: I can get you the exact dates. I'll bring those back to you.

The Hon. DANIEL MOOKHEY: Was it in the life of this Federal Government or—

TRUDI MARES: We spoke to them about it. There was no formal submission for the October budget and there were also discussions at government level.

The Hon. DANIEL MOOKHEY: So we made formal submissions to the previous Federal Government, correct?

TRUDI MARES: Correct.

The Hon. DANIEL MOOKHEY: But we haven't made any formal submissions to the new Federal Government?

TRUDI MARES: That is my understanding.

The Hon. DANIEL MOOKHEY: And conversations have been had by government. What does that mean? The Ministers, what, picked up the phone?

ROB SHARP: There have been meetings of the Ministers with the new Federal counterpart for infrastructure.

The Hon. DANIEL MOOKHEY: It is it the case, isn't it, that the city deal required Federal Government—was it 80 per cent Federal, 20 per cent State?

ROB SHARP: The 80/20 per cent has historically been the rule that is applied. If you are looking at some of the roads where funding arrangements are in place, it is on that basis. The conversations we were having with the Federal Government were on that basis originally, but there is nothing in the current budget for it.

The Hon. DANIEL MOOKHEY: Which Federal Government?

ROB SHARP: The prior Federal Government.

The Hon. DANIEL MOOKHEY: Right, but the departments haven't put a case forward to Infrastructure Australia for assessment, I presume?

TRUDI MARES: No, not to my understanding.

The Hon. DANIEL MOOKHEY: Basically, we haven't got Federal money because we haven't asked for it. That is basically the take home of this, Mr Secretary. Is that a fair characterisation of events?

ROB SHARP: A formal submission hasn't been placed, that is correct.

The Hon. DANIEL MOOKHEY: Can I just return to the scenario. When Western Sydney Airport opens in 2026, is there going to be a bus connection? Can you guarantee that?

ROB SHARP: As I indicated, I can't guarantee it. It is on the critical time line. The critical time line means that if we wait for a lengthy period, then, no, we wouldn't have an endgame. What I would say is that options are actually developing staged approaches to implementation. When you get down to tight time lines, you look at options that do actually enable a staged implementation, and that's what we're working through at the moment.

The Hon. DANIEL MOOKHEY: Again—

ROB SHARP: I was giving you an update.

The Hon. DANIEL MOOKHEY: —the department is persisting, and I want to acknowledge the department's persistence in this. But do we have a guarantee that the rail connection is going to be open when the airport opens?

ROB SHARP: I will pass to Mr Regan.

PETER REGAN: Yes, the Western Sydney Airport Metro line remains on track. As we've updated previously—

The Hon. DANIEL MOOKHEY: So that's a guarantee that the rail line will be operating when the airport is open?

PETER REGAN: There has been no change to the schedule.

The Hon. DANIEL MOOKHEY: That's not what I'm asking, Mr Regan.

PETER REGAN: Well that's the answer to the question. There has been no change to the schedule. As I was just saying, the first two construction contracts have been let. It has always been our intent to let the third and final contract by the end of this calendar year. We remain on track to do that, and we are continuing to target the same dates that we've targeted previously, which is that the passenger services will commence in line with the opening of the airport.

The Hon. JOHN GRAHAM: You're targeting it but you're not guaranteeing it, if I hear you correctly, Mr Regan.

PETER REGAN: We of course target and contract associated—I can't. It is not built yet, so we're building it. We're contracting on that basis, but, I think to be clear, that at this point is the appropriate thing to do. There are, of course, risks in construction, but the way we are contracting it is in line with what we previously advised, correct.

The Hon. DANIEL MOOKHEY: Thank you, Mr Regan. Also, I want to acknowledge Sydney Metro's persistence in this matter as well.

PETER REGAN: Thank you.

The Hon. DANIEL MOOKHEY: But there is a chance that we're going to have an airport without any public transport. That's fair, Mr Sharp?

ROB SHARP: In any world, there's risk. At the moment, all those risks are mitigated. As Mr Regan indicated, our plans show that the Metro will be delivered.

The Hon. DANIEL MOOKHEY: Okay, but we're not relying on flying cars landing at the airport as a way of public transport connection, are we, Mr Sharp? I had to bring it in at one point. But we're not relying on that, are we? We are actually—

ROB SHARP: No, we're relying on a tunnel with a rail system that is state of the art, and that will be delivered and it's on track to be delivered for the opening of the airport.

The Hon. DANIEL MOOKHEY: To be clear, the business case and the briefing that Ms Mares made to Minister Elliott's office made it clear that if an investment decision was not taken this year, it's more likely than not that the rapid bus connections can be connected 2027, 2028, 2029, or at least a year afterwards. Given that we've now apparently gone back to restart the business case or refresh it, we haven't made a request for the Commonwealth to fund it, we have no idea whether the Government's going to accept the investment decision until next year's budget, basically we are—

ROB SHARP: They are all open questions. Correct.

The Hon. DANIEL MOOKHEY: You would classify these as all high-risk issues, wouldn't you, Mr Sharp?

ROB SHARP: Yes, it is. The rapid bus is high risk because it is on critical line and the funding is not in place at the moment.

The Hon. DANIEL MOOKHEY: We might move to another issue, which is to pick up on some of the questions that were being asked by my other colleagues around the ferries. I think we started to touch upon the reasons why there were steering failures on the Emerald-class 2 ferries—*Balmoral*, *Fairlight* and *Clontarf*. Mr Collins, you were saying it was hydraulics-related?

HOWARD COLLINS: Yes. The latest issue regarding steering, which manifested out on the water, has now, after some extensive analysis, been put down to the hydraulic part of the steering system and a particular valve. Modifications have been made to the steering system by the company that has installed it. It was bench tested and made sure that those valves in the new design worked. It has been on sea trials, I think, last Thursday, Friday and this week for a number of those vessels. We are hoping that we will see those return to service. A lot of customers are saying they are missing the faster, more comfortable ride between Manly and Circular Quay.

The Hon. DANIEL MOOKHEY: When do you anticipate that they will return to service?

HOWARD COLLINS: I'm anticipating that they will be this afternoon. As I said earlier, if I get information while this Committee is still operating, I will let Committee members know.

The Hon. DANIEL MOOKHEY: When you say "return to service", you mean return to revenue service?

HOWARD COLLINS: To revenue service, did you say?

The Hon. DANIEL MOOKHEY: Yes.

HOWARD COLLINS: Yes, passenger full-revenue service. At the moment, we're sharing that service between our two Freshwaters and Emerald 1s, which are the first version of the Emerald-class ferry. We are looking forward to withdrawing the Freshwater class because, obviously, it's slower and a less frequent turnaround.

The Hon. DANIEL MOOKHEY: Did Transdev or Transport for NSW attempt to use any of the three Emerald class 2 ferries for revenue service since they were taken out of service?

HOWARD COLLINS: Since the AMSA decision and the particular faults which I identified for this steering failure as opposed to the previous steering fault, I'm not aware of those ferries operating in revenue service.

The Hon. DANIEL MOOKHEY: No, I didn't say that they were operating in revenue service. I asked whether there was an attempt to put them into revenue service.

HOWARD COLLINS: I'm not aware of that.

The Hon. DANIEL MOOKHEY: Let me be more specific. Did Transdev attempt to put the *Clontarf* into revenue service on Friday 21 October?

HOWARD COLLINS: I understand that there was a proposal that was shared with us that they were ready to operate last Friday. But I understand that further discussions between the MUA and the management at Transdev led them to conclude that they needed to consult further. That is the reason why further consultation has taken place this week and the briefing of staff through their HSR representatives.

The Hon. DANIEL MOOKHEY: Thank you for providing that additional detail. I am glad we prompted the recall. To be clear, Transdev attempted to put the *Clontarf* into revenue service without talking to its masters, correct?

HOWARD COLLINS: I don't know that is the case. All I understand, with the information I had on Friday, is I was initially told that they were ready for revenue service on Friday. The next message we had—because I'm on the case on this morning, noon and night—I was told that further consultation was now required and further discussions between the unions and the management.

The Hon. DANIEL MOOKHEY: I appreciate you saying that you're on this day and night. That is reassuring. Did Transdev tell you that it was intending to put the *Clontarf* into revenue service?

HOWARD COLLINS: They told us that was their plan last Friday, which was good news in some respects. We believe that they were doing that in good faith. Obviously, further discussions—which does happen occasionally—I understand, took place on that Friday and then they gave us a new date of Tuesday. Now, I've been told yesterday afternoon that it will be sometime this afternoon.

The Hon. DANIEL MOOKHEY: The *Clontarf* is currently being subjected to sea trials. Is that correct?

HOWARD COLLINS: I believe several of the vessels have been out—

The Hon. DANIEL MOOKHEY: I'm asking specifically about the *Clontarf*—it's currently subject to sea trial?

HOWARD COLLINS: Yes, I believe that has been out on the water and been tested, as well as the *Fairlight*.

The Hon. DANIEL MOOKHEY: To be clear here, that's happening today, yesterday, was that the case—or the day before?

HOWARD COLLINS: I could go through a marine tracker and tell you exactly when they went in or out of service and in terms of testing, but over the last few days, a number of those vessels have been out, with the modifications.

The Hon. DANIEL MOOKHEY: So Transdev were attempting to put the *Clontarf* into revenue service without completing the sea trials?

HOWARD COLLINS: I don't think that's the case. As far as I'm aware—

The Hon. DANIEL MOOKHEY: But clearly—

HOWARD COLLINS: If I may—

The Hon. DANIEL MOOKHEY: —if they're still being subject to the sea trials right now, Mr Collins, and there was an attempt to put them onto the waters with passengers on Friday, the logical implication is they were attempting to put them into service without completing the sea trials.

HOWARD COLLINS: I don't think that was the case. If I may answer, what I think is the interpretation is that Transdev believed that they had carried out all the necessary modifications, but what happened was that further discussions took place and more briefing was needed. I think the opportunity for them to test and work to ensure that this was reliable had taken place. So I don't think there was an attempt to bypass any necessary processes. They were under strict guidance by AMSA, the Maritime Safety Authority. They were following that. There is a number of things that they have to do prior to that. I believe they had clearance from AMSA on Friday but they needed further discussion with the union, following our meeting.

The Hon. DANIEL MOOKHEY: Transdev are subject to penalties, are they not, if these aren't in service?

HOWARD COLLINS: Obviously the detail of the commercial arrangements we have are commercial-in-confidence but I would just give you this information to say that we have—and I have some really good experts on board—been ensuring that the contract and the methods of that contract operating have been applied.

The Hon. DANIEL MOOKHEY: But they had a commercial incentive. They had a commercial incentive last Friday to put the *Clontarf* on the water, didn't they?

HOWARD COLLINS: I think the important thing is to recognise that, if they fail to deliver a level of service, there are processes in place under the contract.

The Hon. DANIEL MOOKHEY: And it is the case that their desire to push it rapidly into revenue service was in order to ensure that their margins were protected, correct?

HOWARD COLLINS: I would hardly call this rapidly back into service.

The Hon. JOHN GRAHAM: It has been a month, hasn't it? It's precisely a month.

The Hon. DANIEL MOOKHEY: It's costing them a lot of money, isn't it? They have an incentive to ensure that they can put it in whenever they deem it to be fixed, correct?

HOWARD COLLINS: I think obviously lots of people always have incentives to ensure they provide good customer service. I think the question to ask is—

The Hon. DANIEL MOOKHEY: No, Mr Collins, that's not the question.

HOWARD COLLINS: Well, let me answer this. This has been an extensive process following, I think, 24 or 26 September.

The Hon. JOHN GRAHAM: The twenty-sixth, yes.

HOWARD COLLINS: We ended up in a position where not only Transdev and their manufacturer had been involved, but also OTSI, AMSA—our own independent assessor, DNV, has been involved. There's been a very thorough process. We thought last Friday that everything was in place. That was the information that was shared by Transdev. It appears now that further discussion and work had to be with the unions and consultation, which is fair enough, and therefore that had to be carried out prior to them entering service.

The Hon. DANIEL MOOKHEY: Mr Secretary, has Transport provided Minister Elliott the report on the Emerald class 2 fleets he demanded on 27 September?

ROB SHARP: I'm not sure which report you're referring to.

The Hon. DANIEL MOOKHEY: I'm referring to the one he asked into why all of a sudden there were steering issues. To be clear here—

The Hon. JOHN GRAHAM: Following the incident with the *Fairlight* and the cruise ship on the harbour.

ROB SHARP: Yes, we have provided that feedback.

The Hon. DANIEL MOOKHEY: Well, was it a report?

ROB SHARP: And there's been regular feedback as well in terms of what the causes might be.

The Hon. JOHN GRAHAM: The Minister asked for a report.

The Hon. DANIEL MOOKHEY: Sorry, report?

HOWARD COLLINS: There was an initial report and I can also say that independent maritime specialists DNV are carrying out a full audit of the—

The Hon. JOHN GRAHAM: Following the initial report, Mr Collins, the Minister, after this incident, asked for a report, a second report on this issue.

The Hon. DANIEL MOOKHEY: To be very clear here, this is what Minister Elliott said. He said that Transport for NSW would provide him with a report within two weeks. He said:

The review will determine the cause of the issue and whether it's been linked to the issue affecting the Clontarf on Sunday.

That was on 27 September. Let's just work this through in time. Did Transport meet the Minister's deadline?

HOWARD COLLINS: We provided information. Some of that was documented as to the ongoing analysis.

The Hon. DANIEL MOOKHEY: When did you provide that information?

HOWARD COLLINS: We've been providing it every day. I think one of the—

The Hon. DANIEL MOOKHEY: Sorry, Mr Collins, I'm directing these conversations to the secretary at first instance. I'm asking specifically about a report, not updates or information. I'm asking about a report. Secretary, did you provide the Minister the report?

ROB SHARP: An interim report, because clearly the cause was not still not known. The Minister also directed Transport to engage an independent assessor, which was around that time as well.

The Hon. DANIEL MOOKHEY: When did you provide the interim report?

ROB SHARP: I'd have to take on notice when the team met with the Minister to provide an interim update—

The Hon. DANIEL MOOKHEY: Was the interim report written?

HOWARD COLLINS: Mr Mookhey, thank you. I know you're enthusiastic, and I appreciate your—

The Hon. DANIEL MOOKHEY: Mr Collins, I'm sorry, but I'm asking these questions through the secretary. It is my prerogative. Secretary, the question was is this interim report in writing?

ROB SHARP: I would have to take on notice the nature of the report. What I will say is the Minister has been kept fully briefed along this the whole way through. It has been moving because the aspiration was to understand the root cause much more quickly than has occurred. We're all aware that the vessels are still not in service yet.

The Hon. DANIEL MOOKHEY: Sorry, Mr Secretary, I appreciate that. Of course I would expect the Minister to be constantly engaged, and there is no suggestion that the Minister is not.

ROB SHARP: But if you're after the specifics on the report, I'd have to ask the team what the nature of that—

The Hon. DANIEL MOOKHEY: It's a major safety incident in which one of the ferries drifted near a cruise ship. The Minister responded by ordering a report. You're honestly telling me here that you don't have any recall as to whether or not an interim report that you gave less than a month ago was in writing?

ROB SHARP: I'll refer to the team and the nature of the actual report. But just to clarify, at no time was the ferry adrift in front of a cruise ship. I know the media ran that story but it is factually incorrect. There were fallback positions—

The Hon. DANIEL MOOKHEY: Hence the need for a report to clarify this. But who knows whether or not this interim report was written?

HOWARD COLLINS: I think the secretary has asked me to answer this question, Mr Mookhey, if you're happy for me to—

The Hon. DANIEL MOOKHEY: If you can actually answer the question, which is very specific. Was the interim report in writing?

HOWARD COLLINS: I believe a report was provided in writing. Let me find out the details of that interim report. I will assure you, Mr Mookhey, that if that is available today, I will furnish you with the information of when it was provided. But it was a constant communication between the Minister's office and ourselves as to the progress, along with communication with AMSA, OTSI and the relevant parties.

The CHAIR: I will pick up again on a few questions in relation to the Western Harbour Tunnel project. Ms Drover, just looking again at those three different plots that have been not compulsory required, but I understand there is a construction lease over them, we had the two that we've already referred to and then the third one, where the rest of the golf course sits. Are you saying, then, that third portion—the 7½ hectares remaining of the golf course after the project—is a lease that you have over there as well rather than an acquisition? Have you bought the land or is that—

CAMILLA DROVER: There are three different parcels of land. There's the land that we are acquiring to use for construction staging for Warringah Freeway and then Western Harbour Tunnel. There's the permanent take, which is a smaller area, which is for the ventilation facilities. The balance of the Cammeray golf course we are not taking. We are impacting that though—I acknowledge that—because under our planning conditions, one of them relates to the need for us to reconfigure the existing Cammeray golf course so that it is retained as a nine-hole golf course. That's a planning condition. Although we don't have a lease over that land, we are doing works on the golf course to reconfigure it. We're on track to finish those works early next year and hand them back to the Cammeray golf course so they can operate it as that nine-hole golf course. We don't actually have a lease, in my understanding, over that balance of the land. We are paying for the cost of that reconfiguration because it is a planning condition.

