

**STANDING COMMITTEE ON ESTIMATES AND
FINANCIAL OPERATIONS**

2015–16 BUDGET ESTIMATES HEARINGS

**TRANSCRIPT OF EVIDENCE
TAKEN AT PERTH
THURSDAY, 25 JUNE 2015**

**SESSION FOUR
DEPARTMENT OF TRANSPORT**

Members

**Hon Ken Travers (Chair)
Hon Peter Katsambanis (Deputy Chair)
Hon Martin Aldridge
Hon Alanna Clohesy
Hon Rick Mazza**

Hearing commenced at 3.45 pm

Hon JIM CHOWN

Parliamentary Secretary representing the Minister for Transport, examined:

Mr REECE WALDOCK

Director General, examined:

Mr GRAEME DOYLE

Managing Director, Policy, Planning and Investment, examined:

Ms NINA LYHNE

Managing Director, Transport Services, examined:

[Hon Rick Mazza took the chair.]

The ACTING CHAIR: On behalf of the Standing Committee on Estimates and Financial Operations, I would like to welcome you to today's hearing. Can the witnesses confirm that they have read, understood and signed a document headed "Information for Witnesses"?

The Witnesses: Yes.

The ACTING CHAIR: Thank you. Witnesses need to be aware of the severe penalties that apply to persons providing false or misleading testimony to a parliamentary committee. It is essential that all your testimony before the committee is complete and truthful to the best of your knowledge. This hearing is being recorded by Hansard and a transcript of your evidence will be provided to you. The hearing is being held in public, although there is discretion available to the committee to hear evidence in private either of its own motion or at the witness's request. If for some reason you wish to make a confidential statement during today's proceedings, you should request that the evidence be taken in closed session before answering the question. Government agencies and departments have an important role and duty in assisting the Parliament to scrutinise the budget papers on behalf of the people of Western Australia, and the committee values your assistance with this.

[Witnesses introduced.]

The ACTING CHAIR: Do the witnesses wish to provide an opening statement?

Hon JIM CHOWN: Thank you, Mr Chairman. I certainly would like to provide an opening statement. Obviously, the Department of Transport is a significant agency serving the public of Western Australia, and we have a number of initiatives in the 2015–16 year being conducted through the Department of Transport at the behest of government. We have got a \$3.5 million mass transit plan. This plan will look at options for roads, river crossings, mass transit, cycling, demand management and future technologies, while complementing the Department of Planning's Perth and Peel at 3.5 million population report. Three working groups will be created and supported with updated transport modelling and ongoing research in order to develop a travel demand management plan. The entire Perth transport plan for 3.5 million people and beyond will be completed in the first half of 2016.

Something that has been in the paper recently is that we have a taxi green paper. There are four key areas considered in the green paper: a statewide regulatory environment; a simplified licensing framework; a chain of accountability model for industry; and a review of the role of the regulator. The green paper is nearing a final draft and, once professionally laid out for publication, will be

released for public consultation for a period of 12 weeks to seek industry and community views before finalising reform options. We have PDA reform. Investigation is underway to determine best practice for future PDA delivery. Objectives of the reform will be to increase PDA availability for the community; introduce greater efficiencies into the process; and improve candidate readiness for the PDA process, consistent with the Department of Transport's mission of safe drivers.

On the AIS expansion plan, the Department of Transport and Australia Post rolled out driver and vehicle services at 33 metropolitan AP outlets progressively between October 2014 and May 2015. Given the success of this partnering strategy, the Department of Transport intends to further expand the AIS network through the engagement of a branded franchise, giving a greater choice and more convenient locations for customers. The Department of Transport is inviting multi-site operators to tender to provide vehicle inspection services as authorised inspection stations.

Cycling demonstration projects is another issue that is in the public arena at the moment. The Department of Transport is working with several local governments on demonstration projects, such as bike boulevards on local roads and connections to stations. The projects have been selected on the basis of achieving the desired outcomes of the program—constructability in 2015–16, the options to extend to a longer route/area in 2016–17, and high-level support with executive staff and elected members within local government.

In relation to congestion management, the Department of Transport is currently developing the Perth central area transport plan 2016 to 2025. Travel change programs are being implemented across the metropolitan area to increase the uptake of public transport use, walking and cycling. A proposal for a targeted travel change program in the Perth central area is being developed, and the transport portfolio is working to develop performance measures for public reporting purposes and policy positions on managing congestion. There is ports reform—tranche 2 amalgamations. The Ports Legislation Amendment Act was passed by the Parliament in 2014, receiving royal assent on 20 May 2014. A second stage will bring 13 trading port facilities currently subject to the Shipping and Pilotage Act 1967 under the oversight of the new regional ports authorities, subject to the terms and conditions of existing contracts and agreements.

Something that regional members may be very interested in is the aviation implementation of review of regulated air routes. The final report of the review of regulated regular public transport air routes in Western Australia is currently being considered by government. A competitive tender process is to be undertaken for all routes that will continue to be regulated. The tender process will advertise for service delivery without a state government subsidy. The divestment of the Fremantle port and the Utah Point bulk handling facility is within a structured program of asset sales. This is part of the state government's strategy to reduce borrowings and regain WA's AAA credit rating. The recent expansion of the asset sales program to include Fremantle port significantly broadens the size and appeal of the port transactions to investors, as well as the anticipated proceeds. A thorough due diligence exercise will be undertaken by the department before any transaction is put to the market. The assets will be divested through long-term leases.

That is about it in regard to my opening statement. I think there is enough information there for members to ask relevant questions in this session.

[3.50 pm]

The ACTING CHAIR: Thank you parliamentary secretary; under five minutes, which is very good.

Hon ALANNA CLOHESY: I pity Hansard.

The ACTING CHAIR: Can I have an indication from members who have questions? Just hold your hand up for a minute. I think we will start with Hon Liz Behjat, and then we will go to Hon Ken Travers.

Hon LIZ BEHJAT: Parliamentary secretary, I would like to take you to page 799 of the budget papers, item 4 “Driver and Vehicle Services” and also on page 802 under “New Works” there is “Driver and Vehicle Services Reform”. First of all, if we talk about the figures on page 802. We see that the amount set aside in the 2015–16 program is \$4 073 000; 2016–17 it is \$2 839 000; in 2017–18 it is \$1 885 000. Then up in the forward estimates for 2018–19 there is \$4 177 000. I am wondering if you could just perhaps outline what is expected in each of those years. In 2015–16 you have quite a large expenditure and it drops off again in 2016–17 and 2017–18 but rises again in 2018–19. What does the forward program entail?

Hon JIM CHOWN: Thank you for the question. Mr Doyle would be more than happy to respond to the question.

Mr Doyle: Okay. That is a rolling program of works. The DVS reform program is a rolling program of works. Priorities are usually determined on a one-to-two-year basis. In terms of the priorities in the very out years, 2017–18 and 2018–19, they would not have been finalised yet. But in terms of the work scheduled for 2015–16 under that particular program, they include: to implement system changes; to support the introduction of the alcohol interlock devices, that is associated with some legislative changes; also the introduction of WA photo card concessions; we are going to continue to develop the e-business as a future platform for all transport systems; further develop and integrate predictive analysis and case management tools associated with the TRELIS system; complete system changes to support the upgraded fines enforcement registry; commence the development of system changes to integrate the national exchange of vehicle and driver information system—that is the NEVDIS system—for overseas licence information; to implement technological solutions for PDA—that is practical driving assessment activities; and also ongoing review in terms of potential redevelopment of the TRELIS system. So that is the program for 2015–16 and as I said, it is a rolling program. We continually review the priorities to develop up what the future works will be in 2016–17, 2017–18 and beyond.

Hon LIZ BEHJAT: So you do not know about 2018–19, but you have yet set aside the \$4 million for that program?

Mr Doyle: Yes. That is the provisions in the forward estimates. As I said, it is a rolling program. We have a base level of funding.

Hon LIZ BEHJAT: You are building yourself a buffer for future programs you might think of?

Mr Waldock: I think just the need to define future projects. So we are allowing an allocation for future projects.

Mr Doyle: They are funding provisions and we then assess our priorities and allocate the priorities within the available funding. It changes from year to year because—there is a base level in there, but depending on spending each year it can go up and down with carryovers from one year to the next year et cetera, depending on timing of particular projects.