The CHAIR: That's very interesting and useful to know. I will have to go back and have a look at those planning conditions, then, and work out how that came about. Just back to the gantries again, on Anzac Bridge. I understand that you've got the M4, the M8—correct me if I've got that wrong—and the Western Harbour Tunnel. All traffic will be feeding through Anzac Bridge when Western Harbour Tunnel is completed. Is that correct?

CAMILLA DROVER: I might just clarify. There's the M4 Motorway, which includes the historic M4 west motorway, which goes from the end of WestConnex, west towards Penrith. There's the new WestConnex M4 East tunnel, which is in operation today. There's the M8 Motorway, which did use to be called the new M5. That's again part of WestConnex. It's stage two of WestConnex. It's a tunnel. It goes from the historic M5 Motorway, underground. We are close to completing the M4-M5 link, which connects the new M8 to the new M4 East tunnel. It's a tunnel, completely underground. Then we are also heading towards the end of construction for the Rozelle interchange. The Rozelle interchange connects to the new M4 East tunnel and also the M4-M5 link. It will also connect to the future Western Harbour Tunnel. That Rozelle interchange is an interchange that connects together those three motorways, two being part of WestConnex, and Western Harbour Tunnel, which is the new one under construction.

The CHAIR: Would you describe the Anzac Bridge, though, as being a bit of a pinch point for—once the Western Harbour Tunnel is built, you will have significant additional traffic because traffic will have no choice but to go through the Anzac Bridge.

CAMILLA DROVER: A couple of things to be said. WestConnex is largely a bypass of the CBD. When we put the Western Harbour Tunnel in, it will take traffic coming from the south and the south-west and the west, and it will take it directly across the harbour, under the harbour, to North Sydney and the north of the

city. It is a bypass of the CBD. It will take traffic off the Western Distributor. At the moment, traffic coming from the west needs to travel across the Anzac Bridge, across the Western Distributor and then go either into the city or north, across the Sydney Harbour Bridge. The Western Harbour Tunnel will take some of that capacity off and divert it off the Western Distributor. Having said that, though, it's 30 years since we opened the Anzac Bridge. Sydney has obviously changed. There is an increase in traffic over those 30 years. It is still a congested primary access point into the west of the CBD and that bypass of the CBD—north—across the Sydney Harbour Bridge.

The CHAIR: What's the forecast increase in traffic across the Anzac Bridge once the Western Harbour Tunnel is opened?

CAMILLA DROVER: I don't have that with me today. I could take that on notice. But the implementation of the Western Harbour Tunnel does take a lot of that traffic that wants to go north. Instead of going across the Anzac Bridge and via the Western Distributor and the Sydney Harbour Bridge, it can now stay underground and go straight across with the Western Harbour Tunnel.

The CHAIR: Secretary, can I ask you some questions about Transport for NSW's use of AI technologies? I know we touched on this a little bit last time. Since then I've seen there have been a number of trials where Transport for NSW has been using some form of smart CCTV or artificial intelligence. I'm interested to know where that is heading. A number of those trials have completed now. What's the next step for Transport for NSW and use of that technology?

ROB SHARP: Yes. There are two elements to it. One is the individual trial and what we're doing during the trial. We actually work with the Privacy Commissioner specifically on that. Once the trial is completed, the information is assessed and then it would go into a formal business case if we were going to roll that out more broadly. At the moment, the trials are either just completed or they're being assessed.

More broadly, the whole of government is actually looking at bias and other risks associated with artificial intelligence. We're contributing details of where we use artificial intelligence. I think the objective would be to actually articulate and document where artificial intelligence is used across whole of government. I certainly know the secretaries generally are very focused on that particular issue. We're not at a point where that's completed so we are very conscious of privacy, and if we were rolling anything out that is significant, we do consult and we do actively engage with the Privacy Commissioner. I will just ask Mr de Kock to talk to it as well because he was intimately involved with those particular projects and can talk to those consequences of artificial intelligence.

JOOST de KOCK: Obviously artificial intelligence is a really important capability, and we use that, as was said, for analysis on CCTV but also not just only people movements but it is also used extensively already in assessment of infrastructure, bridges and so forth. At the moment we are conducting a number of trials across Transport to explore the value of that type of technology. As the secretary indicated, there's also a lot of focus on ethics and we engage with the Privacy Commissioner on this. The other thing I would say is that we have an advanced analytics and insight team within my division that is really looking at laying the foundations of our data strategy and including a much stronger governance across the whole of Transport to govern not just AI but actually all the information used in Transport.

The CHAIR: Could I ask about the trial being run in Newcastle? I understand that cameras were put on some of the Keolis Downer buses, for instance. Were passengers made aware of those cameras? Was the data shared with the private entity or were measures taken to make sure that was in government hands?

JOOST de KOCK: I'm not completely familiar with the pilot you're talking to but typically we make sure that all the privacy concerns are taken into account. Also, sometimes artificial intelligence that is used, for example in some of the junctions, we actually use the technology to make the decisions, and actually none of the information—some of the information is not stored but only so many outputs are transmitted back. In many cases we don't need to keep the information. It can actually be processed locally and actually some of the outcomes are only transmitted.

The CHAIR: I'm sure you know one of the key privacy principles is that people are informed, and people know when they are being monitored. Perhaps you need to come back on notice, but I'd be very curious to know, for example, with that trial in Newcastle, whether passengers were made aware that they were under CCTV during that time. Can you come back on notice with that?

JOOST de KOCK: Happy to come back on notice on that.

The Hon. MARK BANASIAK: Mr Collins, just continuing where we were and picking up on your comments at the end when you said that the Government made a decision to continue with this project, would it be a fair statement to say that price no longer matters—cost no longer matter?

HOWARD COLLINS: I think—

The Hon. MARK BANASIAK: We're at \$65 million. We got it so drastically wrong from a previous prediction at \$18 million. If this blows out further, due to these approval conditions, it doesn't matter? We are going to plough ahead?

The Hon. Shayne Mallard: That's very argumentative.

The Hon. MARK BANASIAK: I am asking is that what we're saying? Have you been told to get this project done regardless of the cost?

HOWARD COLLINS: To answer the last question, no. Just to be clear, we are now obviously contracting for the construction of the ferry wharfs and the associated work. We expect, as we do with all maritime projects, that we will monitor the progress of the contract, deal with any variations, and ensure that, wherever possible, we keep within the contracted and agreed price.

The Hon. MARK BANASIAK: I go to those contracts. On 29 July you awarded a contract to McConnell Dowell. That was two days after the project was approved. That is probably very confident of you, to award a contract two days out from potential approval. What was that contract for? You are saying that you are awarding contracts now, but you awarded one on 29 July for \$55 million, then there was another one issued 21 days after that for the same tender reference number. What was the original tender for? It was \$55 million, from memory.

HOWARD COLLINS: Yes. I believe that because there have been some delays to the original tender process, obviously we followed the tender process guidelines and ensured that we were up to date in terms of the award. I don't know why there was a second contract with the same tender price. I can check why that was. We had been waiting for some time, obviously, with the contractor. Once we had approval, and only after we had approval and support, then we were able to release and issue the contract.

The Hon. MARK BANASIAK: You said before that you are now awarding contracts for construction. You are saying that \$55 million contract that you awarded on 29 July wasn't for construction?

HOWARD COLLINS: Maybe it's semantics or misuse of the words by my department.

The Hon. MARK BANASIAK: I want to make sure we are absolutely clear.

HOWARD COLLINS: Contracts have been ordered for the majority of this work. There may well be minor other connections with this work, I don't know whether it is—I can again check in detail whether there is just one contract, but I dare say there are other parts to the full project, which probably involve other awards which may not have taken place or are different. Let me double-check with you and give you an indication. The main construction work, as you say, Mr Banasiak, has been awarded to this contractor and they are ready to start construction very soon. We have a program of works for that.

The Hon. MARK BANASIAK: If you could get back to me before the end of the day around that second tender process. I tabled a document during Mr Stokes estimates around a tender that was put up on the global tender website. The answer came back and assured me that it was also on the tender New South Wales website, but no actual detail as to what that tender was for.

HOWARD COLLINS: Okay, let's try to clarify that.

The Hon. MARK BANASIAK: If we can find out what that separate tender was, that would be great. I guess the date of approval has been a bit of a contentious issue. I have asked various Ministers, all 14 of the transport Ministers and the fisheries Minister, when was the exact date that the approval occurred. Can you give us a clear-cut date as to when the approval was actually done, because there seems a bit of a gap of two weeks.

HOWARD COLLINS: Yes. I can remember you asking this question last time and I remember going to the documentation of—Minister Roberts I think was the final approver. Memory fades at my age, but I think it was at the end of July maybe. I will find out and confirm the date, because that was something I was particularly interested to understand the date of approval. I think the 29th but let me double-check that and make sure if there are any concerns about gaps between certain activities. But as soon as we had approval from Minister Roberts, then the team did believe that they were ready to award contracts and went ahead and did so.

The Hon. MARK BANASIAK: Can we go to one of the conditions of approval, E13, that talks about having a year of reassessment on marine biodiversity? I think we have established that means that the project will not be able to start until 2023. Can I try to narrow that date down a little bit more. Is that July 2023, based on when it was approved by Planning? Or is it November when it finally gets the Federal tick of approval?

HOWARD COLLINS: That detail, I can't answer now but I will ask my team the details of when they believe that they have that period to start work. There certainly are completion dates which have been publicly

announced. If, again, I get further information during the lunchbreak regarding the details you have asked, I certainly will supply it for you, Mr Banasiak.

The Hon. MARK BANASIAK: That would be great. There has been public commentary by people who are obviously supportive of the project that the environmental concerns, particularly around *Posidonia australis*, will be dealt with because, as part of this project, there are going to be millions of dollars put towards environmental protections. Can you confirm that that is the case, and how much money is actually being put to this environmental protection?

HOWARD COLLINS: You're more of an expert than I am in terms of seagrass or alternative names for it. I know that a significant amount of work has been done regarding finding alternative locations, providing marine habitat growth and increase in the alternative locations. Again, I'm not the expert in this area, but I think we really did understand people's concerns that any construction site will disturb or may disturb certain areas, and we looked for experts in the field to ensure that when seagrass is replanted, it survives and has a good opportunity to grow even further. I know my team are very supportive of making sure that's the case.

The Hon. MARK BANASIAK: I'm just chasing the dollar—

HOWARD COLLINS: In terms of value, which you asked, if I have that information, I will—but part of the overall project was to ensure that we found alternative locations, as we often do, for environmental impacts.

The Hon. MARK BANASIAK: Is it always the case with Transport for NSW that you would award a contract before you get Federal approval through the Environment Protection and Biodiversity Conservation Act? Is that a normal thing? It seems a bit pre-emptive.

HOWARD COLLINS: Obviously, we understand your question here. We're working and have been working very closely with all the members involved. Unfortunately, one of the recent meetings where we were expecting EPBC approval had to be cancelled because of a family bereavement, but we believe that we are on schedule for ensuring that we have all parties, including Federal support for that.

The Hon. MARK BANASIAK: That doesn't really answer my question. Is this something that you normally do, that you award contracts before—

HOWARD COLLINS: I don't know what the norm is.

The Hon. MARK BANASIAK: Does anyone know?

HOWARD COLLINS: But my view is, under all projects, we ensure that we have all parties involved when it comes to the environmental impact.

The Hon. MARK BANASIAK: Mr Sharp, do you know what the norm is? Would you award a contract for \$55 million on a project that requires Federal approval before you have Federal approval? What happens if we don't get Federal approval, let's just say? What do we do with that contract for \$55 million? I'm assuming we don't just rip it up and walk away?

ROB SHARP: I don't know the circumstances of this particular contract. But normally environmental approvals et cetera are obtained before you would sign a contract.

HOWARD COLLINS: There has been, as I understand the discussions to date, no indication that there would be refusal to support this through Federal members, but it was important that we did ensure we went through the whole process. But we can give you an update of where that is at the moment. A further meeting has been planned.

The Hon. MARK BANASIAK: You may or may not be aware that Randwick council expressed concerns around the potential adverse health impacts on swimmers on the adjacent Frenchmans Beach, which is probably one of the only calm, family-friendly beaches in that area. The EIS was silent on that issue in terms of what happens if we get contaminated water washing up on that beach. There is no mention of whether the beach would have to be closed. The department seemed to have dismissed those concerns. How do you dismiss those concerns?

HOWARD COLLINS: I don't think we've dismissed that. There are many locations—Bundeena is one example where the ferry is very close to a [audio malfunction] beach in Bundeena. We will, and our responsibility as far as environmental services is to, continue to understand, monitor and make sure that there aren't environmental impacts which affect such beaches. Certainly one of the issues that my team have been involved with is to ensure that the operation of this wharf doesn't lead to such matters. And if it does, we will obviously use the laws to prosecute people who fail to maintain their vessels.

The Hon. JOHN GRAHAM: Secretary, we might deal with a couple of follow-ups to issues that have been raised and then return to regional taxi plate owners. Firstly, on the gantries issues that the Chair was asking about, can I simply ask, perhaps to Ms Drover, what was the cost of the original gantry proposal?

CAMILLA DROVER: I just need to reiterate that we're still at the environmental review stage.

The Hon. JOHN GRAHAM: Yes, understood.

CAMILLA DROVER: So I don't have that cost at hand, but it will be a function of what the actual final solution is. We may not have a definitive cost at this stage, but I'm happy to take that away and see what information we can get back.

The Hon. JOHN GRAHAM: Yes, I think it's reasonable to take on notice if there is some indicative cost about that; I understand it wouldn't have been the final cost.

CAMILLA DROVER: Yes, and noting that the REF covers the physical changes to the infrastructure, like the on-ramp and the intersection upgrades as well as those three additional gantries.

The Hon. JOHN GRAHAM: Yes, and I'm asking specifically just about the gantry solution.

CAMILLA DROVER: We'll take that away and see what we can bring back.

The Hon. JOHN GRAHAM: Great, thank you. Given the Premier then announced that that would be scrapped, what impact has that made on the costs associated with the project?

CAMILLA DROVER: As I said, we're still in the consultation phase; it finishes this Friday. We are taking that feedback away, and we're looking at how the outcomes that were intended can be met with different solutions. That work has commenced.

The Hon. JOHN GRAHAM: When was the department told that that part of the plan, the gantries, would be scrapped?

CAMILLA DROVER: I'd have to take on notice exactly when. I found out about it when it was in the public domain.

The Hon. JOHN GRAHAM: Obviously the photos were published. So you found out, as an agency official, when the Premier made those comments publicly?

CAMILLA DROVER: Yes, that's correct.

The Hon. JOHN GRAHAM: Mr Secretary, I assume that was the same for you?

ROB SHARP: That is correct, yes.

The Hon. DANIEL MOOKHEY: On that, I think we confirmed that Minister Ward was told, correct?

CAMILLA DROVER: Minister Ward's office was briefed, as she would be normally briefed, on the review of environmental factors proposals before we put them on consultation.

The Hon. DANIEL MOOKHEY: When was that?

CAMILLA DROVER: I would have to take on notice the exact day or date of that. It would have been prior to the consultation commencing, which was, I think, at the end of September.

The Hon. DANIEL MOOKHEY: Did Minister Ward object, at that point in time, to the project?

CAMILLA DROVER: I'm not sure I was at that briefing, but we wouldn't have proceeded with community consultation if the Minister's office was not supportive of us going out for consultation. But remember, we're going out for consultation to receive feedback from all stakeholders from any office.

The Hon. JOHN GRAHAM: And you've certainly received some.

The Hon. DANIEL MOOKHEY: You've certainly got some.

CAMILLA DROVER: That is the point of doing the consultation process. Feedback is a gift.

The Hon. JOHN GRAHAM: I might turn to the Cammeray issues. The trees issue has been very controversial and has certainly created a lot of community concern. That's my experience as a shadow Minister. Have you received, as an agency, Secretary Sharp, representations from the member for Willoughby on this matter?

ROB SHARP: I haven't received any directly, but I'd have to take on notice whether there's feedback that's come through other channels.

The Hon. JOHN GRAHAM: So you're unaware of any, but you'll take on notice whether the agency overall has received any.

ROB SHARP: Correct.

The Hon. JOHN GRAHAM: And the number of those representations, if possible.

ROB SHARP: Noted.

The Hon. JOHN GRAHAM: I might finally turn to Ms Drover, then, just on the Gateway financial question.

CAMILLA DROVER: Yes, I do have those details with me.

The Hon. JOHN GRAHAM: Great.

CAMILLA DROVER: As I said, the budget for this year is \$680.5 million. For 2023-24 it's \$436.1 million. For the 2024-25 year it's \$329.6 million. That adds up to the four years, which is the \$1.4 billion, as I stated earlier.

The Hon. DANIEL MOOKHEY: Mr Secretary, were we in a position to establish whether or not the interim report into the ferries incident was, in fact, in writing?

ROB SHARP: Yes, I'll pass to Mr Collins to give you feedback on it.