Hon LIZ BEHJAT: On page 799 we have got “Driver and Vehicle Services”. The third dot point there is “assessing driver competency, issuing and renewing driver licences in accordance with national and State Government requirements and driver competency standards.” I want to talk about the system in place at the moment with regard to the number of hours that learner drivers are required to do to get to their various stages of being able to gain a motor vehicle driver’s licence. I am just wondering what safeguards are built into that system to ensure that those logbooks that the learner drivers are filling out are actually undertaken? I know, for instance, it is 50 hours over the period of time from when they get their learner’s permit to when they eventually do their hazard perception testing. I had a constituent come to me who has got 17-year-old triplets and there is a requirement there for 150 hours of supervised driver training. What do you do to ensure that these logbooks are actually being completed properly?

Hon JIM CHOWN: Good question, member. I am sure Nina Lyhne would be more than happy to respond and give you the relevant information.

Ms Lyhne: Thank you. The graduated driver training and licensing system has really been put in place to ensure safety. It is about ensuring that people get as much experience on the road as possible, under supervision. That is best undertaken by a responsible adult—often a parent. We put a lot of effort into educating parents and information on our website and even within the logbooks. We redesigned the logbook to ensure that parents understood the importance of doing that supervised driving so that, I guess, they are not inclined to cheat and they understand the benefit of ensuring that their children get as much practice on the road under supervision before they go solo. There will, of course, always be members of the community that do not do the right thing. We attempt to minimise that through education—through the information that we provide to them and making them aware of the benefits of the practice. But they are also required at the end of that logbook process to sign it, which is a statutory declaration that those hours have been completed and they are made very much aware that it is obviously a serious offence to falsify those records.

Hon LIZ BEHJAT: Just my final question, Chair: what happens in the situation where we have people from CALD backgrounds, you know, our migrant population? Mum and dad come to this country and they may never have driven in their lives and they do not learn to drive when they come here, but the kids all want to do that because they become very, you know, in tune with the Australian way of life. What do we do with those people who do not have a mum and dad to rely on, or a close relative, who might take them out for those practical hours that they need? I mean, at \$45 or \$55 for three-quarters of an hour, they are not going to pay for 50 hours for a driving school to do it.

[4.00 pm]

Ms Lyhne: There is no doubt that there are segments of our community that find that much more challenging, and it is not just the culturally and linguistically diverse people but various socioeconomic groups, people who do not have access to vehicles and so forth. The system is predicated on the need to ensure that the people who drive on our roads have basic competencies and a level of experience; so it is about safety. We do not have any particular program in place that assists people to do those 50 hours but there are community groups, for example, that will help. We changed the legislation some years ago—I think it was two years ago—to ensure that volunteers could do that type of work without having any difficulties. Previously it was more difficult for volunteers to do that.

Hon LIZ BEHJAT: So you do allow that to happen?

Ms Lyhne: Volunteers are able to do that; so neighbours, friends and those sorts of people can do it. Obviously some people in our community do not have the networks, but there are many people who have networks that enable them to do that sort of thing.

The ACTING CHAIR: Just on that subject, what are the current wait times for people wanting to book a practical test?

Ms Lyhne: We do not have a wait time for people who book in a practical test. We have a system whereby we release appointments on a daily basis. It is a live system. People can go into that system and they can book a time that suits them. We release practical driving assessments every day. Over 400 are released into the system every day. Most days that exceeds the demand; obviously on some days it does not. Every person is going to have a different expectation around when they would like their assessment undertaken. Some people want it now; other people will book ahead. So the time that you might need to wait will really depend on what your expectation and what your particular needs are. You can book the appointment to reserve a place, and then if you want something that is more convenient you can go back in and you can change it in the system.

The ACTING CHAIR: Okay. If I rang today, what expectation would I have? I mean, I would not get in today and I probably would not get in tomorrow. What would be the average expectation before you would get a booking?

Ms Lyhne: I cannot give you an average. We simply do not have an average. We release appointments every day. So you could in theory go onto the system and if there was one that suited you at a location that suited you, you could potentially get an appointment this week or next week—potentially.

The ACTING CHAIR: Potentially. Hon Ken Travers.

Hon KEN TRAVERS: Thank you. What does the department estimate as the current penetration of the on-demand transport services of Uber? How much of the current market that used to be serviced by taxis is now being serviced by drivers for Uber? What is the level of penetration?

Ms Lyhne: We do not have any reliable information on the level of penetration of Uber into the market—Uber X and Uber Black, two different services both provided under Uber. Obviously Uber requires their drivers to have an F endorsement, and we have certainly seen an increase in the number of F endorsements that are being sought from the department. We cannot necessarily say that that is as a result of Uber. It could be as a result of an increase in the number of small charter vehicles generally. So there is no reliable estimate. I cannot give you a figure.

Hon KEN TRAVERS: How many additional endorsements have you had since Uber established in Perth, either informally or informally, in their soft launch or their hard launch? I am happy with either figure if you have got it.

Ms Lyhne: If you bear with me, I have a figure. Our F extensions have grown from an average of approximately 300 per month prior to October 2014 to almost 500 per month in the last quarter.

Hon KEN TRAVERS: So in the last quarter, that is 600 additional F-class licences? Is that right?

Ms Lyhne: Yes, that is right.

Hon KEN TRAVERS: If we use that analysis, that would suggest that there are an awful lot of Uber drivers out there. What resources of the agency are being applied to identifying people who are driving vehicles as taxis that are not licensed as taxis? What resources are you applying to that?

Ms Lyhne: We are applying our compliance team's efforts to that. I cannot really go into detail around the specific, I guess, strategies that we are deploying because that goes to the heart of the operation that we need to undertake to identify these drivers. We have a compliance team that is undertaking investigations. Some of that is on the roads and some of that is paper-based records and so forth. We have successfully issued a number of notices and undertaken a number of prosecutions as a part of that process. We have issued 42 notices to produce to drivers or owners of vehicles that are suspected of operating taxis not in accordance with the Taxi Act. We have issued 13 infringements to small charter vehicles as a result of our investigations. We have initiated a prosecution, which is due to be heard next week.

Hon KEN TRAVERS: Is the prosecution against an Uber Black or an Uber X driver?

Ms Lyhne: The charges relate to operating a vehicle as a taxi within a controlled area without using taxi plates. It is not a small charter vehicle. The charges relate to operating a taxi without being a taxi. We have also initiated 19 prosecutions that relate to failing to comply with a lawful direction of an authorised officer, so that is obviously not cooperating —

Hon KEN TRAVERS: So at the moment there is only one prosecution under the Taxi Act 1994 for driving a vehicle as a taxi in a controlled area—only one prosecution for driving a taxi without the appropriate plates?

Ms Lyhne: That is correct, and we have a number of prosecutions which are currently working their way through the system. I cannot give you the specific details of those.

Hon KEN TRAVERS: My sense is, every time I go out to a function now—maybe it is because of my role, and I suspect that if people know what you all do, you will get the same input—that around 40 to 50 per cent of the people all talk about how they arrived there by Uber. So my sense is that it is just blossoming and the department is powerless to stop it. Is that right; and, if it is not, how can you give me confidence that it is not? The sense I get when I go out into a community and go to a function, particularly where alcohol is involved, is that getting up to close to half the people are now arriving and talking about how they got there using Uber.

The ACTING CHAIR: It's much better to use Uber than your own car, though, member.

Hon KEN TRAVERS: There are laws in this state, and if the government wants to change them, I am happy to work with it on that. What I am trying to find out is does the department feel that it is successfully combating Uber, which is clearly breaking the law?

Hon JIM CHOWN: I get the gist of your question, and I will defer to Ms Lyhne shortly, but that is one reason why the minister has initiated a green paper.

Hon KEN TRAVERS: With all due respect, parliamentary secretary, that is going to take another nine months. By that stage most of Perth will be using Uber except for you and me, I suspect. Even Hon Phil Edman was trying to use Uber at one point.

Hon JIM CHOWN: Are you telling me that as a government member he is using Uber?

The ACTING CHAIR: An illegal activity!

Hon KEN TRAVERS: There you go! There is a source for you! Actually I think under the act you can force him to answer questions now, parliamentary secretary!

Hon JIM CHOWN: Be that as it may, you would be fully aware, Hon Ken Travers, that the issue in regard to Uber and other taxi entries into the market under a regulated system is quite a sensitive area and that is why the green paper is being undertaken; and if it takes a couple of months before it is made public and there is some input from the industry and the public at large, it can respond to it. That is the correct process, as you would be fully aware, in regard to this matter. But in relation to the rest of your question I am sure Ms Lyhne is more than happy to respond.

[4.10 pm]

Mr Waldock: Can I just —

Hon JIM CHOWN: Sorry; Mr Waldock.

The ACTING CHAIR: If you can do that through the Chair, please.

Mr Waldock: My apologies, Mr Chairman.

I certainly do not think your 50 per cent is correct. Maybe it is the socioeconomic circles you might mix in, member, because our view is that certainly it may be more on a Friday and Saturday night. Our sense is it may be up to 20 per cent, that sort of number. But certainly it is a real number. I guess the question that we —

Hon KEN TRAVERS: But 20 per cent of Friday night taxi jobs and Saturday night taxi jobs is a lot of taxi jobs.

Mr Waldock: I am not questioning that. I am perhaps just giving this —

Hon KEN TRAVERS: I reckon you could park out the front of any pub and watch the cars pull up that do not have taxi plates on them and pick people up and see them drive off with their mobile phones out.

Mr Waldock: If I could just pick up from the parliamentary secretary's comments: we have got a number of choices in this business. We have seen what happens internationally with Uber. Other than some countries like Germany putting in very restrictive legislation, what we have tried to do of course is to certainly infringe and prosecute. It is not easy. We find it very hard to get enough

evidence, so that is half the issue. The issue for us is whether we can continue to look at having police at every corner or whether we look at a new regime. What is a sensible, refreshing approach to this? Whether it is us or whether it is what is happening in Melbourne—particularly in Melbourne—we are looking at putting a green paper out which I think puts on notice the future; how we go forward. It allows some greater flexibility in the system, greater choice for customers, but at the same time we think it is fair and equitable and it is based on good policy. I think that is the future. If you are suggesting that we should find more people to chase Uber or look at a whole new way of doing business, then I guess we are taking the latter.

Hon KEN TRAVERS: I want to be clear here. My point is that Uber is expanding rapidly in Perth. You as an agency—I am sure your officers are doing their best—seem to be powerless to stop it expanding. But in the meantime you are still regulating the existing taxi industry, charging them 250 bucks a week for a plate, requiring them to meet all of these requirements, and you are going to continue to require them to do that for another nine months without being able to enforce the existing laws on people who are clearly breaking those laws. You are not going to change the laws for at least nine months.

Mr Waldock: I thought I had explained it. This is such a major issue. Every lever we try to pull, we have to make sure it is pulled properly because whatever we do, some element, some part of the industry, will be very upset. I think I said —

Hon KEN TRAVERS: Take the Liberal Party motion and deregulate the whole industry, and compensate the drivers.

Mr Waldock: Some of the prosecutions have been delayed because of the court proceedings that are in Uber's interest to sort of delay and frustrate. This is not easy. If it was easy, we would say it was easy, we can do it and we would do it. We are finding it very difficult to move through that process.

Hon KEN TRAVERS: Do you accept it is unfair on the existing taxi industry that Uber is expanding and you are not doing anything to stop them?

Mr Waldock: I think we are. We have just explained we are doing as much as we sensibly can. But we realise the future is not in having a compliance officer on every corner. We have got to look at sensible ways forward. I do not think there has ever been better work done in a policy environment, and it is certainly better than anywhere else we have seen in Australia. We are putting out a green paper that gives a direction for the future, which is pretty important.

Hon JIM CHOWN: In the meantime, as you have been made aware here, a number of investigations are underway. At least one prosecution is in the courts. Of course the department and the government has to absolutely ensure that these investigations are carried out appropriately under the act. In regard to your question regarding the department's assessment of the percentage of Uber cabs or Uber trips that are being taken on a regular basis in the metro area, I will refer that question to Nina Lyhne and hopefully she will have a response.

The ACTING CHAIR: We finally return!

Ms Lyhne: My recollection of the question was around our role as a regulator and whether we felt we were doing a good job.

Hon KEN TRAVERS: Or whether you can actually stop Uber.

Ms Lyhne: We take our role as the regulator very seriously, obviously. There are laws that require parties that are doing on-demand transport for hire or reward to be appropriately licensed both in terms of their vehicle and in terms of their driver. Where we have identified that that is not the case, we investigate and we take that matter through our solicitors to the courts. We have had the very best legal advice in terms of these prosecutions. I guess it is important to say that sometimes prosecutions are strategic. It is not the number that you do, but it is the message that you send by

doing them. I think it is important that we wait until these prosecutions have been through the legal system and through the courts before we judge whether the regulatory effort has been effective.

The ACTING CHAIR: Can I just ask on that: what is the maximum penalty for a breach of the Taxi Act?

Ms Lyhne: I have not got that with me but I am happy to take that on notice. The penalties are relatively small. They are often on an offence basis, when a number of offences have been repeated, but they are relatively small in the scheme of things.

The ACTING CHAIR: So they are not seen as a major deterrent?

Hon KEN TRAVERS: I think the maximum fine is about \$1 500, but if the new Taxi Drivers Licensing Bill was in, the maximum fine would be \$2 500.

The ACTING CHAIR: I can find that information out so I will not worry about taking that on notice.

Hon KEN TRAVERS: My original question was: are we able to stop Uber or do we need to move quicker to reform the industry? If they are already at 20 per cent, is it not realistic to assume that whilst you completely regulate and put a whole cost structure on the taxi industry, Uber will be able to compete with them and take a greater market share over the next nine months? That is before you even get legislation into the Parliament; that is just to get a position before you even try to get it through the Parliament, which we would be happy to help do.

Hon JIM CHOWN: It is a good question; I appreciate that. The green paper, once it is approved by cabinet—one hopes that is done within the next six weeks —

Hon KEN TRAVERS: Your time line is already blowing out!

Hon JIM CHOWN: Seriously, you cannot make these off-the-hip changes without consultation with the industry and the community. That is the intention of the green paper —

Hon KEN TRAVERS: But, parliamentary secretary, my point is the changes are happening —

Hon JIM CHOWN: — in regard to the taxi industry.

Hon KEN TRAVERS: While you sit there and contemplate a green paper, the changes are happening.

Hon JIM CHOWN: That is a very responsible process to undertake as a government.

The ACTING CHAIR: Order! It is difficult for Hansard when two of you are speaking at the same time.

Hon KEN TRAVERS: My apologies.

Hon JIM CHOWN: I am talking, Mr Chairman, and I do not like being interrupted.

Hon ALANNA CLOHESY: Even by the Chair!

Hon KEN TRAVERS: Just be clear: I have already apologised to you and to Hansard, Mr Chair.

The ACTING CHAIR: I did notice that, Hon Ken Travers. Parliamentary secretary.

Hon JIM CHOWN: I have finished.

Hon KEN TRAVERS: You can say that you have got to consider your changes, but as we sit here the industry is changing every day and we are failing to respond. The Taxi Drivers Licensing Bill was supposed to be up and running by now, according to the advice that the esteemed parliamentary secretary gave to the Parliament some time ago now. Why has it been delayed and when will it be implemented?

Hon JIM CHOWN: We are waiting for the regulations to be finalised and then it will receive royal assent.

Hon KEN TRAVERS: When will it be implemented? When do you expect to start the process? It has been six months.

Hon JIM CHOWN: Ms Lyhne may have more relevant information on that.

Ms Lyhne: The latest advice I have is that we are very close to finalising the drafting of those regulations.

Hon KEN TRAVERS: What has been the delay? Why have we not been able to make the parliamentary secretary's original time frame?

Hon JIM CHOWN: I cannot answer that. I have no idea what the delay is in regard to writing up the regulations. I am more than happy to take it on notice, but that is the reality. Can I ask you to ask a question on this particular subject?

Hon ALANNA CLOHESY: That is called a dorothy dixer.

Hon JIM CHOWN: It is not a dorothy dixer. I think it is something that needs to be —

Hon DARREN WEST: Why don't you give us the answer first?

Hon KEN TRAVERS: Sorry, what are you asking me to do?

Hon JIM CHOWN: Ask a question.

Hon KEN TRAVERS: On what?

The ACTING CHAIR: Did you want to make a statement, parliamentary secretary?

Hon KEN TRAVERS: Do you want to ask the questions?

Hon JIM CHOWN: No, you can ask the questions!

Hon KEN TRAVERS: You ask the hardest question you were expecting today and let us see if you can answer it!

Hon JIM CHOWN: I would like somebody from the opposite side of the room to ask the question, in regard to Uber, whether passengers are covered under third party insurance when a driver who is not a regulated driver under the act is taking a fare-paying passenger.

Hon KEN TRAVERS: I am happy to swap roles! The answer, if you are talking about the compulsory third party insurance, is that the passenger will be covered but the driver will be held liable and not covered under the insurance of the commission. Is that the answer you wanted?