HOWARD COLLINS: Thanks very much. I did have the opportunity to check back through my notes and also the document. We provided a verbal update and the written documentation we had. We didn't share that physically and send the report to them, but we had a meeting on 13 October. We gave the Minister's office an update and showed them the progress. At that stage the root cause analysis of the failure had not been established. We also advised the Minister's office that we had appointed DNV audit, and they were needing a 12-week period to carry out a thorough independent audit of the fleet.

The Hon. DANIEL MOOKHEY: We might come back to this a bit later, Mr Collins, but can I just unpack that slightly? So you had an interim report that was in writing, but you never sent it to the Minister's office?

HOWARD COLLINS: It was a report which was provided not for the Minister but an update by Transdev and the investigations to date, which were provided to us.

The Hon. DANIEL MOOKHEY: Was it an update or a report?

HOWARD COLLINS: It was a written document with lots of photographs, with a lot of activity in it in terms of saying what they had done to date, pictures of the bench testing, pictures of the valve and the seal concerned.

The Hon. DANIEL MOOKHEY: The Minister ordered a review. Was a terms of reference for this review ever entered into, or never?

HOWARD COLLINS: There is for the DNV audit when we established the—

The Hon. DANIEL MOOKHEY: Can you table—I'm not going to give it the term "report"—whatever document that was prepared but not handed to the Minister's office? Can you table that?

HOWARD COLLINS: I don't believe I can at this stage. I'll take advice. Obviously, this is connected with the commercial arrangements we have with Transdev. As you know, OTSI and a number of other independent reviewers are involved in a number of assessments of this particular class of ferry. That probably will become publicly available—

The Hon. DANIEL MOOKHEY: We might come back to this, Mr Collins.

HOWARD COLLINS: But I think what we were trying to do—if I can finish for a second; I know, Mr Mookhey, time is pressing—was ensure we were briefing the Minister's office up to date with the information. We agreed we'd refer the report progress on a regular basis.

The Hon. JOHN GRAHAM: And you can confirm that 13 October date was outside the two weeks that the Minister demanded for the report?

HOWARD COLLINS: On 27 October, I think, the Minister said—that was the most available date that we had to brief the Minister. We had had conversations with his office beforehand. I think I returned on 6 or 5 October from leave. So that was the available date.

The Hon. JOHN GRAHAM: Turning to regional taxis, Secretary, the Government, under repeated questioning, has spelt out the logic, the detail of its regional taxi plate compensation. I wanted to ask some questions on the detail of that. The Government has been clear that in many areas this was calculated on the average purchase price of plates between 2010 and 2015. In the absence of sales data, other factors were involved. What were those other factors?

ROB SHARP: Yes, that's correct. COVID certainly made it challenging to make a recommendation to the Government. I'll pass over to Mr de Kock, who is sitting there. He was intimately involved in this calculation.

JOOST de KOCK: Just a bit of context, on 21 September the New South Wales Government announced an additional \$500 million assistance package as part of a comprehensive \$45 million package of reforms to fully deregulate the taxi industry to benefit the customers in the long term and make the point to point industry more dynamic. In terms of the question regarding the regional licence plates—in terms of the financial assistance scheme, first of all, it is a proposed scheme. As you know, the bill still needs to be passed and it's proposed to make flat payments to the owners of eligible licences and it's dependent on the operating areas. The operating areas in the regions, as you appreciate—the prices paid for the licences vary widely.

The Hon. JOHN GRAHAM: Mr de Kock, this has been the subject of extensive interaction in the Parliament. To give you some context, regional taxidrivers are totally confused about what the formula is. Perhaps if I could direct you back to the specific question—where sales data is not used to determine compensation, what are the other factors?

JOOST de KOCK: The way it was done was it looked at the median sale price of each operating area in the period between 2010 and 2015. If there was a very low number of sales, then actually we looked to further in history. If there was no data at all, then we actually looked at sales in operating areas that were very similar. The characteristics included the location, the total population, the number of people per taxi licence. Then we used that as a proxy to allocate the region. So it was three different methodologies used to determine it.

The Hon. JOHN GRAHAM: Did factors such as access to an airport rank and hail area come in as a factor to determine compensation?

JOOST de KOCK: Not according to my notes that I have here.

The Hon. JOHN GRAHAM: How many zones in the regions had, as you described it, a low number of sales or no data?

JOOST de KOCK: I don't have that detail here at my fingertips. I will have to take it on notice.

The Hon. JOHN GRAHAM: How many zones were there in general?

JOOST de KOCK: In total there are four regional zones.

The Hon. JOHN GRAHAM: There are four regions. How many zones within each region?

JOOST de KOCK: Again, that is available on our website, which lists all of the zones and all of the individual—

The Hon. JOHN GRAHAM: Yes, I have had a look at that. I am asking how many there were in total.

JOOST de KOCK: I can't remember. I don't have the total number at my fingertips but, as I say, that is freely available on our website.

The Hon. JOHN GRAHAM: So low data or no data—you can't tell us the exact number. Perhaps if you can come back on that in the session.

JOOST de KOCK: I will take it on notice.

The Hon. JOHN GRAHAM: Give us some sense, though. You were, as the secretary said, intimately involved in this. Was it a large proportion or a small proportion of the—

JOOST de KOCK: I will take that on notice and, as I say, the data of the taxi—

The Hon. JOHN GRAHAM: Mr de Kock, I don't think that's reasonable. In assessing this, did we have sales data in most of these or none of these? Give us some clues.

JOOST de KOCK: I will take that on notice. I don't have the precise numbers.

The Hon. DANIEL MOOKHEY: Mr de Kock, I had a taxi owner from the South Coast tell me that there wasn't a sale in their zone since 1993. These are creating immense concern. You accept that it has created a lot of concern amongst regional taxi owners?

JOOST de KOCK: I appreciate that it's a difficult time for the taxi industry with COVID as well as the reforms that are underway, yes.

The Hon. DANIEL MOOKHEY: So, again, it's not that difficult a question. We have been told by many of these taxi owners that there wasn't any comparable sales data around which you could base their benchmark. Can you give us any reassurance about the number of zones that may well fall into that category?

JOOST de KOCK: As I say, I will take on notice what those exact numbers are.

The Hon. JOHN GRAHAM: So for these taxidriviers who are saying that maybe there hasn't been a sale since the 1990s, you can't tell us whether that's common or not as you are making this assessment—as this algorithm is rolling out?

JOOST de KOCK: As I say, I will have to take the exact numbers on notice.

The Hon. JOHN GRAHAM: I don't want the exact numbers. I'm simply now asking is that a common experience, where there might not have been a sale since the nineties?

JOOST de KOCK: There is quite a diverse—

The Hon. JOHN GRAHAM: How often was that applying?

JOOST de KOCK: In some areas there will be multiple sales and in some areas, as you said, there will be no sales. I will have to take on notice what the distribution of that is.

The Hon. DANIEL MOOKHEY: Are we going to see a bill anytime soon in Parliament at all, Mr Secretary, in respect of this matter?

ROB SHARP: The Government is still considering its position. Clearly there is a lot of feedback on the current proposal. The matter still sits with the Government.

The Hon. DANIEL MOOKHEY: Sure. Has the Government asked you to prepare additional options for its consideration?

ROB SHARP: We continue to provide a range of options, including what the transition looks like for the industry as a whole, not just necessarily the compensation for the numberplate. Clearly there is an industry transition occurring and we are providing broad advice in that regard.

The Hon. DANIEL MOOKHEY: I appreciate that, Mr Secretary. Members of the Government have openly said that they are campaigning to double the passenger service levy to \$2. Are you modelling doubling the passenger service levy to \$2?

ROB SHARP: There have been a number of options tabled with the Government for consideration.

The Hon. JOHN GRAHAM: Is that one of those options?

ROB SHARP: I don't know whether that specific dollar amount is there, but certainly the size of the levy is something that there are a number of options around.

The Hon. JOHN GRAHAM: Can I turn to either the secretary or Mr de Kock on a specific example? There have been a number of specific questions which have really led to some of these concerns. One of those is on the North Coast of the State, where taxi plate owners in Ballina and Tweed might get \$130,000 in compensation, but a taxi plate owner in Byron Bay would get \$25,000 in compensation. Looking at the specifics of that region, what is the commonsense description for why that varies so much?

JOOST de KOCK: I can't talk to the specifics of the region but I can say that sometimes there are occasions when you have two different operating areas that are right next to each other. When you look at the sales data between 2010 and 2015, although they are geographically very close together, the actual prices of the plates were substantially different and therefore they fall into different categories.

The Hon. JOHN GRAHAM: What can you tell us about the sales data between 2010 and 2015 in the regions of Ballina, Tweed and Byron Bay?

JOOST de KOCK: As I say, I don't have that data at my fingertips and also the other thing I just have to be careful with is that in certain areas where the number of sales are very small then actually these become individual—

The Hon. JOHN GRAHAM: Were sales small in either of the areas of Ballina, Tweed or Byron Bay and you had to estimate?

JOOST de KOCK: I don't have that data at my fingertips. I would have to check for that; and also we have to be careful that we don't divulge individual information if the number of sales are small.

The Hon. JOHN GRAHAM: These are commonsense questions being asked by taxidriviers.

The CHAIR: Order!

The Hon. JOHN GRAHAM: Who can tell us, if the agency can't?

The Hon. SHAYNE MALLARD: You've asked that question about eight times.

JOOST de KOCK: As I said, I can take that on notice and if I can provide that information—because you can't have too much granularity to protect individuals.

The CHAIR: It is now time for the Government members to ask questions, should they wish.

The Hon. SHAYNE MALLARD: And we do.

The Hon. CHRIS RATH: I'll start, if that's okay.

The CHAIR: Go for it.

The Hon. CHRIS RATH: And then I'll hand over to Mr Mallard.

The Hon. DANIEL MOOKHEY: Elliott sent these questions to us!

The Hon. CHRIS RATH: Through you, Mr Sharp—feel free to hand over to whoever—what year was the speed camera survey introduced?

ROB SHARP: I'll pass over to Ms McCarthy, but that survey process had been in for a long time. It's a useful source of information.

The Hon. JOHN GRAHAM: The question is specifically the speed camera survey, not the survey in general.

The Hon. CHRIS RATH: Yes. The speed camera survey.

The Hon. JOHN GRAHAM: Yes.

ROB SHARP: Yes.

The Hon. DANIEL MOOKHEY: Is this the poll?

The Hon. SHAYNE MALLARD: Do you mind giving us some respect?

The CHAIR: Order!

The Hon. MARK BANASIAK: We're just trying to assist with clarity.

TARA McCARTHY: There's no mobile speed camera survey. There is a survey that's been undertaken for around the last 10 years that looks at customer sentiment in relation to a number of automated enforcement programs that we have. That includes mobile phones; that includes bus lanes; that includes speed cameras. We've been doing that for about 10 years.

The Hon. CHRIS RATH: Would you be able to take on notice maybe when that started—well, when that process—

TARA McCARTHY: It's probably in my notes. I'll come back to you on that.

The Hon. CHRIS RATH: Okay.

TARA McCARTHY: I probably do have it here.

The Hon. CHRIS RATH: No worries. Also, what is the revenue from the Sydney Harbour Bridge or Sydney Harbour Tunnel toll currently allocated to?

The Hon. DANIEL MOOKHEY: Good question.

TRUDI MARES: I can answer that, Mr Collins, if you'd like—thank you. It's for various works. It's for the workers for the Sydney Harbour Bridge and the maintenance works for Sydney Harbour Bridge and other operating costs for the tunnel and the bridge. That would include our driver aid operators and painters and other staff contracted for the bridge and tunnel.

The Hon. CHRIS RATH: Excellent.

TRUDI MARES: Thank you.

TARA McCARTHY: The survey commenced in 2010.

The Hon. CHRIS RATH: In 2010? Okay.

The Hon. SHAYNE MALLARD: Under Labor.

The Hon. CHRIS RATH: Very interesting. Thank you. Mr Mallard?

The Hon. SHAYNE MALLARD: Thank you to my colleague. Mr Sharp, through you to, I think, Ms Mares as the Deputy Secretary for Greater Sydney, this is about the proposed gantries on the Anzac Bridge. Was your team made aware of the Government's concerns around those gantries—I think it said something about their appearance—prior to the Premier's comments that ultimately led to the decision to have another look at the project?

ROB SHARP: I'll pass to Ms Drover.

CAMILLA DROVER: I mentioned earlier that we are obviously very cognisant that it is a landmark, the Anzac Bridge, and it hasn't had really significant works to it since it opened in 1995, which is why we did do consultation with those bodies like Heritage NSW, RSL NSW, the original designer of the bridge—but it's also why we're out with consultation to understand what the community thinks about what we're proposing to do. The point of that is to hear that feedback, take it away, and respond to it, and that's what we going to do.

The Hon. SHAYNE MALLARD: I'm going to press you. Was your team aware that the Government had concerns about the proposed gantries on the Anzac Bridge prior to Premier's public comments?

CAMILLA DROVER: There were concerns, yes, because this is a significant landmark. It's obviously where the memorial to the Anzacs is. As part of the works, we actually were proposing to refurbish the memorial—

The Hon. SHAYNE MALLARD: I've read that, yes.

CAMILLA DROVER: —because, again, it hasn't had any significant treatment for those near 30 years, so that was very much a part of it. In fact, there were originally two gantries but we went to three because it was thought from an aesthetic point of view it might be better balanced with the existing infrastructure of that bridge. So a lot of consideration has gone into it.

The Hon. SHAYNE MALLARD: Yes.

CAMILLA DROVER: It's the reason why we are going out to community, though—

The Hon. SHAYNE MALLARD: I get that.

CAMILLA DROVER: —to test the proposal, understand what that feedback is, and then we'll respond to it. We're not starting construction tomorrow or anything. We're in a planning phase.

The Hon. SHAYNE MALLARD: I just wanted to make it clear that it was expressed to you prior to the Premier's public comments that the Government had concerns. You have confirmed that.

CAMILLA DROVER: There are concerns about the aesthetics, but also we are touching a major link into the CBD and a bypass of the CBD and we need to make sure that—

The Hon. SHAYNE MALLARD: And the impact upon the Anzac sculptures, too, which is an emotional connection.

CAMILLA DROVER: Absolutely.

The CHAIR: Was it you, Shayne? Were you the one who was concerned?

The Hon. SHAYNE MALLARD: I drive the M4 and it's a masterpiece of traffic management, I have to say, when a car breaks down and they move you across to another lane. It's brilliant.

The Hon. DANIEL MOOKHEY: No-one can afford to use it.

The Hon. SHAYNE MALLARD: Anyone who travels on those motorways with the smart motorway system appreciates how they work. We just have to find a more aesthetic and better-looking solution. My second question is related to my regular travel on the M4 and WestConnex and so on, and that is the construction zone speeds, Mr Sharp. There is some talk that they should be removed or reduced to just working hours or something like that. What would be the safety impacts of removing construction zone speeds? They vary, don't they, from 40 to 80 depending on what is going on? What would be the impact?

ROB SHARP: The impact would be significant. The safety of our workers is paramount. When you think about where the works are, typically on a live freeway, some of the speed zones can be 110 kilometres per hour. There have been some quite sad events where individuals have been seriously injured. We are trialling a number of different ways to improve how we communicate speeds, and there is a review underway. Paramount to it is that there does need to be speed indications. How you manage that and flex that is where we're looking at the moment. It's a very significant issue for us, managing the safety for our staff.

The Hon. SHAYNE MALLARD: It's not just staff, is it? It's also the fact that lanes are narrow and on the M4 now there's a new bridge being built and we drop down to 80 and sometimes 40.

ROB SHARP: Correct.

The Hon. SHAYNE MALLARD: There are smart gantries telling us that new speed, but you have to go quite narrow to go around. P-plate drivers, for example, just don't understand that.

ROB SHARP: No. Also, it's not just for roadworks. Often the roadworks are occurring because of road damage, particularly at the moment off the back of floods. It has generated some conversation recently. It is important for the vehicles that are coming along to actually know of those dangerous hazards and also, as you indicate, to slow down for that, pre hitting the sign—not literally. Also, as you indicate, the road does narrow. There are a number of considerations and the traffic controllers take all of those into account when putting those signs up.

CAMILLA DROVER: If I can just add to that, obviously, we look at the safety of the workers doing the roadworks but also the safety of the motorists. Sometimes the works have finished for the end of the day but because we've perhaps taken the shoulder we're actually leaving a less safe environment for the driver. Although there is no obvious construction activity happening, we've actually changed the road geometry or the space, particularly those road shoulders. That is sometimes a reason why the speed remains lower than the normally posted speed sign, because we've actually changed something to that road corridor.

The Hon. SHAYNE MALLARD: There is a margin of error.

CAMILLA DROVER: Normally, if we do works, we change the sign to protect both the safety of the motorist and also the worker. If the works are finished, then we put the sign back to the normal posted sign, except in the instances where we have actually changed the infrastructure itself.

The Hon. SHAYNE MALLARD: Thank you for explaining that.

The CHAIR: That brings this part of the hearing to a close. We will now break and come back at 2.00 p.m.

(Luncheon adjournment)

The CHAIR: Welcome back. Thank you all for being prompt. I will now hand over to Mr Banasiak.