Hon JIM CHOWN: I will ask Ms Nina Lyhne to respond to your obvious question!

Hon ALANNA CLOHESY: Chair, I actually do have questions to ask as well.

The ACTING CHAIR: I accept that. I will just wait for an answer from Ms Lyhne and we will move on to another member.

Ms Lyhne: Clearly, drivers who are driving for hire or reward are required to have appropriate insurance. There is a range of different insurances that apply to taxis and small charter vehicles. 3F applies to small charter vehicles. For example, an Uber driver would be required to have that type of insurance. That, however, does not entitle them to carry passengers for hire or reward; they also have to have an appropriately licensed driver and appropriately licensed vehicle.

[4.20 pm]

Hon ALANNA CLOHESY: I would like to go to page 797 and "Outcomes and Key Effectiveness Indicators". One of those is the percentage by which the waiting time standard for metropolitan areas taxis is met, and it is currently sitting at 91 per cent. Does that effectiveness measure include multipurpose taxis?

Hon JIM CHOWN: I would assume so.

Mr Waldock: No, it does not.

Hon JIM CHOWN: I stand corrected.

Hon ALANNA CLOHESY: If not, why not?

Mr Waldock: If I could respond, and I will pass that on to Ms Lynne. Certainly it may include multipurpose taxis, but in fact if you separate conventional taxis from multipurpose taxis, there is no question that as to multipurpose taxis we are still finding it very difficult to meet those standards. There is little doubt—we discussed this last year. I think Ms Lynne would have the latest figures on that in terms of how —

Hon ALANNA CLOHESY: Thank you for asking my question for me.

Mr Waldock: Well it is true, yes.

Hon ALANNA CLOHESY: Can I have the statistics for MPTs not covered for inner and middle suburbs in each month for 2014-15, for outer suburbs for each month for 2014-15, and for metro each month for 2014-15?

Hon JIM CHOWN: That is a quite detailed question. I am not sure if we have those particular details, so perhaps we should take it on notice.

[Supplementary Information No D1.]

Hon ALANNA CLOHESY: Assuming this key effectiveness indicator was applied to multipurpose taxis, what is the average wait time for taxis?

Mr Waldock: We understand —

Hon ALANNA CLOHESY: Sorry; the question I asked earlier was jobs not covered; I also want wait times.

The ACTING CHAIR: We will include that in D1.

Ms Lyhne: I will need to take that detail on notice; I do not have that detail.

The ACTING CHAIR: That is no problem; we will include that in D1.

Hon ALANNA CLOHESY: Can I recommend to the parliamentary secretary that consideration be given to multipurpose taxi wait times and jobs not covered as an effectiveness indicator, because the wait time people have to experience right now is appalling, and as we are coming into winter and people are being left in the cold, that is not an exaggeration; that is appalling.

Hon JIM CHOWN: So would you like to put on the record your assessment of the wait times that people are experiencing at the moment?

Hon ALANNA CLOHESY: I have had constituents come to me who have not been picked up at all, so there were a number of jobs not covered, and wait time varies. But I also know of people who have been waiting for a minimum—a minimum—of two hours on a job call; a minimum of two hours. I have known people who will wait for five hours. How are people expected to live lives and have an ordinary life when they cannot access taxis? It is appalling. On that question: how much has been allocated to increasing the number of multipurpose taxis in the 2015-16 state budget?

The ACTING CHAIR: Would you like to repeat question?

Hon ALANNA CLOHESY: How much has been allocated in the 2015-16 budget for increasing the number of multipurpose taxis on the road?

Hon JIM CHOWN: We do not have that information.

[Supplementary Information No D2.]

Hon ALANNA CLOHESY: I am appalled that that information is not to hand.

Hon JIM CHOWN: Can I just —

Hon ALANNA CLOHESY: How many MPTs are currently on the road?

Hon JIM CHOWN: If we could just slow down a bit. To the previous question, the director general would like to give a response.

The ACTING CHAIR: We will get an answer to the previous question from Mr Waldock.

Mr Waldock: One of the issues with MPT taxis is that we find it very hard to have people who wish to actually provide that service, so that is the first constraint. The issue is that although we have provided incentives such as loading fees over the last few years, we find it very difficult, as I say, to attract people wishing to take on MPT services. We do all acknowledge it is difficult; as we discussed last time, we are trying to do some more work in more purpose-vehicle areas to see if they can take some of the load. But at the same time you would have noticed over the last few weeks—I think about four weeks ago—that we went out looking for one dispatch service dedicated to providing the best possible services. It is a difficult industry; a lot of the multipurpose customers like to actually deal directly with the driver rather than going through a dispatch company. It is not a very good logistics set up, so we are certainly moving towards trying to get a dispatch company totally dedicated to providing services for people who require multipurpose services. I can only say that we have done some work and the green paper will pick some of this up as well, but we do acknowledge that it is a difficult one because we could allocate as many plates as you like but you have to get people who wish to take the service on.

Hon ALANNA CLOHESY: I do acknowledge that lifting fees may contribute to people being interested in operating multipurpose taxis. If that is the case, why have lifting fees not increased? In fact, they have decreased from 2013-14 to the actual budget for 2014-15, and they are not projected to increase at all over the forward estimates. If one of the problems is engaging drivers and one of the solutions is providing lifting fees, why have they not increased in the budget?

Mr Waldock: I am not sure where you are looking, but I think you are talking about our assessments of what the total fees will be—the total fees in terms of subsidies rather than the individual fees?

Hon ALANNA CLOHESY: The lifting subsidy has actually decreased from 2013-14 to the actual 2014-15, but then it stays in the same in 2015-16 and the out years. So, it is not a hypothetical. If this is a problem, why has an obvious solution to it not been done?

The ACTING CHAIR: Have you got a page number for that?

Hon ALANNA CLOHESY: Page 804.

Hon JIM CHOWN: Our either Mr Doyle or Ms Lynne is probably more qualified to respond to the question.

Mr Doyle: The allocation for the lifting subsidy is, as you said, flat across the forward estimates period at about \$1.959 million—I think that is the figure in the papers.

Hon ALANNA CLOHESY: Correct.

Mr Doyle: So that is pretty consistent with the actual for 2013-14. That is —

Hon ALANNA CLOHESY: It is less than 2013-14.

Mr Doyle: By \$9 000, over nearly \$2 million. So that is the level of budget we expect to incur in that lifting subsidy. If it ends up being more, that is what we have to pay. We pay the subsidy, but that is our best estimate of what the total dollars are that are required for that lifting subsidy.

Hon ALANNA CLOHESY: How many MPT plates are currently on the road?

Ms Lyhne: I will need to take that on notice; I do not have the latest numbers with me.

[Supplementary Information No D3.]

Hon ALANNA CLOHESY: How many MPT drivers are currently driving?

Ms Lyhne: I will need to take that on notice as well.

Hon ALANNA CLOHESY: Perhaps I can put the department on notice that I will be asking these questions again at the annual report hearings, and at the next estimates as well.

The ACTING CHAIR: We will include that in D3.

Hon ALANNA CLOHESY: What is the cost of putting an MPT on the road?

Hon JIM CHOWN: We may take that on notice as well.

The ACTING CHAIR: Do you want to include that in D3?

Hon JIM CHOWN: Yes.

Hon ALANNA CLOHESY: What are the associated costs of running an MPT? Once it is on the road, what are the associated costs?

Hon JIM CHOWN: Mr Doyle does have some figures that may be helpful, member.

Mr Doyle: I will just come back to an earlier question you asked around MPT plates; this is linked to our revenue estimates. In terms of the number of multipurpose taxi plates, there are three categories: restricted hours for peak period sedans, 370; restricted hours for peak period vans is 40; and restricted-area taxis, which is Swan and Kalamunda, is 16. They are the number of MPT plates that match into our revenue estimates for the 2015-16 budget.

[4.30 pm]

Hon ALANNA CLOHESY: What was the total number of plates then?

Mr Doyle: That adds up to 426. That is linked to our revenue estimates. Whether that is the actual number that is out there or not, that links into our revenue estimates.

Hon ALANNA CLOHESY: That is the current number of plates but it is not the number of taxis on the road.

Mr Doyle: That is right.

Hon ALANNA CLOHESY: That is why I asked also for the number of MPTs on the road.

The ACTING CHAIR: So your last question was the number of MPTs on the road?

Hon ALANNA CLOHESY: Yes. The last time we met I asked about what arrangements had been put in place to improve security of MPTs for passengers, and there had been one consultation with taxi users regarding security and MPTs. What has the department done to progress that since then?

Ms Lyhne: They obviously have the cameras.

Hon ALANNA CLOHESY: So cameras are in all MPTs now?

Ms Lyhne: In the metropolitan area, yes, they are required to.

Hon ALANNA CLOHESY: Not in the outer areas?

Ms Lyhne: There is a requirement for taxis to have cameras. There may be some MPTs without cameras. Cameras are obviously the most significant safety measure, deterrent, that we can have. We have worked together with the community to talk to them about their safety concerns. Obviously you are referring to the very serious incident that happened over 12 months ago, and we have worked with the community following that. But still cameras remain the most significant deterrent that we have.

Hon ALANNA CLOHESY: Working with the community, that was the consultation in August last year, is that right?

Ms Lyhne: Yes.

Hon ALANNA CLOHESY: Has there been any further consultation?

Ms Lyhne: Not that I am aware of. I would have to get an update on that for you.

Hon ALANNA CLOHESY: Since the reporting of those several appalling incidents last year, what has the department done to improve security?

Ms Lyhne: I am not aware of any specific action we have taken in relation to MPT taxis, but I have not had a recent update, so I would be happy to take that on notice.

[*Supplementary Information No D4.*]

Hon ALANNA CLOHESY: Could I also have on notice the number of MPTs that do not have cameras and their locations, please?

Ms Lyhne: Yes.

Hon ALANNA CLOHESY: The National Disability Insurance Scheme has a number of trials taking place right now. What discussions has the minister or the department had with the National Disability Insurance Agency and the Minister for Disability Services regarding the provision of transport under the National Disability Insurance Scheme, particularly taxis?

Ms Lyhne: There have been discussions around the impact of the National Disability Insurance Scheme. It affects, for example, the TUSS subsidy scheme. So we are working through the impact on TUSS and those who are entitled to TUSS, depending on whether they are a part of the National Disability Insurance Scheme or not.

Mr Waldock: Indeed, if I could just expand, I think you will find that for a period the budget has been adjusted downwards because of the support from the national disability scheme, so that has been factored into our budgets.

Hon ALANNA CLOHESY: It has been adjusted down?

Mr Waldock: For the first period, yes, as the trial takes place.

Hon ALANNA CLOHESY: That is not reflected in the budget.

Mr Waldock: Yes, it is.

Mr Doyle: In our grants and subsidies table in the budget papers there is the taxi users subsidy scheme. I will just try to get the page number for you. It is on page 804 at the second-bottom line.

Hon ALANNA CLOHESY: Page 804, the second-last line.

Mr Doyle: The second bottom line, "Taxi User Subsidy Scheme". You will see the figure in 2015–16 is \$8.205 million, which is \$621 000 lower than the other years there; and that \$621 000 is directly related to the NDIS trial.

Hon ALANNA CLOHESY: So it has been adjusted down?

Mr Doyle: Yes, because the expenditure will be picked up under the NDIS trial. So in totality, when you add them together, it is still the same amount but 621 is under NDIS and the other 8.205 is under the normal departmental operations.

Hon ALANNA CLOHESY: Why is the out years then the same as the 2014–15 budget?

Mr Doyle: Because it is only a one-year trial.

Hon ALANNA CLOHESY: Not all of it; it will continue.

Mr Doyle: This funding arrangement is a one-year trial funding arrangement under the NDIS.

Hon ALANNA CLOHESY: So nothing has been done in terms of projecting what the costs might be with the full implementation of the NDIS or My Way?

Hon JIM CHOWN: That is why you have a trial.

Hon ALANNA CLOHESY: I have two more questions related to this. With the implementation of UberAssist, what is the department doing to ensure that the UberAssist service and drivers meet the legislation and regulation as they relate to drivers of people with disability?

Ms Lyhne: We are aware obviously of UberAssist, and all of our communications with Uber and anybody else who wants to enter that marketplace are around what the standards and the requirements are for the delivery of those services. So, that is appropriately licensed vehicles, appropriately licensed drivers and any other requirements that may be required if there is a specific service.

Hon ALANNA CLOHESY: So nothing different from the answer that you gave Hon Ken Travers in relation to UberX and Black?

Ms Lyhne: Not that I am aware of.

Hon JIM CHOWN: It would be the same set of standards.

Hon ALANNA CLOHESY: I beg to differ. With UberAssist, I think, it is significantly different.

Hon JIM CHOWN: Would you like to expand?

Hon ALANNA CLOHESY: Because the passengers are people with disability and seniors.

Hon JIM CHOWN: Sure.

Hon ALANNA CLOHESY: I will have to follow that question up later. Where are we up to with the London cab trial?

Ms Lyhne: The wheelchair trial with the London cabs, is that what you are referring to?

Hon ALANNA CLOHESY: Correct.

Ms Lyhne: Obviously the trial itself commenced in December 2013, so we are coming up to two years at the end of this year of that trial. We are seeking feedback from customers, and every indication to date is that customers are very happy with that service, with the vast majority, over 90 per cent, electing to use a London taxi again.

Hon ALANNA CLOHESY: So a decision has been made on the model and type of wheelchair that can access the London cabs.

Ms Lyhne: What we are doing at the moment is we have a number of selected drivers and a number of wheelchair users who are currently engaged in a process to determine how that works. That trial is actually being undertaken right now. There have been a number of people in a range of wheelchairs in the London taxis, and I think it is fair to say that their response to date has been varied and it is largely dependent on the type of wheelchair a person has. So some people have been very happy but others have experienced difficulties, and that is exactly why we are doing the trial.

Hon ALANNA CLOHESY: When is the trial meant to finish?

Ms Lyhne: It depends a little bit on us getting the numbers up, but we would expect it to be finished over the next few months. It is a very consultative process, so the process is as important as the end result, so we are spending a lot of time talking to the people, finding the rights types of people who want to participate in the trial, a full range of wheelchairs et cetera.

Hon ALANNA CLOHESY: How much has that trial cost?

Ms Lyhne: I would have to take that on notice, I am sorry.

[Supplementary Information No D5.]

Hon ADELE FARINA: My question is in relation to the Perth to Bunbury fast train. Where is that at?

Hon JIM CHOWN: It is probably more relevant to the PTA. The Public Transport Authority will be —

Hon ADELE FARINA: Okay, I will ask it then as I will still be here; no worries, I am happy to leave it until then. If that is what you prefer to do, that is fine.

Hon JIM CHOWN: Okay.

Hon KEN TRAVERS: It is a slow train coming!

Hon ADELE FARINA: My next question is in relation to Port Geographe. There has been the announcement in relation to the official launch of the groyne reconfiguration, which most in the community are happy about. The concern is that somewhere along the line in the last six years things have gone completely off the rails and everyone has taken their eye off what is happening at Wonnerup Beach. There is enormous erosion happening at Wonnerup Beach. The annual bypassing that was meant to happen at a minimal level equal to the littoral drift has not been happening for the last six years, and I understand in the last two years the department stopped any bypassing at all, which is just creating a larger problem in terms of erosion at Wonnerup Beach. It is extraordinary that after the years that were invested in identifying the problems there and understanding the problems there that the department would allow this to happen. So I would really like an explanation about why the department has completely ignored what is happening at Wonnerup.

[4.40 pm]

Hon JIM CHOWN: The director general will be more than happy to respond to the question.

Mr Waldock: And Ms Lyhne might want to expand also. I understand exactly what is being said. We put an enormous amount of work into this, and thank you for your compliments in terms of Port Geographe and how we have turned a very difficult situation around. It is something that, as you say, most people are very appreciative of and it will be the —

Hon ADELE FARINA: Only in relation to the western beach.

Mr Waldock: Yes, I was going to get to that, if I may. I get lots of correspondence on Wonnerup Beach and all the issues there. I know it has been a real issue and it has been an issue for some years. We have put on the record that we do want to understand how the new arrangement works with littoral drift and sand movements. We do want to understand the winter, as we are now going through, to better understand what we may have to do in terms of bypassing, but I would —

Hon ADELE FARINA: We already know that. We paid Mike Paul a significant amount of money to explain it.

Mr Waldock: Mike used to work for me so I know Mike Paul very well —

Hon ADELE FARINA: I know; that is right. So I do not understand why you are ignoring all of the work that was done when Labor was in government. We did all of the groundwork that was needed. I chaired that committee and I am right across it and you cannot stop the annual sand bypassing, and you have done it.