The Hon. MARK BANASIAK: I might pick up where my colleagues left off, talking about the taxi issue and deregulation. I might require perhaps Mr de Kock and perhaps Mr Wing to come up, but we will see how we go. I want to try to find out the origins of this proposal of deregulation as reform, whether it came from within the department or it originated at the Minister's desk. Mr Sharp, where did this concept of total deregulation of the industry originate from?

ROB SHARP: My understanding is that the first conversations of a reform were back in 2015, some seven years ago. It was driven by a need to adapt to the new technologies that Uber and others were bringing into the marketplace. I haven't got any further details of the reform that was tabled or developed back in those days, but I can ask—

The Hon. MARK BANASIAK: I'm more specifically talking about this current proposal, which I think was flagged with the industry 12 to 18 months ago. Who came up with that proposal? Did it originate from within the department or did it originate from the Minister's desk?

ROB SHARP: I will pass that to Mr de Kock.

JOOST de KOCK: I think I will talk to that. As you're aware, there was an independent review of the point to point industry carried out by Ms Sue Baker-Finch in 2020.

The Hon. MARK BANASIAK: Yes, and that was rejected by the industry.

JOOST de KOCK: But the Government largely supported the 24 review recommendations. That was probably the baseline for the reform. As you mentioned, we did consult with industry about a year ago also about

the assistance package as well as the reforms. Both the independent review plus the input from industry actually helped shape the current reforms and assistance package.

The Hon. MARK BANASIAK: Given that the industry totally rejected the proposed reforms 18 months ago, I question your comments to say that the consultation shaped it because it doesn't sound like it was shaped at all. You just ignored the input from the industry, who have rejected the Sue Baker-Finch report. They have rejected the 24 recommendations. They have rejected this proposal of total deregulation. To say the consultation actually shaped the reform that is being presented today is totally false. You've ignored the industry, and you're just ploughing ahead.

The Hon. CHRIS RATH: Consultation is not approval.

JOOST de KOCK: In terms of the consultation, we did consult, for example, on the assistance scheme. In the previous round of reforms, for example, the assistance scheme could only allow for assistance for up to two licences. We received feedback that was too few licences. As you will hear in the current proposal, we have increased the number of licences that are eligible for the assistance to six in the cities and no limits within the regions. We have taken on board industry feedback as we went along.

The Hon. MARK BANASIAK: What other jurisdictions did you look at that have gone through this total deregulation when you were proposing or designing this reform? Did you look at any other jurisdictions that have gone through this and what their experiences were?

JOOST de KOCK: We are aware of other jurisdictions, such as Victoria and WA, that have also gone through those reforms and deregulation, and Ms Sue Baker-Finch also looked into that as well. So, yes, we have taken that into—

The Hon. MARK BANASIAK: The Sue Baker-Finch report was very heavily plagiarised from the Victorian one. Were you aware of the New Zealand jurisdiction, who are now actually looking at going back and stepping back from deregulation and looking to re-regulate because it's chaos?

JOOST de KOCK: I'm not familiar with the New Zealand proposals.

The Hon. MARK BANASIAK: I would encourage the department strongly to look at what's happening in New Zealand at the moment and the experience that customers are having with regard to their point to point service, or lack thereof, as a result of total deregulation and maybe rethink this proposal going forward, given the negative customer experience that's happening in New Zealand. Customers can't get rides; meters are being turned off.

JOOST de KOCK: Having said that, obviously there have been lots of discussions with major industry players and many of those do support these reforms going forward.

The Hon. MARK BANASIAK: Who supports these reforms going forward? I haven't met one industry representative or group that says they support this reform going forward. They might support getting compensation—you call it "assistance"—but I have met no one who supports the deregulation component.

JOOST de KOCK: I think the team has received enough feedback that there are good points to this deregulation because it gives the taxi operators more freedom, for example, to put taxis on in peak demand periods and so forth.

The Hon. MARK BANASIAK: On notice, can you provide the feedback you've received, and where it's from, which supports this deregulation? That would be great. In terms of the compensation, you tried to explain the formula for how that was worked out. But is it not the case that stamp duty was collected on these licences as they are a property and, therefore, it is very easy for the department to work out what was paid for these licences?

JOOST de KOCK: We do have records of what has been paid for those. Having said that, some of the transactions go back a long way. So we do not have a complete and accurate dataset of all the information, especially if you go to the historical—

The Hon. MARK BANASIAK: But when you do have an accurate representation, specifically down to the dollar, where taxi owners have come to me and said, "I can show you that in 2012 I paid \$410,000 for my licence and now I'm being offered \$75," you can see how they would be upset at that, given that they're being punished because there's a lack of data, essentially?

JOOST de KOCK: No, not necessarily. You're talking about the difference in what they have paid for the licence and what they're proposed to be getting under the proposed assistance scheme.

The Hon. MARK BANASIAK: Let's be frank. It should be compensation because you're taking an asset, you're taking property. The High Court ruled that a taxi licence is property. So it's not assistance that you're

giving; you are taking an asset. Can we talk about the proposal for a September date cut-off for receiving this so-called assistance? Some in the industry have come to me and said that this cut-off date actually punishes those who couldn't hold out any longer and had to sell just recently and that those who bought just before the September cut-off date are going to make a profit. Someone might have bought a licence or sold a licence in desperation to someone who might have paid \$40,000 or \$50,000. Under this assistance scheme, the person who just recently bought it is going to make a profit of \$50,000 or \$60,000. Has the department looked at the unintended consequences, where people are going to profit from the suffering of others, of this reform?

JOOST de KOCK: As I said, we designed this scheme to be as equitable as possible and the—

The Hon. MARK BANASIAK: Has this issue been raised with you and are you going to address it? That is my point.

JOOST de KOCK: We are aware of that particular example that you have mentioned. But I think that we have to say that when it was announced on 21 September—that's when the additional financial assistance package was announced—we said that's the time when the person needs to own the licence and also still—

The Hon. MARK BANASIAK: So you're aware but you're not going to do anything about it? Is that your answer?

JOOST de KOCK: In the end it's about the value of the licence that the person had rather than the individual circumstances.

The CHAIR: Just staying on that topic—sorry, was it 21 or 15 September? Was 21 September the cut-off?

JOOST de KOCK: It was 21 September, I believe.

The CHAIR: Was that date chosen purely because that was the date that the scheme was announced?

JOOST de KOCK: That's correct, yes.

The CHAIR: There's no other magic in it?

JOOST de KOCK: No.

The CHAIR: Mr Wing, I understand you monitor or keep a record of how many transfers of taxi licences are occurring. What was the trend leading up to that date and what have you seen since that date?

ANTHONY WING: We do keep and we publish data about taxi transfer, and of course there is actually a taxi licence transfer levy. The number of transfers was slowing around that period because people were expecting an announcement from the Government. We haven't seen large numbers of transfers since that date. I would have to check how many exactly we have seen.

The CHAIR: If you could take that on notice, that would be really useful. Mr de Kock, why was the decision made to treat this as, I guess, income in the hands of the taxi licence sellers as opposed to a repayment of capital. Obviously this is going to have a massive tax impact for them because it's being characterised as an assistance package. Why was that decision made?

JOOST de KOCK: Sorry, could you please repeat the questions again?

The CHAIR: Yes. I'm interested in why the buyback scheme has been framed as assistance rather than a repayment of an asset. Because obviously if it's classified as income, this means that it will be taxable in the hands of the taxidriver. Why was that decision made?

JOOST de KOCK: I think the tax aspect is quite important, and I must say I'm not a tax lawyer, but my understanding is that payments made under this financial assistance scheme will be taxed and it depends a little bit on the tax stream, whether it's income or capital gain, and that also depends of course on the individual circumstances of the licence owner.

The CHAIR: But if you're holding as an individual.

JOOST de KOCK: In the payments made on this particular financial assistance scheme, with the deregulation, it's more likely to be treated as a capital event because it is about a payment in connection with a cancellation of a tradeable licence. So it's more likely to be a capital event than an income event. But, again, ultimately the tax treatment is determined by the Australian Taxation Office and it is dependent on the individual circumstances. It's more likely to be a capital event than an income event.

The CHAIR: Is that the case for individuals as opposed to business owners who are holding it as a business asset? Is what you just read out a—

JOOST de KOCK: As I say, I'm not a tax accountant but my understanding is this is more likely to be a capital event and therefore a sale and most likely be taxed on the capital gain rather than income basis.

The CHAIR: Have you sought a private ruling from the ATO on this?

JOOST de KOCK: Actually we will do that as soon as the reforms are passed. We would actually get a formal—

The Hon. MARK BANASIAK: It's too late.

JOOST de KOCK: —ruling from the tax office and also we would go also to the Department of Social Services to make sure that there are no indications on people's other support from the Federal Government for example.

The CHAIR: Because if it's treated as income and it's taxable, it's effectively a gift from the State Government to the Federal, which seems to be bypassing much of the need of the taxidivers, which clearly is not what was intended by the scheme.

JOOST de KOCK: The design of this is to be, with all the things that I just explained, more of a capital gain than an income.

The CHAIR: How much is sitting unspent from the passenger service levy, the PSL?

JOOST de KOCK: At 1 July—the latest number I've got is 1 July—the passenger service levy has collected \$259.3 million, and of that we already provided assistance to the industry of \$145 million. But maybe Mr Wing will have a more up-to-date number for that.

ANTHONY WING: Yes, I have a very recently published number from Revenue NSW about the amount collected. Up till the end of the September quarter it was \$275 million.

The CHAIR: So \$275 million—which makes the maths much easier, thank you—of which \$130 million has not gone to taxidivers, correct?

JOOST de KOCK: If the maths is correct, yes.

The CHAIR: Are you correcting my maths over there? No, \$145 million has been paid out. Is that what you said before? I thought it was.

JOOST de KOCK: That is correct—\$145 million has been paid out, yes.

The CHAIR: So \$145 million paid out.

JOOST de KOCK: There is over \$100 million collected but not yet paid out.

The CHAIR: Okay. So the \$130 million that passengers are paying as part of an agreement to ensure some sort of equitable transition for taxidivers is still sitting in the Government coffers. Is the rationale for that that it will be wrapped up in this scheme?

JOOST de KOCK: Correct. The passenger service levy is collected to help the industry transition. It needed a financial assistance package, as we just discussed.

The CHAIR: After the revelations in our point to point inquiry, where we discovered this unpaid amount and the very strict criteria that had been used in the hardship applications for taxidivers, has there been no consideration by the department to reopen those hardship applications? This has taken a really long time. When you listen to the stories of these taxidivers, their entire lives got turned upside down. They needed that assistance yesterday, not as part of some scheme that we haven't even seen a bill for. Was there any reopening of the hardship application criteria?

JOOST de KOCK: The previous hardship fund relates to the reforms for 2010 and 2015. This is relating to the reforms that are happening and proposed now. One of the things we did hear when we consulted with the industry is the need for faster payments. As I mentioned before, flat payments are simpler to process; therefore, we could potentially pay them out faster. Any payments that require individual assessment would take a lot longer to process.

The CHAIR: But the answer is no? There was no reassessment of the—

ANTHONY WING: If I could add to that, Chair, obviously, Mr de Kock wasn't there at the time, and neither was I. My understanding is that one of the things which led to Minister Constance at the time asking Sue Baker-Finch to look at the industry was to look at whether additional payments should be made to taxi licensees. That was one of her terms of reference.

JOOST de KOCK: That's right. She came to the conclusion that, if the industry will be fully deregulated, there's a case for making further assistance payments to mitigate the impact of the deregulation and the loss of value of taxi licences.

The CHAIR: Our inquiry was running at the same time, and it came to a very different conclusion, which was embraced by the taxi industry.

The Hon. DANIEL MOOKHEY: Secretary, has the department or the Minister approached the new Federal Government to ask for a funding contribution for Metro West?

ROB SHARP: For Metro West? I'll pass that to Mr Regan, but I don't believe so.

PETER REGAN: That's correct. There hasn't been a request for Federal Government funding for Metro West.

The Hon. DANIEL MOOKHEY: Is there a specific reason why we have not requested any Federal support?

PETER REGAN: It's being fully funded by the State Government.

The Hon. DANIEL MOOKHEY: How much is that going to cost?

PETER REGAN: We haven't announced the budget yet.

The Hon. DANIEL MOOKHEY: I know, Mr Regan. You can't blame me for trying to ask you at budget estimates what the budget is for Metro West. I can press you, but you're not going to give me any better information, are you, Mr Regan?

PETER REGAN: Not at the moment. When we have let all of the contracts, we'll be making a further announcement around the budget. Clearly, we are well into the procurement. We are expecting to sign the third tunnel contract by the end of this year. We'll be shortly making further announcements to industry about the next steps on the balance of the procurement.

The Hon. JOHN GRAHAM: When you say it is fully funded by the State, what are you referring to? The whole project is fully funded?

PETER REGAN: Yes, that's right.

The Hon. DANIEL MOOKHEY: Can you point me to where in the budget it's funded fully?

PETER REGAN: The budget, in the forward estimates, includes the full funding for the next four years. Clearly, the delivery time frame goes beyond that, so that's—

The Hon. DANIEL MOOKHEY: When are we opening it?

PETER REGAN: By the end of the decade.

The Hon. DANIEL MOOKHEY: So 2030?

PETER REGAN: Yes. That's correct.

ROB SHARP: Mr Mookhey, if I could also add that there is correspondence from the Federal Government for this current round of infrastructure review which indicated that they weren't looking for any submissions for new projects or for extending projects. They were literally looking at the profile of projects that had already been agreed. This particular round of Federal Government funding wasn't contemplating anything new.

The Hon. JOHN GRAHAM: Can I just ask you about how much is in the budget at the moment?

The Hon. DANIEL MOOKHEY: In each of the years of the forward estimates.

PETER REGAN: I believe, for Metro West, it's about \$12 billion. Could I come back and confirm that to you this afternoon?

The Hon. DANIEL MOOKHEY: You could.

The Hon. JOHN GRAHAM: Yes. I'm in my colleague's hands on this, but can you break up the allocation year by year?

PETER REGAN: Yes. Let me come back on that.

The Hon. DANIEL MOOKHEY: When you say it is in the forward estimates, are you referring to *Budget Paper No. 3*, in the Sydney Metro entry?

PETER REGAN: Yes, I believe so. I will come back to you with the breakdown. There is \$26 billion across the three Sydney Metro projects in the coming four years. There is an allocation for City & Southwest, the Western Sydney Airport line and Metro West.

The Hon. DANIEL MOOKHEY: Yes.

PETER REGAN: But I will find that for you if it's not apparent.

The Hon. DANIEL MOOKHEY: Yes, that would be helpful. You're a PNFC, aren't you, Sydney Metro?

PETER REGAN: No, government agency.

The Hon. DANIEL MOOKHEY: Yes, but you're a public non-financial corporation that's a government agency.

PETER REGAN: No, we're not. We're a government agency.

The Hon. DANIEL MOOKHEY: Okay. Again, I'm trying to see where your things are. You'll come back to us this afternoon?

PETER REGAN: I'll come back. I don't have the paper in front of me, but I'll get the answer for you.

The Hon. JOHN GRAHAM: Could you do that in relation to each of the three lines?

The Hon. DANIEL MOOKHEY: In each of the years.

PETER REGAN: Yes, I think I can do that.

The Hon. JOHN GRAHAM: Can I turn to the issue of the regional roads reclassification? When we last met at budget estimates the Minister was asked how many roads had actually been transferred. That was the specific question, and the answer at that point was zero. How many roads have been actually transferred as we sit here today?

ROB SHARP: I'll pass that on to Mr Fuller.

MATT FULLER: Thank you for the question, Mr Graham. I may ask Ms Heydon just to add a bit of colour to this one. At the moment there is actually five underway that are in progress, and they are the ones, of course, that happened in the priority round. The priority round obviously preceded the full report that we're anticipating receiving from the independent panel later this year. Ms Heydon, I don't know if you have any further information just to add to that.

CYNTHIA HEYDON: In relation to the regional transfers, I will say that two of them—Armidale and Kempsey-Armidale—are subject to flooding recovery activities, so the delivery and the timing for those will inform the transfers. But all of the 37 recommendations, both reclass and transfer are underway.

The Hon. JOHN GRAHAM: Great. As I listen to that, it sounds like the same position we were in last estimates, which is that to the question I asked—how many have been transferred and how many are complete—the answer is still zero. Is that correct?

MATT FULLER: Still to be completed, because as you'd appreciate, there's a number of things that we need to consider, particularly if we were to prematurely complete processes that still have funding arrangements allocated to them, say, with the Federal Government, opex considerations and local government and things.

The Hon. JOHN GRAHAM: Yes.

MATT FULLER: Obviously they're advanced; they're underway. There's a bit of a process, though, and a time frame, given those roads—as Ms Heydon said, Kempsey-Armidale road is a very good example, where it has got quite extensive natural disaster relief—

The Hon. JOHN GRAHAM: Yes, and the flood issues are a good example of why this might have been slowed down. I'm not critical of the agency. Obviously this was a very big promise by the Government that gave hope to regional communities. So as of today, zero road transfers are complete. When will the first kilometre of road be transferred?