Mr Waldock: Our modelling shows, and certainly the modelling done by the University of Western Australia, that a great deal of sand will move around the new configuration. We need to better understand it. Can I just say —

Hon ADELE FARINA: Sorry, will you table that report?

Mr Waldock: The work that was done by the UWA?

Hon ADELE FARINA: Yes, because my understanding is that is not what the report shows, but if you table the report —

The ACTING CHAIR: Member, can we just let Mr Waldock finish answering the question and then you can take another question.

Mr Waldock: As I say, what we have undertaken to do is to, please, work with us over winter, let the winter storms abate so we can then understand best how we are going to look at the whole issue.

We think we understand—we get avalanched by one particular local person down there who continues to give us updates and pictures every day almost, where we certainly understand —

Hon KEN TRAVERS: It is not the former local member, is it?

Mr Waldock: Would Ms Lyhne like to make any comments in terms of our coastal engineering section and the work they are doing?

Ms Lyhne: The technical advice that we have is that we need to allow a period of natural adjustment now following the reconfiguration, because it has only just been completed, before we jump to any conclusions about what the long term is. That is the technical advice that I have.

Hon ADELE FARINA: Where have you got that advice from and what is it based on?

Ms Lyhne: We have a number of people working in our coastal infrastructure business unit who have been working very closely with UWA and others through this whole project. They themselves are qualified coastal engineers and the advice is based on advice from them.

Hon ADELE FARINA: The bottom line is that they are wrong. We spent a lot of time and money investing in understanding what was happening at the beach and we know that if you do not do the annual sand bypassing, you will have massive erosion at Wonnerup, near Barry Faithfull's house. It has already eroded from 150 metres down to 37 metres. Are you actually going to wait for the house and the road to go before you act? All the revegetation that took place when Labor was in government along Wonnerup Beach and the seawall and rebuilding the dune system has all been lost. We now have bits of the road and seawall actually falling into the ocean. What you are doing there is tantamount to environmental pollution under the EPA Act. It is disgraceful.

Mr Waldock: I am more than happy to get our experts together with the independent experts we have used to review the situation. As I say, I much prefer to review it post the winter storms, but I will —

Hon ADELE FARINA: It will be too late then.

Mr Waldock: If I can just finish, I will actually instigate some early discussions to again understand your comments and the issues.

Hon ADELE FARINA: But I do not understand it. We know that the littoral drift is 50 000 cubic metres to 80 000 cubic metres a year. If you do not bypass that amount of sand, you will get a big hole. It is very, very simple. It is not a complicated issue.

Mr Waldock: No, it is not simple. Coastal issues are never simple. It is very easy for everybody to be an amateur expert in this. That is why we have been working with UWA and our own experts for some years on this. I understand what Mike Paul might have said 20 years ago —

Hon ADELE FARINA: It was not 20 years ago. It was when Labor was in government and I was chairing the working group.

The ACTING CHAIR: Can Mr Waldock please complete his answer?

Mr Waldock: Everybody has got a view. I have never seen so many different views on coastal erosion in this state because everybody thinks they are an expert. I said that I will undertake to call an early meeting to understand whether we need to do something urgently or proceed as we are for allowing the winter storms to proceed and then consider our options.

Hon ADELE FARINA: Why has the department made a decision to stop the annual bypassing in 2012?

Mr Waldock: Perhaps put that issue on notice. But I am more than happy to provide the technical advice we have used on the basis of why we are waiting for the winter storms to abate before we actually look at the issue.

[*Supplementary Information No D6.*]

Hon ADELE FARINA: Can I also have a copy of the UWA report tabled before the committee?

Mr Waldock: That is on Port Geographe.

Hon KEN TRAVERS: On this subject, a couple of years ago you had an annual ongoing budget allocation for Port Geographe. What is your current allocation and what is the current annual expenditure on Port Geographe, so measures surrounding Port Geographe? My recollection was that it ran into the millions. As well as \$28 million for the restoration work, there was an ongoing budget commitment. What is that ongoing budget commitment? How much are we spending?

Mr Waldock: I will ask Mr Doyle to respond to the detail of the budget. We have always had an allocation, and it is not annually but it is certainly regular in terms of dredging the actual entrance —

Hon KEN TRAVERS: But there was an additional amount given in your budget and I am trying to work out what is now your annual expenditure on issues surrounding the Port Geographe development.

Mr Waldock: In a policy sense, when we did the new configuration, we indicated to government that this was the expenditure we would need for the next few years, but we are going to come back again post the new configuration to reflect what we believe is a sensible approach. It was one based on: let us do the works, let us understand what is happening and then make a considered judgement on what will be required in the future. Mr Doyle might want to give some numbers.

Mr Doyle: In terms of the numbers—I do not have them in front of me—they have not changed since they were put in the budget papers. I cannot remember whether it was last year's budget papers or the year before—the years seem to go by very quickly now. But it is still those amounts that were put in the budget at that time that are what we have in our allocations, and, as Mr Waldock said, once things settle down a review will be undertaken as to the ongoing need will be.

Hon KEN TRAVERS: You do not have the figures with you, so if I can ask for those to be taken on notice in terms of what the original figures were, how much you have actually spent since that money was put in, and how much you have got going forward over the forward estimates allocated for that function. Can we have that as supplementary information?

Mr Doyle: Yes.

[Supplementary Information No D7.]

Hon KEN TRAVERS: Are we spending all the money or are we having to top it up with other money over and above the allocation you were given?

Mr Doyle: I do not have the actual figures in front of me.

Hon JIM CHOWN: We will take that on notice as well, member.

The ACTING CHAIR: We will include that in D7.

Hon ADELE FARINA: Out of the \$28 million allocated for the reconfiguration of the groynes, how much of that money was spent on landscaping?

Mr Waldock: I thought it was about \$1.6 million, but Ms Lyhne might have a better figure. But we will come back on that. It is all documented very clearly.

[Supplementary Information No D8.]

Hon ADELE FARINA: How much of that money was spent on sand bypassing?

Mr Waldock: We will respond to that.

The ACTING CHAIR: Shall we include that in D8?

Hon ADELE FARINA: How much of that money was actually spent doing anything at Wonnerup, which was part of the solution that was supposed to be offered with the \$28 million, which included sand bypassing that has not happened?

[4.50 pm]

The ACTING CHAIR: Did you want to include all that in D8?

Hon JIM CHOWN: Yes, include it all.

Hon MARTIN PRITCHARD: I am old hand now. Actually that was quite important; mine seems a little less so, but I do like to keep an eye on how money is spent. I was looking through some of the answers to questions and I draw your attention to question 4, which basically says: how much has the department budgeted —

Hon JIM CHOWN: Is that question on notice 4.

Hon MARTIN PRITCHARD: It is a short one, so I can read it if you prefer. It says: how much has the department budgeted in the 2015–16 for advertising? You gave the answer of \$818 000. So my question is: what will that be spent on?

Hon JIM CHOWN: Mr Waldock.

Mr Waldock: As I understand it, the vast majority of that money was spent on normal notices and information that we provide both in driver and vehicle services, particularly in the marine safety area—notices to mariners and the rest. That is certainly my understanding. The vast majority was for normal routine regulatory and advisory type purposes.

Hon MARTIN PRITCHARD: Could you tell me how much was spent on the Bigger Picture advertising?

Mr Waldock: I think zero on that particular number.

Hon MARTIN PRITCHARD: Would that be the same in 2014–15?

Mr Waldock: We have not got the figure. I will take that on notice.

[*Supplementary Information No D9.*]

Hon MARTIN PRITCHARD: So you do not believe that any is budgeted for that?

Mr Waldock: My understanding is, no.

Hon MARTIN PRITCHARD: I will wait for the answer, thank you.

Hon KEN TRAVERS: Are you still the lead agency in transport for funding the Bigger Picture adverts?

Mr Waldock: My understanding is that—I am not sure about a lead agency—I think that historically all agencies made a contribution, but I could be wrong. Mr Doyle will respond.

Mr Doyle: As Mr Waldock said, we do not have money in our budget in 2015–16. Past contributions, I am not actually sure, but I do not think it has ever been us as the lead agency, as I say, for the Department of Transport—not to my understanding or knowledge.

Hon KEN TRAVERS: In terms of transport planning, is this the lead agency for developing MAX light or is that the PTA's job?

Mr Waldock: The planning function was certainly always Transport. That was part of the joint planning for MAX with both the commonwealth government funds and state funds, and, certainly, so planning. The delivery of a project would not be Transport.

Hon KEN TRAVERS: We had the plans for MAX and now I understand we are looking at the option of a bus rapid transit system up Alexander Drive; is that correct?

Mr Waldock: A comparable analysis—yes.

Hon KEN TRAVERS: Who is doing that work? Is that Transport or the PTA?

Mr Waldock: Transport would undertake that work.

Hon KEN TRAVERS: What is the budget allocation for that work this year?

Mr Waldock: My understanding is that we actually have not got a budget allocation in the budget figures—have we, Mr Doyle?

Mr Doyle: Not specifically—no specific allocation.

Hon KEN TRAVERS: How is it being funded then?

Mr Waldock: In the budgets, what we do for certainly the policy, planning and infrastructure area, which Mr Doyle is the managing director of, we have allocated funds for studies, and we certainly have some allocated unallocated funds to allow issues that might develop during the course of the year to fund.

Hon KEN TRAVERS: I find it quite extraordinary that a project that would be in theory so significant, based on the excitement that the parliamentary secretary gets when I ask questions about it, does not have a formal budget allocation for the work on it. I mean MAX always had an allocation. Your transport plans always have an allocation. Why does the BRT up Alexander Drive not have an allocation?

Mr Waldock: Is that a statement or a question?

Hon KEN TRAVERS: No. It is a question. Why does it not have an allocation?

Mr Waldock: My sense is that this is still developing. We are thinking through exactly what needs to be done on this project, and we are thinking about it carefully. Indeed, the time we did the budget allocation, which was certainly back in the early new year, we were not well placed to in fact identify or even assess the requirements in terms of reference in detail, let alone the cost thereof.

Hon KEN TRAVERS: I still find it hard to understand. What work do we expect? If we do not have a budget allocation, what work do you expect to undertake this year on the BRT along Alexander Drive?

Mr Waldock: You are asking us about what the details of work to be done from now on in terms of assessing the comparative assessment of BRT versus the MAX light rail? Is that your question?

Hon KEN TRAVERS: I am asking you what work you are going to do regarding providing a transport solution for the north central corridor? How about that?

Mr Waldock: That is perfectly good. I can say that we are just finally developing terms of reference on that and we will keep you informed when we finish it.

Hon KEN TRAVERS: So you have not actually even scoped out what you are going to do in respect of replacing MAX with buses?

Mr Waldock: We are not even talking about what we are going to do in replacing MAX with buses; we are talking about the work that needs to be done to make a comparable assessment. What I am saying is those terms of reference have not been finalised.

Hon KEN TRAVERS: What work did Mr Iancov and Chronos Advisory undertake then?

Mr Waldock: That was what was called preliminary assessment. I think we have actually responded to that in parliamentary questions.

Hon KEN TRAVERS: Yes, but I am trying to see if you could give me a bit more—you know, be a bit more expansive in your answer director general about what actually he did.

Mr Waldock: I think he asked a number of questions about—well, I do not think. He asked a number of questions and put some information forward which would be of interest in doing it and it was slightly different. It is interesting because the work that he did was not actually comparing

perhaps the BRT assessment we did in the business case; it is a different type of BRT, and that is the nature of our ongoing consideration.

Hon KEN TRAVERS: How was Mr Iancov or Chronos—I am not sure who you employed, whether you employed him directly or the advisory company—chosen to do that work?

Mr Waldock: I think you asked that at this session last year.

Hon KEN TRAVERS: Something similar, but I am more precise with my questions now, because I am slowly understanding what went on. I am asking you to tell me how he was chosen.

Mr Waldock: I will answer it as it was answered before: it was a request from the minister's office.

Hon KEN TRAVERS: To specifically engage Mr Iancov?

Mr Waldock: That was the answer we gave before and it has not changed.

Hon KEN TRAVERS: What experience does Mr Iancov have in transport planning matters and comparing light rail to BRT?

Mr Waldock: I am not totally on top of Mr Iancov's CV, but I do know he is well considered in the consulting world, particularly in the engineering field.

Hon KEN TRAVERS: But it was not your agency's choice; it was the minister that directed you to not just to do a study but to employ Mr Iancov.

Mr Waldock: Chronos was—as I say, that was the advice we gave you last time, and it has not changed.

Hon KEN TRAVERS: That is actually slightly different to the advice that Mr Doyle gave me last time.

Mr Waldock: So you do remember.

Hon KEN TRAVERS: That is why I am intrigued and probing you, Mr Waldock, about exactly what happened. You are now saying that you were directed to employ Mr Iancov and Chronos to undertake the study he did.

Mr Waldock: Chronos. Mr Doyle, you might just jump in. It was Chronos with you, was it not?

Mr Doyle: That is right.

Mr Waldock: I was actually—again, I was on holidays.

Hon KEN TRAVERS: You were a lucky man that day.

Mr Doyle: We were requested to get advice from Chronos Advisory services on the subject of reviewing the assumptions on the MAX light rail project, so we complied with that request.

Hon KEN TRAVERS: And that was a written request?

[5.00 pm]

Mr Doyle: It was a verbal request.

Hon KEN TRAVERS: And did you subsequently seek it in writing?

Mr Doyle: Yes.

Hon KEN TRAVERS: Can I ask for a copy of that; the written direction from the minister to the agency for that expenditure?

[*Supplementary Information No D10.*]

Hon KEN TRAVERS: Neither of you are able to tell me what the experience of Mr Iancov is in that area?

Hon JIM CHOWN: Sorry, I missed the question.

Hon KEN TRAVERS: Neither of the gentlemen with you can advise me as to what Mr Iancov or Chronos Advisory's experience in that work is?

Mr Waldock: I can expand no further than what I have already said. He is a consultant that is well considered, and you will note that he is a director of the Australian Submarine Corporation and a director of Western Power—wide engineering experience.

Hon KEN TRAVERS: In terms of complying with the State Supply Commission Act, I would have thought that even at \$15 000 you should have been getting three quotes. Did you seek three quotes; or, if not, how did you establish the rate at which you were paying Chronos Advisory?

Mr Doyle: It was all done within state supply rules, so it was done within our government procurement policy and the department's procurement policy. It was within the thresholds where we could seek a quote from one entity and that is what we did; we sought a quote from Chronos Advisory services, and they quoted \$15 000, and that quote was accepted.

Hon KEN TRAVERS: Right. Normally going at that level with one quote, it would normally be because that person has a special expertise and there is no-one else that can provide that expertise. Is that correct?

Mr Doyle: I will come back to an earlier answer I gave. We complied with our request of what we were asked to do.

Hon KEN TRAVERS: I am just wanting to check that under your guidelines. The expertise he had was he was the only person that could comply with the minister's request, because that is my next question: what expertise did he have that was so unique that you only got the one quote? I am assuming from your answers, but I want to hear it from you, that is because the expertise he had was he was the person the minister wanted you to choose.

Mr Doyle: Going back to: we complied with the request that we were asked to do and we went through our formal procurement process in order to do that, as I have described previously.

Hon KEN TRAVERS: Does the State Supply Commission Act make provision for you employing people at the direction of a minister?

Mr Doyle: I would not think it would mention those specific words; I think State Supply Commission policies do not go to that level.

Hon KEN TRAVERS: The State Supply Commission says you can go for one quote where someone has a particular expertise that no-one else has. Am I wrong there?

Mr Doyle: My understanding is, and I did seek advice from our procurement people in the department, that we were within policy and within legislation in terms of what we did.

Hon KEN TRAVERS: Can I ask then that the advice from your procurement people be provided to the committee as well as supplementary information or the written advice you received from your procurement people as supplementary?

The ACTING CHAIR: We will include that in supplementary information D10.

Hon KEN TRAVERS: Am I right in assuming that the report that Chronos Advisory provided the agency is the report that killed MAX?

Mr Waldock: MAX is not dead.

Hon KEN TRAVERS: I am a big fan of *Get Smart* too; he always comes back at the last moment, so maybe MAX will survive! It is so funny, is it not? You have got Chronos and KAOS and they are both out to get Max! Is it the Chronos Advisory report, as a result of that report, that we are now seeing the \$30 million that you spent on planning MAX now being re-evaluated? Is that the trigger for the re-evaluation of MAX?

Hon JIM CHOWN: I think the director general on a previous question on this particular matter made it very clear that the bus rapid transport solution is being looked at as a possible alternate to MAX. That decision is yet to be made. I do not believe there is an adequate response to the question you are putting forward.

Hon KEN TRAVERS: I am asking: was it the trigger; and, if it was not the trigger, what was the trigger for the re-examination of MAX?