CYNTHIA HEYDON: I'll just provide clarity again. We have had a road transferred to the management of the State under the reclassification process. So, under the 37 recommendations, 32 of those were actually in relation to reclassifications. Within some of those reclassifications, there are notionally a change in management as well, but they are separate. So we have had a transfer of just over five kilometres through one of those, which is in the Bankstown area, and there will be a couple of others that come through in that process as well. Regarding

the timing for the five specific interim report recommendations that were supported, we are still working through the timing of those. However, we have been going through with councils to actually assess and inspect the roads—that's been live at the moment—and looking at defect remediation and timing. So we are looking at staggering—

The Hon. JOHN GRAHAM: I'm glad you reminded me about the Bankstown road. I hadn't forgotten. I do want to return to the question, though. When will the first kilometre of regional road be transferred? That was the promise.

CYNTHIA HEYDON: We're working through the schedule with all of the local government authorities at the moment. It will be in line with what timing suits each of those respective councils. So I cannot give you a formal date at this point.

The Hon. JOHN GRAHAM: But as of today, we must have something more specific than it could happen any point. Give us some sense for this signature policy of the Government—15,000 kilometres of road to be transferred. When will the first kilometre of regional road be transferred?

CYNTHIA HEYDON: Under the specific—those five recommendations, we are targeting for this financial year, but that will be subject to defects and the remediation process and availability of our crew.

The Hon. JOHN GRAHAM: So a lot of uncertainties, but by the end of June we might see the first kilometre of regional roads transferred.

CYNTHIA HEYDON: Yes. There may actually be other transfers that happen through the reclassification process.

The Hon. JOHN GRAHAM: Yes, I understand. I have two other questions. What was the budget that has been set aside for this first priority round for all the reclassification and transfer?

MATT FULLER: I'll jump in; Cynthia, feel free to add. In this current year \$20 million has been allocated. We have \$10 million in opex and \$10 million in capex. Then we have a further \$230 million that has been allocated in the forwards. There is another 230 basically sitting there in financial year 2024 at the moment, pending the review and pending—

The Hon. JOHN GRAHAM: It's separate to the 20, isn't it? It's 250 in total.

MATT FULLER: Exactly. The 250 was the original commitment by government. The 230 remains to have a profile, I guess, because of the fact that we're awaiting the review by the independent panel. That will give us much greater clarity on the extent, the number of roads and the condition of which those may be in a state to transfer earlier than others. There will be obviously some re-profiling of that funding to ensure that it's fit for purpose and carries out its objectives.

The Hon. JOHN GRAHAM: Can you just tell us what the rollout of that funding is? That's the amount in the forward estimates over the four years. How much in each year?

MATT FULLER: As I said, it's \$20 million this financial year, and at the moment there's \$230 million in the financial year 2024.

The Hon. JOHN GRAHAM: There's a single allocation in that financial year. There's none in the—

MATT FULLER: Ms Heydon, I think that's my understanding; do you have any further information?

CYNTHIA HEYDON: We are looking at re-profiling that because, as you're aware, there is an element of capex and opex there. We're looking at opex in the earlier instance to assist where we can with councils undertaking works before a transfer where we're not able to actually capitalise that; and then doing a business case at the moment for any increased works that we'd be doing on the State side with transfers.

The Hon. JOHN GRAHAM: So at the moment there is an amount allocated next financial year, if I understood you correctly—that is the 230—but it's now been re-profiled to slow that down, given progress? Is that a fair comment?

CYNTHIA HEYDON: Well, re-profiling, we're looking to access at this point probably more opex to assist with council work prior to transfers.

MATT FULLER: I think, Mr Graham, it was always a nominal amount flagged and parked, and then agreements would be struck as to the proportion of opex and capex. Also, the profiling really depended upon what's to come from the independent report, which we are still yet to receive. That will really inform what's there and how that funding is allocated.

The Hon. JOHN GRAHAM: But that amount won't cover the full reclassification, will it?

MATT FULLER: I wouldn't have thought so, no.

The Hon. JOHN GRAHAM: Okay. I might turn to my colleague.

The Hon. DANIEL MOOKHEY: Mr Secretary, on another matter: Are you over-engineering megaprojects with tonnes of unnecessary, costly materials which are driving up the price and carbon footprint of multibillion-dollar builds?

The Hon. SHAYNE MALLARD: Outrageous! Thank you, Minister Stokes.

ROB SHARP: A very complex question. The short answer is that we go through procurement processes to get value for money. We have been looking at carbon pricing and how we reduce the footprint of the concrete and steel that are in our structures. That is actually something we are working with industry on. We've had good consultation with industry on mechanisms to achieve that. Ideally, you would be able to design those or minimise the amount of carbon. There will always be carbon in there. There are technologies that are emerging as well. I will pass to Ms Drover to talk about some of the industry feedback—

The Hon. DANIEL MOOKHEY: Before you do, though—to be clear, Mr Secretary, this is the accusation that the cluster Minister has made about your cluster.

The Hon. SHAYNE MALLARD: Observation, not accusation.

The Hon. DANIEL MOOKHEY: This is coming from the infrastructure Minister himself. I accept the carbon footprint aspect of it, but he's actually saying that you're over-engineering projects with unnecessarily costly materials driving up the price. To be fair, I'm always happy to hear from Deputy Secretary Mares, but the accusation is actually made directly against the Sydney Metro. The Minister states:

I think there is a general awareness that we have been very conservative and over-designed some of our station boxes on Metro lines ...

Perhaps we can hear from Mr Regan about whether he'd like to respond to the criticism that the Minister has mounted?

PETER REGAN: Yes, definitely. I don't necessarily think the comments were intended as a criticism. I think there is actually a really exciting opportunity as we go forward, particularly with improved technology, to achieve a different balance between the standards that we're required to comply with and the opportunities to decarbonise or reduce carbon through design, through material use and then through operations. This is something that Sydney Metro is very heavily focused on. We have announced that on the Western Sydney Airport metro line we are committed to achieving a carbon-neutral outcome. That's a significant advance from what's been achieved on the earlier metros, which have been fully offset in terms of use of renewable energy to power the operations. But clearly the construction aspects, the concrete, the steel and the design that is put in place have made that much more challenging. I think it is something the industry is working very positively to address as well.

The Hon. DANIEL MOOKHEY: But the issue is here—and I accept the entire construction industry is having to figure out how to decarbonise. It's a good thing. But to be clear here, the criticism that the Minister is mounting is much more about—and I accept that you don't consider it a criticism. Perhaps we can consider it the feedback the Minister has provided is that we've actually put in more concrete and steel than we needed to, and that's led to higher prices. Do you want to respond to that or not?

PETER REGAN: One of the lessons that I think can be learnt from successive construction of the metros and in other infrastructure is that the way historically and the way that industry has worked, in the way that design processes take place, and design on design on design, and the engineering standards that are required to be met, I would agree that actually in some cases that has meant the overall outcome is on the very conservative end engineering-wise. Therefore that means that things are built very solidly. The last thing anyone would want to do is compromise safety in that process.

The Hon. DANIEL MOOKHEY: On that we're on a unity ticket, Mr Regan. That's true. I appreciate that. I'm not going to press you much further on this, other than to ask Infrastructure NSW: Infrastructure NSW is apparently going to warn this week that, as a result of carbon mitigation not being considered in business case stages, there is a chance that we're going to have to, potentially, incur further costs to retrofit projects to achieve net zero in the future. Is that a warning that Infrastructure NSW is about to give?

SIMON DRAPER: No.

The Hon. DANIEL MOOKHEY: Do you want to talk about your *Decarbonising Infrastructure Delivery* report, given it's been reported that apparently you do have this concern?

SIMON DRAPER: One of our recommendations in our State Infrastructure Strategy was about decarbonising infrastructure to contribute to the State's goals on reaching net zero. Ultimately, when the whole economy has decarbonised, this will be less significant, but we're a long way from that point yet. Every cubic metre of concrete, every tonne of steel, all of that contributes to our carbon footprint in infrastructure. There is a great complementarity because we have a bit of a hierarchy in the way we approach it. Firstly, I think, ask the question in the options analysis about the scope of the infrastructure that we need to build, "Do we need to build something? If so, how significant should it be? Should we be investing in existing assets?" Then, secondly, looking at the design and the options available, if you've decided to build something, closely examining the options to try and minimise the quantities of materials that are going into that infrastructure—there's a complementarity between that approach to reducing carbon and reducing the cost of projects. Because, clearly, the less you use, the less it costs.

The Hon. DANIEL MOOKHEY: I look forward to reading the report.

The Hon. JOHN GRAHAM: Mr Draper, I'm going to pause you there just to jump to some other issues—apologies for doing that. Mr Fuller, I'll come back to you on the finances for this reclassification and transfer, the 15,000 kilometres. You agree that there's not the money there to complete the whole job at the moment in the forward estimates. Let's be more specific. If it's taken us \$20 million to do 400 kilometres, about a third of the money is in the budget estimates. Would you agree with that?

MATT FULLER: I wouldn't like, at the moment, to put a figure on our estimate. To be clear, it hasn't taken \$20 million to deal with the existing priority rounds. We're still assessing those. It's really a case of, once we get that report and then we do condition assessments and other things—

The Hon. JOHN GRAHAM: That estimate, though, of about a third is pretty consistent with the assets and services plan and the very long path that it charted out for this process, isn't it?

MATT FULLER: I wouldn't like to put a number on it at the moment, just because it's a hypothetical and it really depends on the state of the roads that are put forward by the panel.

The Hon. JOHN GRAHAM: So it could get worse. I agree with that.

MATT FULLER: Absolutely. I would absolutely agree with you that we are not fully funded for the program as it stands at the moment. But there was always an expectation that there was an allocated amount for priority funding and then there would be the process of us going back, undertaking business cases, looking at what the recommendations are, whether there are tranches, how it would play out and then coming back to you.

The Hon. JOHN GRAHAM: I will stop there and move on to another issue. Secretary, in the Federal budget, a range of infrastructure priorities have shifted. One that has had funding delayed by a number of years is the Great Western Highway. What discussions has your agency had with Federal agencies ahead of that decision?

ROB SHARP: As I mentioned, the Federal Government quite specifically excluded any new initiatives. The central tunnel is a new initiative. In the forwards, it has been pushed forward or deferred. My team is meeting with the Federal Government today to understand the timing of that, and there will be ongoing conversations. The reprofiling was for current—

The Hon. JOHN GRAHAM: Was this something that we were putting a case to them about before today?

ROB SHARP: The normal process for dealing with the Federal Government is to actually do the early works, firm up a business case and you apply through Infrastructure Australia. We're at a point where we will be progressing that process.

The Hon. JOHN GRAHAM: We haven't lodged a business case at this point.

ROB SHARP: Correct.

The Hon. JOHN GRAHAM: And that may well again, as we were observing with other projects, have had implications for Federal funding. Is that a fair comment?

CAMILLA DROVER: The business case for the central tunnelling package, which is different from the east and west packages—so it needs to clarify the different parts of the Great Western Highway program.

MATT FULLER: I think, Mr Graham, I could add that the deferral that you refer to relates to the east and west sections of the Great Western Highway. We have been in long discussions with the Federal Government, and, in fact, there's previously been a commitment to those programs. Obviously, what we saw last night—and we are still working through the detail, as Mr Sharp said, but the commitment is retained but it has been deferred out beyond the current estimates.

The Hon. JOHN GRAHAM: Yes. Thank you for that clarification. In relation to that funding, the east and west—putting the tunnel aside for the moment—was there any indication that this was going to be deferred? Were there discussions with the agency?

MATT FULLER: We've had a number of discussions with the Federal Government about all of our projects. In fact, we have a team that meets very regularly with the Federal Government agency. We obviously have reviews that are undertaken with Infrastructure Australia. That project, as an example, is in the Infrastructure Australia priority list. So there was a number of discussions—

The Hon. JOHN GRAHAM: Ministers have been in discussions, including Minister Stokes, as the cluster lead, and they've been asked to indicate their priorities. Is it possible that this slipped down the priority list when it came to the view that Minister Stokes put to the Commonwealth? Can you shed any light on that?

MATT FULLER: My understanding is that Ministers have engaged with Minister King and have expressed their desire to see the program retained in its current form and its current time frames.

The Hon. JOHN GRAHAM: Where did this sit within Minister Stokes' priorities? Was it down the bottom or up the top?

ROB SHARP: It was on the priority list.

The Hon. JOHN GRAHAM: I think we're clear on that.

ROB SHARP: Each of these projects was already approved—

The Hon. JOHN GRAHAM: These questions would be best directed to Minister Stokes.

ROB SHARP: The east-west was already approved—a project that was on the infrastructure pipeline. The information that we requested from the Federal Government was cash-flow timing. Given COVID and a number of industry supply chain challenges, they were very open that they wanted each State to provide an update on where the cash flows and timing of these projects were. We provided that information.

The CHAIR: I have one question for you, Ms Drover, but I will then have questions in relation to TAHE.

ANTHONY WING: Chair, before I hand over to Ms Colin, I have information about the number of taxi licence transfers since 21 September. There have been 14 transfers since 21 September. I wouldn't call any of them arm's length on-market transfers. Eleven of them have been deceased estates where, in each case, the original licence holder was deceased before 21 September, but the estate transferred the licence to the beneficiary after 21 September. There were three others which were related party transfers by parents to a daughter.

The CHAIR: Thank you. Ms Drover, just coming back to that question I asked you before about the potential congestion pinch-point on Anzac Bridge, we talked about the traffic going one way, but we didn't talk about it going the other way. I think the concern from the community is in relation to the traffic coming once WestConnex and also the Western Harbour Tunnel is completed, when you've got the traffic coming from the north and west into the city. That's the problematic bit, isn't it?

CAMILLA DROVER: Part of what we are doing with the harbour crossings is providing more specific crossings depending on where you are starting your journey and where you want to go. If you are coming from the north and you want to go into the CBD, you obviously use the Sydney Harbour Bridge. If you are going towards the east, you are likely to use the Sydney Harbour Tunnel, and if you are going to the western part of Sydney, you will use the Western Harbour Tunnel. Historically, everything went across the Sydney Harbour Bridge. We put the tunnel in, that provided a secondary crossing but it also preferenced those travelling to the east. The Western Harbour Tunnel is to get that traffic to bypass the Sydney CBD, because it wishes to go west or to the south-west. That is one of the key tenets of why we are putting in the Western Harbour Tunnel and also why we are doing the Warringah Freeway upgrade: to sort out all the weaves and all the different connections and have more dedicated crossings of the harbour to actually cater for the destinations.

The CHAIR: In terms of the forecast traffic then going that way, you must have some sort of modelling in place already for when WestConnex completes and for when the Western Harbour Tunnel comes into place. What is the projected increase in traffic at that point on Anzac Bridge?

CAMILLA DROVER: I don't have that information with me today, but obviously there would have been modelling done as part of the EIS and that would have been displayed as part of the EIS for the Western Harbour Tunnel and the Warringah Freeway projects.

The CHAIR: I understand that they were saying that there was about, if I recall correctly, an extra—I don't remember now, I thought it was an extra one million kilometres driven every day—that was in the EIS—as a result of the Western Harbour Tunnel project. Does that sound right?

CAMILLA DROVER: I am happy to take that on notice and see what information we can bring back.

The CHAIR: I will turn to a couple of questions in relation to the TAHE. I start with an easy one: How much land acquired for Sydney Metro is now being used as commercial real estate by TAHE?

BENEDICTE COLIN: Thank you for the question. I am not sure it is actually an easy question but we work with Sydney Metro in our acquisition. I am not aware of any specific acquisition that we have done for the Sydney Metro. We have obviously got land, in particular for the city south-west, that we will at some point vest to Sydney Metro. But I might, if that is okay, Mr Regan, direct the question to you if you want to add anything more specific.

PETER REGAN: Yes, if that is okay, Chair. As Benedicte says, there are some land holdings that sit within TAHE, particularly on the Bankstown line—work that has been converted to Sydney Metro that on completion of that conversion those land holdings will transfer from TAHE to Sydney Metro. There are also some interfaces at Central and other areas where the two networks touch. For the city and south-west project, for example, where it's a railway or adjoining land, they will transfer from TAHE to metro. At this stage I think your question was how much TAHE land is being used for metro development. Is that right?

The CHAIR: Yes, how much land acquired for Sydney Metro is now being used as commercial real estate by TAHE?

PETER REGAN: None.

The CHAIR: Good. Completely different question then. We talked before about the appointment of SEC Newgate for services by TAHE and that that relationship ended. When did that contract wind up? Do you have the date?

BENEDICTE COLIN: I don't think I said specifically that that contract ended. I said that, if my recollection is correct, the use of Newgate had significantly decreased since we had hired two permanent staff to help us with our communication. From time to time, like any corporate organisation, we retain the opportunity to discuss strategy communication positioning and that might happen from time to time with Newgate.

The CHAIR: Can you tell us the names of the prominent staff you are referring to there?

BENEDICTE COLIN: Sorry?

The CHAIR: Can you tell us the names? You say it was replaced by two prominent staff who now take that role.

BENEDICTE COLIN: I'm not sure it is appropriate to name the two permanent staff here in budget estimates, but I would be happy to take that question on notice.

The CHAIR: On questions on notice received previously, I asked a question about who approved TAHE's membership of the Western Sydney Leadership Dialogue. The response I received was Executive General Manager, Corporate Services, who I believe is Leanne Grant.

BENEDICTE COLIN: That is correct.

The CHAIR: Is Leanne Grant one of the people that you're talking about?

BENEDICTE COLIN: Ms Grant was part of the organisation. She resigned in September.

The CHAIR: She's no longer with you?

BENEDICTE COLIN: She's no longer with TAHE.

The CHAIR: Why did she resign?

BENEDICTE COLIN: I don't think, again, that it would be appropriate for me to comment on the decision of Ms Grant to resign.

The CHAIR: Okay. I might follow that up later. Apparently, according to your answers on notice, the decision to approve TAHE's membership of the dialogue was not something that the board considered and was not presumably then minuted. It was, according to this, a decision made by Ms Leanne Grant at that time. Is that standard practice—that you wouldn't, as a board, have assessed that association before it was agreed to?

BENEDICTE COLIN: That's absolutely standard if it sits within her delegation. The board approves the budget and then that budget is allocated to the relevant EGM, and that was in that case the EGM, Corporate Services. So that would have sat within her delegation, yes.

The CHAIR: Would she then report that back up in case there were any issues?

BENEDICTE COLIN: I'm not sure what issue you'd be talking about, but if there was an issue, yes, she would report—

The CHAIR: To clarify, if I was on a board and I saw that the company which I had duties to had entered into an association with another entity, I would want to know about it. I think that that is something that should come to the board because it's talking about the association between your entity and another. This is a membership association.

BENEDICTE COLIN: We report regularly on the membership that we have with our board but in terms of specific delegation and authority to enter in that membership, that would have sat within the authority of the EGM, Corporate Services.

The CHAIR: Leanne Grant reported to you, did she?

BENEDICTE COLIN: Yes.

The CHAIR: Did she discuss with you? Were you aware—

BENEDICTE COLIN: Yes.

The CHAIR: —that she had made that decision?

BENEDICTE COLIN: Yes.

The CHAIR: Had she consulted with you before she made that decision?

BENEDICTE COLIN: There would have been a briefing note for me to approve that membership.

The CHAIR: So you approved the membership, then. It wasn't a decision of Ms Grant. It was a decision of yours.

BENEDICTE COLIN: As I said, it would have sat within her delegation, but we would certainly have discussed it at the time.

The CHAIR: Because the answer here is—I said, "Who approved the membership?" The answer came back that it was Leanne Grant. I then asked, "Was the decision made by all members of the TAHE Board?" And the same sort of answer was given.

BENEDICTE COLIN: My answers are consistent with the answers that were provided to you.

The CHAIR: Sure, but she didn't have that authority by herself, because she got your sign-off, correct? So it was your decision.

BENEDICTE COLIN: I'd have to consult at the back for her briefing note. But, as I said, it would have normally sat within her delegation.

The CHAIR: The \$30,000 membership—when it came to you with the briefing note, did it have a description of what exactly you were going to be getting for that?

BENEDICTE COLIN: I assume so, but benefits of a membership of the Western Sydney Leadership Dialogue are on their website.

The CHAIR: Yes, I know.

BENEDICTE COLIN: They are a think tank.

The CHAIR: But their membership fee is not. Are you aware if that membership fee is standard across all organisations or was that a bespoke membership fee for TAHE?

BENEDICTE COLIN: I'm assuming that membership would be standard across all organisations comparable to TAHE.

The CHAIR: Okay. We'll come back to this.

The Hon. MARK BANASIAK: Mr Collins, just one final question on our favourite subject matter. There's an interesting condition of consent I wanted clarification on. It's E106 where it talks about the ongoing maintenance and operation costs remaining the proponent until arrangements have been put in place to transfer

the asset to a relevant authority. Given that this project originated in the National Parks and Wildlife Service, once the project is complete, is it the proposal to transfer it back to the National Parks and Wildlife Service or some other entity? What's this condition of consent talking about when it refers to a transfer of the asset to the relevant authority?

HOWARD COLLINS: Let me find that out, Mr Banasiak. Obviously it is complex, as you say, because of the different landholdings—Maritime, National Parks—so if I can clarify that and what that means within that section, I will do so.

The Hon. MARK BANASIAK: While Mr Wing is coming back—I've just got a few questions on the reforms for him as well. Sticking with you, Mr Collins, for the moment, I asked some questions around the Recreational Vessels Advisory Group that you took on notice and came back with some of the information.

HOWARD COLLINS: Yes.

The Hon. MARK BANASIAK: But one of the questions I asked was around the Recreational Fishing Alliance's exclusion from that group. I put to you that it may have potentially been because the department wasn't happy with some of their comments or some of their contributions, and you said you would take it on notice and get back to me about whether that was the case or not.

HOWARD COLLINS: Yes, I believe so. During my absence of leave, my acting chief operating officer has reached out to that group, and is certainly engaging with that group and making sure that there's full consultation.

The Hon. MARK BANASIAK: But were they excluded because you weren't getting the right answers from them or the answers you wanted from them?

HOWARD COLLINS: It wasn't particularly me who was involved with that directly. The ED for maritime services has reached out to them and talked to them about how we can work closely with that association, and regular meetings are being organised.

The Hon. MARK BANASIAK: Excellent, and they would be regular meetings outside of the rejigged RVAG meeting, I'm assuming?

HOWARD COLLINS: I assume so. I think the important thing is that we involve all parties, all groups, in ongoing discussions with our Maritime team.

The Hon. MARK BANASIAK: Excellent, thank you for that. Mr Wing, what advice did you provide the department regarding the proposal for total deregulation of the industry?

ANTHONY WING: There are two parts of this proposal. One is for moneys to be paid—

The Hon. MARK BANASIAK: Yes, let's put the money issue to the side. In terms of the actual regulatory reforms and getting rid of a lot of the rules, what advice did you provide to the department or to the Minister on these proposals?

ANTHONY WING: Obviously, because they are regulatory changes, we will have to implement them. We've been giving advice to the department about how to make sure that they can be smoothly implemented, firstly because there will have to be a transition of licences to more of an open licensing system. The second part—we've had some discussions with other jurisdictions, and you asked about other jurisdictions before, including Victoria. Some of feedback and advice we have given the department is that one of the things we don't want to see replicated here is the situation they have in Victoria, where they fully deregulated, where they allow people who only have one or two taxi licences not to be authorised and so they have no way of keeping track of them. We don't have that situation here, and I've been very clear to the department we don't want to have that situation here.

We want to make sure everyone who gets a taxi licence is either authorised as a service provider themselves, and is subject to all of the safety regime that comes with it, or that they are themselves fully attached to another authorised service provider with a proper safety system. We wanted to make sure that we don't have a situation where we have a whole lot of people with no safety rules floating around here. That has been an issue that has been raised with us by a number of people that have seen it in other jurisdictions where they don't have those restrictions. We've also said to the department that because there will be a whole lot of new people entering the market, that will also be a situation where we want to make sure, if there are people who are not coming out of a background in the industry, that we can be certain that they do have some understanding of their safety obligations.

The Hon. MARK BANASIAK: Going back to your comment there about the safety requirements, are you going to make sure that all participants have to adhere to the same safety requirements? I think one of the big bugbears from the industry is that taxis are up higher in terms of safety management systems and ride share is down lower in terms of their compliance requirements. Are we going to see a raising of the standards?

ANTHONY WING: Actually, I would say that we hold the entire industry to the same standard. For example, we audit all major players. My people—

The Hon. MARK BANASIAK: Yes, but the rideshare don't have to have cameras in their cars. They don't have the same level of third-party property insurance. There's a whole list of things and we've been through that list a few times. That's what I'm talking about. Are we going to see a levelling of that?

ANTHONY WING: I just wanted to be clear. We hold everyone to the same standard in terms of their underlying safety management system. They're required to meet that and we go fully into and audit people—fully make sure that happens. We audited Uber last year. We spent a year inside Uber going through every system and tested them to make sure they work. I just want to be clear that we are fully auditing people to make sure that they comply with the same standards. The requirements you're talking about—the specific requirement around taxis who do rank and hail to have cameras specifically arises because taxis do anonymous rank and hail work. We would always look at, in future as technology improves, whether we could require that extension to others who don't necessarily do rank and hail work.

The Hon. MARK BANASIAK: But we're possibly going to a system where they will be, won't we? If we go to a total deregulation that removes rank and hail protections, anyone in the point to point space could be doing rank and hail work.

ANTHONY WING: My understanding is that it is not a total deregulation that way. What has been deregulated is the number of taxi licences. Only people with taxi licences can still do rank and hail work and they must still have cameras.

The Hon. MARK BANASIAK: What about fares? What about the total deregulation of fares? That's also been touted as one of the potential reforms.

ANTHONY WING: One of the Government's announcements about its policy here is to deregulate rank and hail taxi fares. As you know, booked fares, whether you're rideshare or taxi or anything, are not regulated—but to deregulate fares. I don't believe there's a time that's been given for that to happen. There will still be regulated fares around the airport and around TTSS.

The Hon. MARK BANASIAK: But we're potentially looking at surge pricing going through the roof and people charging whatever they like if that deregulation of fares occurs.

ANTHONY WING: I get different feedback from different parts of the taxi industry. Some of them would like to see deregulation of fares, particularly where they feel that they haven't had a fare increase for eight years now. Others don't want deregulation of fares. So there are very differing views across the taxi industry itself.

The Hon. MARK BANASIAK: I think the customers will probably say they don't want deregulation of fares once they see it happening. Just quickly, lastly, what does this deregulation mean for your role and the commission's role as a whole? Because it seems like some of the rules are going away, which might lessen your load. Does that mean that there's going to be a reduction in staff or a reduction in your role or the scope of the commission? Have you been informed about that?

ANTHONY WING: Look, we've had discussions about that. Again, it's talked about as deregulation but actually the main rule that's changing is the removal of the restrictions on the numbers and operating areas of taxi licences. The more likely thing is we'll see more vehicles in the industry. We've recently increased our staffing a bit to have additional staff at Grafton, Wagga Wagga and Dubbo to help address that as well, because I don't think we're going to see any change in workload around things like our general compliance work except that there will be more vehicles and more service providers out there.

The Hon. DANIEL MOOKHEY: Mr Secretary, how much are we suing the Rail, Tram and Bus Union for to recover the money arising from their decision to leave station gates open?

ROB SHARP: The quantum is unknown at this point. What we have done is actually gone to the Federal Court on the basis that the protected industrial action that took place at the back end of August and early September was not protected. The court case is actually testing that. The process would be that, once that's done, then damages would be assessed and the criteria—that could take a number of forms.

The Hon. DANIEL MOOKHEY: Are you seeking a declaration from the court? Or have you lodged a claim—are you pursuing an industrial tort?

ROB SHARP: I'm not quite sure I'm across the technicalities of that.

The Hon. DANIEL MOOKHEY: Well, are we suing them in tort or are we seeking a declaration that the action was illegal?

ROB SHARP: A combination of the two is my understanding.

The Hon. DANIEL MOOKHEY: Is there a statement of claim?

ROB SHARP: I can get some more specific details on the court action, but my understanding is that—

The Hon. DANIEL MOOKHEY: It's Mr Longland's gates.

ROB SHARP: —the application is actually with the Federal Court.

The Hon. DANIEL MOOKHEY: Who is the applicant?

ROB SHARP: The applicant would be the rail entities.

The Hon. DANIEL MOOKHEY: Sydney Trains?

ROB SHARP: I can refer to Mr Longland if he can talk to that.

The Hon. DANIEL MOOKHEY: Mr Longland, do you know what he is suing them for?

MATT LONGLAND: The matter that is currently before the Federal Court is both seeking a declaration around the notified action, and that is in relation to the Opal readers and Opal gates—whether that should form part of what is allowed for under the Fair Work Act around industrial action, so whether it is protected or not—and also seeking other forms of relief in terms of pecuniary penalties and damages related to that action.

The Hon. DANIEL MOOKHEY: So that we can separate out the actions—look, I understand litigation is complicated and there are multiple suits afoot—right now there is a declaration being sought in respect of an action that has been notified but not yet taken, and then there is also an initiative from the Government apparently to take some form of legal action to recover losses from the August and September period. There is that distinction. Correct?

MATT LONGLAND: That's correct.

The Hon. DANIEL MOOKHEY: So I'm asking specifically about the August and September actions. Are you seeking a declaration that those actions were illegal and then are you pursuing an industrial tort to recover damages?

MATT LONGLAND: I do need to be slightly cautious in terms of discussing the details of that case, given that it is currently before the Federal Court.

The Hon. DANIEL MOOKHEY: To be fair, the transport Minister had a press conference about this, which you were at. You were at a press conference. I accept that you were cautious in that respect and, given this is a public matter in court, I don't think it's that unreasonable for us to be asking you in estimates what you were basically asked in a press conference, which is what are we suing them for?

MATT LONGLAND: Just to be completely clear, I wasn't asked what we were suing anyone for and I didn't provide any public comment about what the details of the Federal Court action involved. You are asking me a question in budget estimates around the details of that case. I am saying to you that I do need to be cautious.

The Hon. DANIEL MOOKHEY: Have we lodged a statement of claim?

MATT LONGLAND: We have lodged an action in the Federal Court that, as I said, includes both a determination about whether that Opal gate and reader action should be considered protected or not, and also seeking pecuniary penalties and damages in relation to the future action that has been notified but not yet taken and also the previous action that occurred, as the secretary referred to, in August and September.

The Hon. DANIEL MOOKHEY: I appreciate that, Mr Longland, but given that we've now lodged an application in the court, can you at least table the application? It's a public document; it's in a court.

MATT LONGLAND: I would need to seek advice about that.

The Hon. DANIEL MOOKHEY: What's your internal estimate as to how much the damages could be that apparently the Government has said it is determined to collect?

MATT LONGLAND: It is difficult to estimate the extent of their revenue loss because it is dependent on the number of stations and the number of staff that actually elect to undertake the action. So the estimates will always be difficult to project into the future.

The Hon. DANIEL MOOKHEY: I am talking about the August and September actions.

MATT LONGLAND: The August and September actions related to the opening of gates. It didn't have any action related to the readers. The readers were left on continuously during that period. My understanding is that about 90 per cent of fare revenue continued to be collected, so customers continued to tap their Opal cards on and tap them off during that period. In terms of the figure over those number of weeks that the action was undertaken, I would be happy to have a look at the detail and see whether we are able to provide information.

The Hon. DANIEL MOOKHEY: In any application of this type to the court, you are required to list at least what exactly it is you are trying to recover. Can you give us any information at least as to what you have said to the court you are interested in recovering?

The Hon. CHRIS RATH: Point of order: I think we are sailing dangerously close to matters that are before the courts. Some of the material might be privileged.

The Hon. DANIEL MOOKHEY: To the point of order: This is a statement of claim and an application. It is simply about what the Government has asked for. It is not about what the court has done. This matter is not listed for hearing. It is a publicly transparent matter in a court.

The CHAIR: There is need to be cautious in the approach. I understand that the officials understand what their line is and are aware of it. As long as we proceed on that basis, the witnesses can't be compelled to answer something that they think is going to jeopardise the court case.

The Hon. DANIEL MOOKHEY: To be fair, we haven't got them under subpoena anyway, so we can't press. But I will press at least for the heads of damages that you notified we may be seeking?

MATT LONGLAND: Thank you to the Chair for your clarification. On that basis, I am comfortable, as I committed to earlier, to seek advice about what information we are able to share without prejudicing the outcomes of Federal Court action.

The Hon. DANIEL MOOKHEY: Okay.

MATT LONGLAND: Once we receive that advice, if we're able to share any information about past or projected future damages, we will specifically look at that information.

The Hon. DANIEL MOOKHEY: Can you at least tell us who we're suing? Are we seeking this declaration against the RTBU? Are we seeking it against it, including its officials, its members? Who are we actually suing?

MATT LONGLAND: This matter is related to the union. It's related to the RTBU.

The Hon. DANIEL MOOKHEY: Have you listed the officials as separate? Are they respondents to the claim, separately from the RTBU?

MATT LONGLAND: The respondent to the claim is the RTBU. In terms of the details that sit below that again, I would need to seek advice about what we could share.

The Hon. DANIEL MOOKHEY: Sorry, no. I will push on this. This is not an issue that it traverses a matter to do with the court. This is simply a question as to who precisely is the respondent to a claim you've brought. I would also just stress as well that it is our responsibility to supervise the Executive's conduct in litigation as much as it is in any other sphere. It's not an immunity from questions in Parliament. It's not that difficult a question. Is the only respondent the RTBU, or are you also seeking a joint and severable liability against other people in that union?

MATT LONGLAND: I would need to take advice about that.

The Hon. DANIEL MOOKHEY: Do you not know?

MATT LONGLAND: My understanding is that the primary respondent is the RTBU—the Rail, Tram and Bus Union. If you're asking for information about whether there's others included beyond that—

The Hon. DANIEL MOOKHEY: It's on the name of the application. It's literally in the corner when you lodge an application as to who precisely are the respondents. Are there other people listed or you just do not have that recall?

The Hon. SHAYNE MALLARD: Chris Minns and yourself might be on there.

The Hon. DANIEL MOOKHEY: I might ask that.

MATT LONGLAND: I will seek advice and if we're able to share that information, I will share that information.

The Hon. DANIEL MOOKHEY: Are there actual members who are non-officials who have been listed? There's no doubt that there is concern amongst these officials and their members—actual people who are your employees—that they too are being sued and are separately liable. Can you clarify whether or not you are in fact suing your workforce here?

MATT LONGLAND: As I said earlier, I'll take advice about the information that we are able to share in relation to the Federal Court action, but I did want to say something in relation to your mention about employees. This is not something that we were seeking to take forward, the Federal Court action. We wrote to the union when the action was notified. We wrote to our staff, confirming that we didn't believe that this action was protected and that we were advising both the union and the staff to not undertake this action.

The Hon. DANIEL MOOKHEY: Did you provide advice to the Government to initiate this case?

MATT LONGLAND: There's a range of legal advice. Under the protocols around industrial relations, there are a number of Ministers involved and both the Minister for Transport and the Minister for Employee Relations have been regularly briefed on this matter.

The Hon. DANIEL MOOKHEY: Indeed, but was it your suggestion to them that they lodge this case or was it their suggestion to you?

MATT LONGLAND: The legal advice was initiated out of the rail agencies.

The Hon. DANIEL MOOKHEY: I'm not asking about the legal advice. I'm asking you about the decision to lodge the case. Was that your advice? Did you advise them that it was helpful to resolve the dispute to initiate this legal action or not?

MATT LONGLAND: The legal advice made a number of recommendations and options. Those options and recommendations were discussed with, as I said, the Minister for Employee Relations and the Minister for Transport, in addition to Transport for NSW and the rail agencies. Collectively a decision was made, and the application was lodged via the rail agencies.

The Hon. DANIEL MOOKHEY: Did the Government oppose the application for good faith bargaining orders?

MATT LONGLAND: There had been a number of good faith bargaining orders around industrial action. The most recent—

The Hon. DANIEL MOOKHEY: Well, I'm talking about the recent one.

MATT LONGLAND: The most recent action in relation to the Opal readers, the Government didn't oppose the PABO, the order, but we did question the time frames and we wrote to the RTBU at that time.

The Hon. DANIEL MOOKHEY: I'm not asking you about the Opal readers. I'm asking you about the application that was brought by the RTBU for good faith bargaining orders. It must have been in the wake of our previous estimates hearings. It's apparently a completed hearing but we're still awaiting a decision from the commission.

MATT LONGLAND: My apologies. You're referring to the matter that's currently before the Fair Work Commission?

The Hon. DANIEL MOOKHEY: Yes.

MATT LONGLAND: So that matter, the hearing has concluded and the written submissions are being prepared and then it will be considered by—

The Hon. DANIEL MOOKHEY: Indeed, but did you oppose the application?

MATT LONGLAND: We weren't the applicant. We're the respondent in that matter.

The Hon. DANIEL MOOKHEY: As the respondent, did you oppose the application?

MATT LONGLAND: We contested the application.

The Hon. DANIEL MOOKHEY: So yes?

MATT LONGLAND: Yes.

The Hon. DANIEL MOOKHEY: You did oppose it?

MATT LONGLAND: Yes. If the question that you're getting to is: Do we believe we acted in good faith while we were bargaining? The answer is yes.

The Hon. DANIEL MOOKHEY: No. The question is: Did you make a submission to the commission that the Government's view is that a good faith bargaining order is not necessary?

MATT LONGLAND: I would need to look at the detail of what we submitted to the commission but, absolutely, the matter was bought by the combined rail unions and both of the rail agencies are the respondents. We have contested that case, we have provided evidence and the hearing is concluded. We are seeking to demonstrate to the Fair Work Commission that we have, at all times, acted in good faith.

The Hon. JOHN GRAHAM: Thank you for those answers, Mr Longland. Can I just emphasise that you are unable to inform us if the Government is suing individuals in its own workforce?

ROB SHARP: No, I can confirm that. The statement of claim is against the union only, not our employees. ARUIB is the organisation.

The Hon. DANIEL MOOKHEY: Are you pursuing the officials separate to the union or just the union?

ROB SHARP: I'm advised that the claim is only against the union.

The Hon. DANIEL MOOKHEY: Can you table the statement of claim or the application or do we have to literally go to the Federal Court and pick it up from there?

ROB SHARP: The statement of claim, I understand, we can only articulate when the court considers the actual basis on which the statement is tabled. In terms of qualifying the claim—

The Hon. DANIEL MOOKHEY: You have lodged the application, haven't you?

ROB SHARP: —that is a second step, apparently, in the process.

The Hon. DANIEL MOOKHEY: Can you on notice provide us whether or not it's possible that you can give us the application or literally whether we have to walk down to the Federal Court and get it from there?

ROB SHARP: Yes, will do.

The Hon. JOHN GRAHAM: I turn to another matter now, which is the Western Harbour Tunnel. From the agency's point of view, what are the next steps and the timing with this project?

ROB SHARP: With the Western Harbour Tunnel?

The Hon. JOHN GRAHAM: Yes.

ROB SHARP: I will pass to Ms Drover.

CAMILLA DROVER: We are in the final stages of tender evaluation and we are on track to award the final contract for the Western Harbour Tunnel by the end of 2022.

The Hon. JOHN GRAHAM: There are now, depending on the outcome of that, two considerations for how the actual harbour crossing might be manufactured. We are really looking at the original proposition or tunnel boring as an alternative. Is that correct?

CAMILLA DROVER: We have been through an interactive tender process with three tenderers and they offered us various options. As I said, we are finalising what we are doing going forward, but we do feel that we will award that contract by the end of this year.

The Hon. JOHN GRAHAM: A lot of the community discussion has been around that original proposal, but it's now true that there is more than one way that this might unfold, given the tender process you are now going through.

CAMILLA DROVER: Yes. The EIS did put forward the reference design, which did use an immersed tube technology, but we asked tenderers to bring back alternatives. We are obviously very cognisant of the feedback around the impact on environment and we are also cognisant of fiscal responsibility. Whatever innovation industry can offer us, we were very open to that.

The Hon. JOHN GRAHAM: Which is a sensible view.

CAMILLA DROVER: Yes.

The Hon. JOHN GRAHAM: All of these have advantages and disadvantages, but it is an entirely sensible view to be open to different ways of doing this. Both of those are now under consideration in the tender process.

CAMILLA DROVER: Given we are in tender evaluation, I'm not going to be anymore specific than I have been, other than to say that we've been through a process, it was interactive and the three tenderers offered us various different options and innovations.

The Hon. JOHN GRAHAM: I appreciate that answer. I might just put it to you this way: The immersed tube is no longer the only option being considered through the tender process. That's a fair statement, isn't it?

CAMILLA DROVER: We didn't constrain tenderers as to what they offered us. We want a tunnel that goes from one point to another point, and it obviously needs to traverse the harbour. We let them bid back whatever technologies they could.

The Hon. JOHN GRAHAM: I will turn to the Outer Sydney Orbital. Secretary Sharp, I want to ask about the route design. Who is best to answer those?

ROB SHARP: Mr de Kock.

JOOST de KOCK: Actually, Chair, before I answer this question, I have some updates from prior information. Would you like to do that now?

The CHAIR: Yes, please.

JOOST de KOCK: The first one you asked about is the Newcastle CCTV trial. As I mentioned before, artificial intelligence is a really important innovation for us and we are doing a number of trials across transport. Since January 21 we have run the trial together with Keolis Downer Hunter and the Cisco systems in Australia and Newcastle. That involves a combination of a camera and a router installed across two buses and two ferries. A privacy impact assessment was completed just before the trial, and all the recommendations of the PIA were put in place. That included publishing information on our website, ensuring the signage was available, notifying ferry users the vessels are under camera surveillance, and also position the cameras and situate to capture a minimal amount of personal information.

Unfortunately, due to COVID, the cameras on the buses were not activated. The two ferries—we are actively capturing this data. The footage is actually processed by artificial intelligence application, and then it's converted into numerical data, as I mentioned before. It's actually only de-identified data that is captured. We're doing this obviously to understand the patronage and get live information on patronage, which allows us to manage the network more efficiently. The image files are not stored. They are disposed immediately, and only data about the counts is actually sent on. No personal information is held, nor shared. No personal data is being shared. Does that answer the question that you had?

The CHAIR: Yes. Thank you very much.

JOOST de KOCK: I can also answer the question that you previously asked me regarding the point to point—or do you want me to do that afterwards?

The CHAIR: Perhaps we will come back to that.

The Hon. JOHN GRAHAM: Turning to the Outer Sydney Orbital, I'm particularly interested in how this plan—I mean, it has been sitting there for years now, without a lot of answers for the community. Particularly in Appin, there have been concerns about where this is up to. Can you give us an update about where plans are up to with this route?

JOOST de KOCK: There are several Sydney outer orbitals. There is number one and number two. The history of this actually goes back probably all the way to 2015 when there was a public exhibition of the study area, and a number of the corridors were exhibited in 2018.

The Hon. JOHN GRAHAM: Correct.

JOOST de KOCK: There was the Outer Sydney Orbital between Richmond Road at Marsden Park and Hume Highway at Douglas Park.

The Hon. JOHN GRAHAM: It's more the Hume Highway and Appin that I'm interested in.

JOOST de KOCK: So you're more interested in the Outer Sydney Orbital 2—is that right?

The Hon. JOHN GRAHAM: Yes.

JOOST de KOCK: Let me just go there. The Outer Sydney Orbital 2 is aiming to link the Illawarra with the Hume Highway and western Sydney. That's the case. We actually announced the Outer Sydney Orbital Stage 2 corridor alignments, and we announced those proposed final alignments last year. However, since announcing that, there has been further information that the proposed routes actually cut through a cultural, State

Heritage listed area for a massacre. So we have worked on a revisited alignment of the Outer Sydney Orbital 2 corridor, and we are going to be sharing that together with the Department of Planning and Environment because actually this corridor is going to be really important as part of the—

The Hon. JOHN GRAHAM: When will the community be informed of a final route?

JOOST de KOCK: The proposed new corridor will be put in together with the Greater Macarthur interim structure plan. The Department of Planning and Environment will publish that later this year.

The Hon. JOHN GRAHAM: So this year the community will know that final route?

JOOST de KOCK: In the context of the broader 2040 plan. As you appreciate, the transport connections are only one part of a broader area.

The Hon. JOHN GRAHAM: Okay. But that will happen this year. Could you take on notice the same question in relation to the Outer Sydney Orbital route one?

JOOST de KOCK: Okay, I can do that. I will take it on notice. That's fine.

The CHAIR: Mr de Kock, if you wanted to come back to the point to point answer.

JOOST de KOCK: So a couple of questions that you asked me. First question that you asked is the number of operating areas across the State. There are 132 operating areas around the State. That's 131 in the regions, and these are areas specified as a condition of the taxi licence in which a taxi may undertake rank and hail taxi trips. The operating areas, in terms of the assistance schemes, have been grouped into five zones: one, Greater Sydney, and four in the regions. There are 131 operating areas in the regions. The logic, how that was done, I think I already explained that before, so I don't need to go through that again. But I do have some information in terms of the data and, specifically, on the model. My team has advised me that out of the 131 operating areas only in 10 operating areas have there been no sales of licences. That only represents 2½ per cent of the regional licence base, or about 0.5 per cent of the total licence base. The vast majority of all of the modelling is based on actual sales information in the various operating areas. Hopefully that's a little bit more detail. Sorry I didn't have that at my fingertips earlier this morning.

The Hon. MARK BANASIAK: Mr Collins, do you have any updated information from this morning's questions on the ferry? You said you were going to try to come back to me this afternoon. If you don't, I'm happy for you to take them on notice.

HOWARD COLLINS: Yes, we can provide those on notice. I have got some information but, in view of the timescales, perhaps we will provide that for you.

The Hon. MARK BANASIAK: Yes, sure. That would be good.

The CHAIR: Ms Colin, back to the discussion we were having before, in relation to that same answer to the supplementary question, in the second part of that I asked who brought the proposal for TAHE to be a member of the dialogue. The answer I got was TAHE inquired about becoming a member of the dialogue. Who was it at TAHE who made that inquiry?

BENEDICTE COLIN: I believe it was Ms Grant in her capacity as EGM, Corporate Services. If I can just clarify my previous answer to your question in terms of a process, I, as the CEO, am notified of membership via the CEO reports that go to the board. If a membership sits within an approved budget, it sits within the delegation of EGM, Corporate Services, which, in these circumstances, is \$100,000 within our delegation framework for general expenditure. So the membership of \$30,000 would have sat within Ms Grant's delegation.

The CHAIR: But, as CEO, you would have had—

BENEDICTE COLIN: As CEO, I would have been informed of it. Bear in mind that we are a very small team, so we surely would have had discussion and the board would have been informed through the CEO report.

The CHAIR: Prior to Ms Grant making that decision, was that something that she had discussed with you at any point? In terms of her inquiring about the membership with the dialogue, was that something that she had discussed with you or had someone else suggested that to her, or was that completely at her own initiative?

BENEDICTE COLIN: Surely we would have discussed it. To be honest, there is nothing extraordinary about us becoming a member of the western Sydney dialogue, as I explained last time. The western Sydney dialogue is a very established think tank in western Sydney.

The CHAIR: Yes. I'm not talking about that; I'm talking about your corporate governance. That's the question here.

BENEDICTE COLIN: I've just explained the corporate governance that we have.

The CHAIR: Mr Morgan, were you involved in the decision to become a member of the Western Sydney Leadership Dialogue?

BRUCE MORGAN: I was aware of the discussions going on with the Western Sydney Leadership Dialogue. I had previous experience with the Western Sydney Leadership Dialogue through my chairmanship of Sydney Water. As you'll see if you look at the partners that are on the screen, TfNSW is a member, Landcom is a member; many are. Because of our interest in western Sydney from an infrastructure point of view, a community and placename point of view, when the topic came up, it was a discussion that I had some knowledge of. So, yes, we discussed it.

The CHAIR: From your experience with Sydney Water, are you able to tell me whether \$30,000 is a standard membership fee? Is that how much Sydney Water was paying?

BRUCE MORGAN: Again, at Sydney Water it would be under my delegation, or delegated down the organisation, but the type of membership we have is consistent with that at Sydney Water, to my knowledge. My experience of the dialogue—I don't know how many years it would be, four or five at least, when I was chair of Sydney Water.

The CHAIR: I was pleased to see that the day after we raised this in the last estimates TAHE was added as a partner. Prior to that it was not on the website, which was causing some confusion.

BRUCE MORGAN: I had a look as well, so I did see it also, but our membership is the same style of membership as any other partner.

The CHAIR: Okay, thank you. I have a couple of questions about some recent tenders. As you know, I love the e-tender system.

The Hon. DANIEL MOOKHEY: I love it more.

The CHAIR: Yes, I know you love it too, Mr Mookhey.

The Hon. DANIEL MOOKHEY: More.

The CHAIR: You love it more. There are just a few I have questions on. There was one recently that was for strategy development for toll road pricing and relief reform. I believe it was \$386,000 to L.E.K. Consulting. Why did TAHE need strategy development for toll road pricing and relief reform?

BENEDICTE COLIN: You'd have to point me to the toll road reform, but, yes, we did engage with L.E.K. and that was following a tender. Can I just put some context in terms of why we engage with consultant and strategy firms. In the context of TAHE, we are a very small team. We've got significant pieces of work that we need to undertake, in particular in terms of continuing to build our business plan and strategy. We don't necessarily have the resources in-house, so we tend to tender very specific work in relation to building our strategy and understanding our positioning and what we can do to better unlock the opportunities and values with our assets. So we did go to market for specific pieces of work on strategy, in particular how to unlock opportunities just outside the property sector. I'm not aware of any toll road work, so that might have been just an error in terms of qualification. But, yes, we've had L.E.K. undertake some work for us.

The CHAIR: Perhaps you could have a look at that because at the moment it is showing \$383,900 to L.E.K. for "strategy development for toll road pricing and relief reform".

BENEDICTE COLIN: I believe that might have been an error, but I can confirm that we have engaged L.E.K.

The CHAIR: You can understand why I was confused.

BENEDICTE COLIN: I can certainly understand why, and I'm happy to provide some comments on that.

The CHAIR: I understand that there was half a million dollars paid to Airport Link Co., I think, for staff entering and exiting airport train station for a three-month period. What is that about? Do you know about this one?

BENEDICTE COLIN: Again, I'm surprised about this one. We do have a contract for Airport Link, but I'm surprised that it sits within the consultants. I'd have to take that question on notice if that's okay with you.

The CHAIR: It's \$497,200, and it says here that this is for "staff passes for entering and exiting the airport train station".

BENEDICTE COLIN: I'm sure that's related to our contract with Airport Link, but I'll—

The CHAIR: Okay, and if you could let me know how many staff are entering and exiting the airport train station that would require that.

BENEDICTE COLIN: Matt, would you be aware of any—

MATT LONGLAND: We would need to have a look at the specifics. It may be related to—Sydney Trains staff have access to the rail network. They can travel with a staff card, which does include the airport station. Possibly it might be a payment to compensate Airport Link for some of that travel, but, again, we're not across the detail. I'm happy to work with Ms Colin about any of the specifics.

The CHAIR: Thank you. If you could come back to me, it would be useful. It does say it is only for three months. There is also a \$3 million compensation for line closure to Airport Link Co., so perhaps it's to do with—I think there was some closure for water issues. Perhaps it's connected to that. If you could come back and explain—

HOWARD COLLINS: I do recall this. This is about airport staff using our rail services to transfer between terminals. We'll get some more detail but it was actually to ensure that we provided that service through the rail line. But we'll get some more detail between us.

The CHAIR: Thank you. That would be very useful. I will just go back very briefly—you will be pleased to know I only have a couple of minutes so I can't spend too long on it—to the Western Sydney Leadership Dialogue. I'm just trying to understand. We have a bunch of government organisations—TAHE, Sydney Water—and I understand that that's the norm. That's what has been done before. But then we also have, as members of the dialogue, some advisory firms who are lobbyists. So we have government, we have lobbyists, we have developers and then it's put together and it's called a think tank, but it is bringing together people presumably from these different entities. What is the benefit to TAHE? Why are the lobbyists members as well? That's what I don't understand.

BENEDICTE COLIN: I can't comment on the membership base of the western Sydney dialogue. You'd have to ask that question to Mr Brown. The benefit for us is to meet with stakeholders based in western Sydney. As I've said on numerous occasions, we have got land in western Sydney. You might have seen our recent announcement in terms of the affordable housing program, where we've just gone to an initiative to go to market and build on some sites that we've got specifically in western Sydney—

The CHAIR: As a—

BENEDICTE COLIN: Can I just finish my answer?

The CHAIR: Sorry, it's not really relevant to the question.

BENEDICTE COLIN: I think it's relevant because, as part of our social purposes, in particular, we have affordable housing, which is a policy that the western Sydney dialogue has put. It's very important for us to engage with the community and make sure that whatever we design, and whatever project we do there, meets the community's expectations. That is why we are a member of the western Sydney dialogue.

The CHAIR: I understand. Again, from a corporate governance perspective, if my organisation had become a member of an association that also had lobbyists as members, I would want to cross the t's and dot the i's to ensure that I knew what was going on. It strikes me as odd that there was no board decision on this. Does it not strike you as odd?

BRUCE MORGAN: The board didn't need to decide this issue, but the board was across the issue of membership and participation. Ms Colin presented at the Boomtown! conference, which is the premier conference of the Western Sydney Leadership Dialogue, at the end of last year. That was part of us building out the story that she referred to earlier about what we aspire to do in western Sydney and across other areas of New South Wales. In terms of lobbyists, unless lobbyists cut across something that we're talking about or propose something to us, I frankly have a passing interest in them. I'm not engaging particularly with them. I see no real concern from a corporate governance point of view. If we were a member of an organisation which stood for something that I found, from an integrity point of view, wrong and advocated for things that were wrong, then we would back out of that organisation. I can assure you, as soon as the board became aware, as the CEO would, it would be time to exit. I have seen no example of that so far.

The CHAIR: Just to clarify—and then we can draw a line under this—you are not aware, in your experience with the dialogue, that they act in any way as a lobbying organisation?

BRUCE MORGAN: No. I think that you'll find that Adam Leto, the CEO, and the Chair, Chris Brown, have broad connections, and they will carry conversations about all of the policy issues they're working on. You would have seen on the website that there is an extensive amount of policy work that goes on, but that's unrelated to who we are and what we are. We're not asking them to do any of that specifically for us. But we do align on important topics like social housing, like precinct and like the aerotropolis. All of those are really important to everybody involved in transport infrastructure in New South Wales.

The Hon. DANIEL MOOKHEY: Does Mr Regan have those numbers?

PETER REGAN: I do. I was just waiting for the opportunity to give them to you. Apologies on rounding errors, but these should match with what's in the budget papers. For Metro City & Southwest over the next four years, there is \$5.1 billion, as per the budget paper. That comprises \$3.1 billion this year—

The Hon. DANIEL MOOKHEY: Sorry, can you just repeat those?

PETER REGAN: Yes. So \$5.1 billion overall over the four years for City & Southwest. In the four-year run from this year, it's \$3.1 billion, \$1.5 billion and \$425 million. That totals the \$5.1 billion. Metro West is \$12.3 billion over the four years. That includes \$3.2 billion for this year.

The Hon. DANIEL MOOKHEY: What was the aggregate figure? Twelve—

PETER REGAN: It's \$12.4 billion. That includes \$3.2 billion this year, \$3.4 billion, \$2.8 billion and \$2.9 billion. Western Sydney Airport Metro is \$8.4 billion over the coming four years. That includes \$1.7 billion this year—

The Hon. DANIEL MOOKHEY: Sorry, what was that aggregate figure again?

PETER REGAN: It is 8.4, and that comprises 1.7 for this year, 2.4, 2.8 and 1.5.

The Hon. DANIEL MOOKHEY: Thank you, I appreciate that Mr Regan and thank you to your team for facilitating quick access to that information. Can I direct some questions to Infrastructure NSW as the infrastructure person is still here?

SIMON DRAPER: Yes.

The Hon. DANIEL MOOKHEY: When was the last time you assured a business case to raise the dam wall for Warragamba?

SIMON DRAPER: I'm just trying to remember now whether we assured it directly or Treasury did it, because sometimes if we're involved in the project we hand over that responsibility to Treasury. We're not the proponent on that project, so we may have done it. But it would have been done at the time, I think at the last hearings I gave you some information about that business case. It would have been done prior to the finalisation of that business case, which would have been in 2021 I think was my recollection.

The Hon. DANIEL MOOKHEY: Has there been any refresh, update to that business case that you've assured since 2021?

SIMON DRAPER: No, because ever since that time the project has been going through its environmental impact statement, exhibition and then planning assessment process, which is still underway.

The Hon. DANIEL MOOKHEY: I refer to the request for Federal assistance to this which Ministers have maintained has been lodged with the Federal Government, both this one and this prior government, prior to the cut-off that the secretary was referring to. Do you know why the Federal Government is saying that no business case has been received by them if there was one that was assured in 2021?

SIMON DRAPER: I can't say why they're saying they haven't received it, no. I can say that they have received it.

The Hon. DANIEL MOOKHEY: Have they received it?

SIMON DRAPER: They have.

The Hon. DANIEL MOOKHEY: When did they receive that?

SIMON DRAPER: They received it in I believe either the end of January this year or within the first few days of February.

The Hon. DANIEL MOOKHEY: The previous Government, Mr Morrison's Government, received it in late January or early February this year?

SIMON DRAPER: Yes, I wouldn't say it was the Morrison Government received it; I would say Infrastructure Australia received it, which is a separate agency.

The Hon. DANIEL MOOKHEY: Yes, I accept the distinction. So a business case was lodged with Infrastructure Australia. What were you asking the Feds to assess?

SIMON DRAPER: There were discussions going on at a ministerial level about seeking joint funding of the project. So we weren't asking for anything in particular, or NSW wasn't; we were giving them the business case so they could undertake their own assessments and provide advice to their own government.

The Hon. DANIEL MOOKHEY: Okay and then separately it's been established on the public record by both the Federal and/or the State governments, the current Federal Government and/or the State governments that a letter of some form was sent by the former Minister for Western Sydney to the current Federal transport Minister. Does that accord with your recollection?

SIMON DRAPER: I believe so, yes.

The Hon. DANIEL MOOKHEY: And that letter apparently is the formal funding request according to the statements that have been made by various Ministers. I think the Premier as well alluded to it or at least cited that as a reference point for one of the times at which he made a request for Federal funding. Does that accord with your recollection?

SIMON DRAPER: There have been a number of pieces of correspondence back and forth between Ministers. If you wanted me to give you a really precise answer on that, I should take that on notice and go and check the correspondence.

The Hon. DANIEL MOOKHEY: Thank you. What is the benefit ratio for raising that wall, assuming that all of its costs are picked up by the State Government?

SIMON DRAPER: The benefit cost ratio is over one and it compares favourably to all the other options that are presented in the business case and in the EIS. So that information is actually made available in the EIS, Mr Mookhey, so I can provide it to you.

The Hon. DANIEL MOOKHEY: I'm interested in when the business case was prepared in February 2021, we assumed, or did we assume, that it would be 50:50 funded, because that's been the view the Premier has maintained?

SIMON DRAPER: The business case assessment was done on the basis of the total cost, not any funding arrangements.

The Hon. DANIEL MOOKHEY: Yes, hence my point. The total cost may have a benefit, but if we have to pay \$3 billion of it as opposed to \$1.5 billion, clearly the benefit to us is halved as to what it would otherwise be, correct?

SIMON DRAPER: Sorry, those numbers don't accord with anything that I'm aware of.

The Hon. DANIEL MOOKHEY: How much will it cost to raise the wall?

SIMON DRAPER: The figure we've put out, which I think is the latest estimate, in the EIS was around \$1.95 billion. That comprises the \$1.6 billion that people have discussed publicly, which is the un-escalated cost at the time of the estimate, and an allowance for between \$250 million and \$350 million of escalation.

The Hon. DANIEL MOOKHEY: So you're telling us we'll get the wall raised for \$1.9 billion plus a couple of extra hundred million for escalation?

SIMON DRAPER: No, the estimate was up to \$1.95 billion including escalation. That was the estimate that was used for the—

The Hon. DANIEL MOOKHEY: And when was the EIS again?

SIMON DRAPER: The EIS was about a year ago.

The Hon. DANIEL MOOKHEY: So your view remains that we'll still get it for \$1.95 billion?

SIMON DRAPER: Well, it allowed for escalation. It'll depend on the escalation between the time that that was done and whether those escalation estimates are accurate. But, yes, it did allow for escalation for an out-turn cost of 1.95.

The Hon. DANIEL MOOKHEY: Thank you, Mr Draper. Did you ever get to the bottom of whether or not all business cases after investment decisions are made have been published on your website?

SIMON DRAPER: Yes, I think we provided you a reconciliation on notice on that.

The Hon. DANIEL MOOKHEY: Great. Thank you.

The Hon. JOHN GRAHAM: Returning to the Great Western Highway, can I ask the State's contribution for this? I'm referring principally to the east and west elements of it. What is the money that's been allocated in the forward estimates for this project?

ROB SHARP: I'll pass to Mr Drover

CAMILLA DROVER: For the east and west parts of the program, we worked on the basis that it was an 80/20 per cent funding with the Federal Government—80 per cent Federal Government, 20 per cent State funded. The State component was fully funded. We were at an advanced stage with the funding allocation. I think Mr Fuller has the exact number.

The Hon. JOHN GRAHAM: Thank you.

MATT FULLER: Happy to help with that, Mr Graham. Obviously, as you're aware, there are a few elements within the Great Western Highway. My understanding is that the allocations we've got between Katoomba and Lithgow, State and Federal funding, this year's allocation is 142.9. Obviously, on the back of last night, we need to test these.

The Hon. JOHN GRAHAM: Understood.

MATT FULLER: Because sometimes the State budget numbers obviously pick up Federal funding as revenue.

The Hon. JOHN GRAHAM: And they probably would in this instance, I would have thought.

MATT FULLER: I imagine so. My understanding is that the Katoomba to Lithgow section, the State con fund allocation is \$37.9 million. The construction of the east and west sections, the State con fund is \$70 million in this financial year.

The Hon. JOHN GRAHAM: Sorry, you'll just have to say that again.

MATT FULLER: The east and west sections, the State con fund contribution is \$70 million and the Federal contribution was \$35 million for the financial year '23.

The Hon. JOHN GRAHAM: I missed what that applied to.

MATT FULLER: For the east and west.

The Hon. JOHN GRAHAM: Right. Sorry, you have gone too quickly for me there.

MATT FULLER: You're alright.

The Hon. JOHN GRAHAM: The State contribution to the east and west sections in total?

MATT FULLER: For '23, \$70 million dollars for this financial year. The Federal contribution was 35, as it currently stands in the budget papers.

The Hon. JOHN GRAHAM: And what are the contributions over the forward estimates?

MATT FULLER: Over the estimates—and as I say, this would obviously be caveated with the decision last night and these would need to be re-profiled—in total it's 142.9 for this financial year, 540.5 for financial year '24, \$1.29 billion in financial year '25 and \$1.16 billion in financial year '26.

The Hon. JOHN GRAHAM: And that's for the east and west?

MATT FULLER: My understanding is that's the total allocations for Great Western Highway between Katoomba and Lithgow and the east and west.

The Hon. JOHN GRAHAM: Does it include the tunnel section?

MATT FULLER: No.

The Hon. JOHN GRAHAM: No? So the—

MATT FULLER: Actually, sorry, I should clarify: Within Katoomba to Lithgow, I'm sure it would include some development—

The Hon. JOHN GRAHAM: Some tunnel planning.

MATT FULLER: —funding but not for delivery.

The Hon. JOHN GRAHAM: It would be fair to say—I take that point—there's tunnel-planning money but zero tunnel-construction money in the forward estimates altogether?

MATT FULLER: The New South Wales Government had allocated money towards the central section, as in the tunnel section, but it was yet to receive confirmation of Federal money. Obviously the State's contribution was subject to—

The Hon. JOHN GRAHAM: Right, okay. So in the forward estimates—

The Hon. CHRIS RATH: I think it is Government time now.

The Hon. SHAYNE MALLARD: It is Government time.

The CHAIR: Order! Mr Graham, did you want to just finish that one question?

The Hon. JOHN GRAHAM: For each of the years in the forward estimates, how much is in there for the central tunnel section?

MATT FULLER: I'd have to come back and just confirm what's there in terms of development specifically for that component. I'm not sure it's broken out in the budget paper.

The Hon. JOHN GRAHAM: I'd be comfortable with you doing that on the basis of the information you've provided.

The Hon. CHRIS RATH: I have a couple of questions, probably for Mr Longland—but through you, Mr Sharp. It's been over a year now of bargaining with the unions. We've seen Minister Elliott and Minister Tudehope have been calling on the Government's offers on wages and conditions to be put to a vote of train workers. What is stopping this from occurring?

ROB SHARP: I'll just preface this. We are very keen to take a package to our staff. We believe our staff should have the opportunity to vote on the package. We believe it's generous. But I'll pass to Mr Longland in terms of the drivers of the delay.

MATT LONGLAND: Thanks for the follow-up, Mr Sharp. Absolutely. Both rail agencies have been, for some time, preparing to take the new enterprise agreement to our staff to vote. We're not able to do that at this time. That's related to an undertaking that was provided to the Fair Work Commission as part of the earlier discussion we had around the good-faith bargaining orders and the case that's underway. We're certainly keen that we can progress that as quickly as possible and that we're able to get the package to our staff. We believe it's a fair package. It acknowledges all of the progress we've made during bargaining, particularly, not only on wages but also on all of the other claims that our staff have asked for. We'll await the outcome of the Fair Work Commission, and we'll move as quickly as we can to get that package to our staff.

The Hon. CHRIS RATH: What does this enforced delay mean for workers in terms of accessing the pay rise, the improved conditions and the \$3,000 sign-on payment that the Government is offering under the proposed enterprise agreement?

MATT LONGLAND: At this point, we're not able to make any of those new payments or allowances available to staff. The package—the enterprise agreement—would need to go to our staff for a vote. The vote would need to be, obviously, a yes. The agreement would need to be certified by the Fair Work Commission before we could actually process those payments.

The Hon. CHRIS RATH: They've been waiting over a year to access those new payments and conditions because of the legal action, because of the delays that have been taking place.

MATT LONGLAND: It has been a lengthy period. Obviously, quite a bit of that period was bargaining with unions. That's occurred over a very long period. The most recent delay has been related to the current Fair Work matter. That's correct.

The Hon. CHRIS RATH: How soon, would you say, workers could get a pay rise if you were able to progress a successful vote?

MATT LONGLAND: We would need to work through some processes. Should we get the ruling that we're able to go to a vote, we would, obviously, need to provide detailed information to our staff about what's in the package. We'd also need to make the draft agreement available for our staff to review. That's called an access period. Then we would need a number of weeks to undertake the vote. Obviously, coming into the back of the calendar year, things are getting quite tight. We're certainly keen to keep the process moving.

The CHAIR: That concludes our hearing for today. I believe that concludes all of our hearings for the year and for the parliamentary term. Thank you.

ROB SHARP: Chair, just tabling the Federal Court originating application and statement of claim for you.

JOOST de KOCK: Chair, also, just one of the numbers I mentioned earlier, about taxi operating areas— just a correction. It should be 142, not 132. If we can note that in the record please.

The CHAIR: Thank you. I give a heartfelt thanks to all of you. I know that you have spent many hours with this Committee, and also on the other inquiries that have been run in relation to transport matters, on the PAC and on the Public Works committee et cetera. We are finished. We've run 10 inquiries, which, I think, makes us one of the most productive portfolio committees. Thank you, members. Thank you, above everybody else, to the Committee's secretariat, to Hansard and to our tech team, who have done such amazing work for us all. That's a wrap.

(The witnesses withdrew.)

The Committee proceeded to deliberate.