Hon JIM CHOWN: I have just given you my response, supplementing the director general's response to a similar question previously in this session.

Mr Waldock: It is on the public record that the minister certainly—it did raise an issue of another option of how we might run a bus rapid transit system service, and to that extent, that is the very basis that the minister has talked about. He is looking at a MAX-like solution using buses. That is the current state of the nation. Whatever is being asked is pretty much pretty clear in terms of what the minister's statements have been to date.

Hon KEN TRAVERS: So it was the trigger.

The ACTING CHAIR: Are there any further questions, Hon Ken Travers?

Hon KEN TRAVERS: I will move on. What role is the department playing in the sale of Fremantle port?

Mr Waldock: The Fremantle port sale will be administered through, as I understand it, a ministerial subcommittee, but certainly Treasury will be taking the lead role in terms of government agencies.

Hon KEN TRAVERS: I understand that, but my question was: what role is your agency playing in the sale of Fremantle port?

Mr Waldock: We are looking forward to playing a very, very substantial role and already the Treasury and the asset sales task force have made contact with us. They see us being a very important part of that, particularly in the areas of policy, because policies and clarity in what we are trying to achieve in outcomes will be very important.

Hon KEN TRAVERS: So, is it your agency's role to provide advice about when we need a second port?

Mr Waldock: Our role will be in many issues, including, as I say, policy issues, regulatory issues, logistics chain issues—all of those things. I would expect that those issues will be part of the discussions.

Hon KEN TRAVERS: Would you be the agency that identifies what land should be included in the sale of the port? Who would do that?

Mr Waldock: I think we would be one of the agencies. In fact, I think in the land area, I think the Fremantle Port Authority will probably have a greater role than us and maybe the Department of State Development. There will be many people in this role, including the Department of Lands. We hope and we look forward to being a very important player in the discussions.

Hon KEN TRAVERS: Are you a party to the legal action of James Point? Are you one of the agencies that is involved in the legal action by James Point Ports—James Port —

Hon JIM CHOWN: JPPL—James Point Pty Ltd.

Hon KEN TRAVERS: Yes, James Point Pty Ltd?

Mr Waldock: We are, but we would not wish to make any comment that is subject to ongoing dialogue.

Hon KEN TRAVERS: Is that action still ongoing then, is it? There is still an action against yourselves and the other agencies?

Mr Waldock: Mr Doyle has been actually briefing SSO on that. Does Mr Doyle want to respond?

Mr Doyle: Yes, the litigation is still before the courts, so that is an ongoing matter. The matter of the operating agreement is finalised, is dead, but the matter of litigation is still ongoing.

Hon KEN TRAVERS: Sorry, which operating agreement are we talking about?

Mr Doyle: The supposed operating agreement that James Point had to operate a port in the outer harbour at Fremantle. So that matter is over —

Hon JIM CHOWN: Resolved.

Mr Doyle: Resolved—it no longer exists. All parties have agreed that that operating agreement has no ongoing validity. It is only the litigation that is still ongoing.

Hon KEN TRAVERS: Is that litigation about compensation for not being able to get the operating agreement up and running?

Mr Doyle: It is a claim by James Point Pty Ltd on the state.

Hon KEN TRAVERS: Their argument being that the state failed to meet its obligations under the operating agreement.

Mr Doyle: In broad terms, that is the issue.

Hon KEN TRAVERS: And the land that was involved in that? If the operating agreement is gone, does JPPL still have any claim on any of the land that was a part of the operating agreement; or with the operating agreement now going, that that means that the land is now no longer subject to any claim by JPPL?

[5.10 pm]

Mr Doyle: My understanding is it is just a matter of litigation now.

Mr Waldock: It is just a matter of damage claim.

Hon KEN TRAVERS: For compensation. So there is no rights to the land anymore?

Mr Doyle: No.

Hon KEN TRAVERS: Okay. Can I keep going?

The ACTING CHAIR: You can keep going for the moment, Hon Ken Travers. We have got a bit of time up our sleeve. Another couple of questions.

Hon KEN TRAVERS: Fantastic. I wanted to go back to coastal erosion. I asked a question on notice and you did provide some information in your answer.

Hon JIM CHOWN: Could you give us a number for the question on notice, please, member? Just to help facilitate a response.

Hon KEN TRAVERS: I am just trying to find it now. It is question 14. In answer to part (a), you have given me a list of those areas where there is a coastal erosion hotspot. I did ask, for each of those locations as part of part (b), who is responsible for the remedial action? Then you told me it is whether the reserve has a vested management order. For each of those areas listed in part (a), is it the relevant local authority that is the responsible agency that is covered or is it, in some cases, other government agencies like the Department of Lands or the Department of Parks and Wildlife? If you cannot answer it now, can you actually take that on notice and provide me with a list for each of those sites, who is the —

Hon JIM CHOWN: We probably can answer it now, and the answer is yes. In a general sense, the local authorities are the responsible agencies.

Hon KEN TRAVERS: No, that is what I am saying. I want to know for each of those sites exactly —

Hon JIM CHOWN: Site by site?

Hon KEN TRAVERS: Yes. Who is the agency responsible for preparing the management plan? Could you take that on notice?

Hon JIM CHOWN: Yes.

[*Supplementary Information No D11.*]

Hon KEN TRAVERS: Now, obviously one of the issues that is becoming increasingly of concern to people in my electorate—poor old Wanneroo residents have had a 4.5 per cent rate increase because their local council had to pick up the whole costs of the erosion Quinns Rocks. I note that there are still a number of other locations across the northern corridor where my local governments in the North Metropolitan Region might end up having to pick up the costs. What is the process for getting government to make a contribution to erosion measures? Because it seems to be, we have just got some money up at Seabird and Port Geographe but there does not seem to be a process for metropolitan councils to be able to access funding to assist them with this erosion. In the case of Quinns Rocks, there was a lot of state government assets at risk if that work had not been conducted.

Hon JIM CHOWN: I am sure the director general can offer some response to the question.

Hon KEN TRAVERS: No, that is why I am trying to find out what the process is for a local council that has got it happening, and sometimes it is arguably caused by the marinas under your control.

Mr Waldock: Well, that is what is often stated. Ms Lyhne is working on a number of them. Up Geraldton way—you can go round WA and look for hotspots.

Hon KEN TRAVERS: There are a lot of them, which is why trying to establish who is responsible and how costs are shared becomes so crucial.

Mr Waldock: I think that who is responsible is clearer. The issue will be how we approach resolution.

Hon KEN TRAVERS: It is as clear as swimming through murky water.

Mr Waldock: As we said, we will come back to you on the ownership and responsibilities; that is the easy part. The issue is how we have a plan in the future to respond to all these things. Ideally, in the future, with planning decisions and setbacks, these things should become less of an issue, but nevertheless we have got many problems now. We are working, as I say, with the WA Planning Commission and planning to have a single source of advice, and they have got up to \$1 million a year for not just this type of thing but also other measures in terms of the coastal foreshore. I think the answer has to be in future for the government to consider all the issues and approaches and consider policies that better clarify how these things will be funded. That is not in place now.

Hon KEN TRAVERS: Your deflection skills never cease to impress me, Mr Waldock, but you still have not answered my question. Does the government accept that it has a role to contribute to these costs, and what is the process for a local government to get a state government contribution? We have got examples now where local governments have gone through and developed the plans for those areas where it is happening, but there does not seem to be a proper process for delivering a state government financial contribution to fixing those problems.

Mr Waldock: I think the issue is mainly in state government contributions to local government-type issues. That is what you are talking about.

Hon KEN TRAVERS: But it is a shared responsibility —

Hon ADELE FARINA: The WA Planning Commission approved the subdivision.

Hon KEN TRAVERS: Your answers acknowledged that it is a shared responsibility and in some cases it is state-owned assets that are risk. In the case of Quinns Rocks, there were powerlines and sewerage lines. If the council had said that it would let that go back to the houses, like was happening in Seabird, the state government would have lost a lot of infrastructure—so clearly there is a role and an obligation. In that case, even though there were verbal commitments from the minister, there was no funding provided to the City of Wanneroo.

Mr Waldock: I think I had agreed to the extent that there is a policy vacuum. There needs to be clarity in this space. I thought that I had already said that, and I acknowledge your points. There needs to be further policy development work.

Hon KEN TRAVERS: When will we have that policy vacuum removed? When will we have a clear policy? Are we working on getting a clear policy from the state government, and when will we have it to give clarity to local governments as to who is responsible?

Mr Waldock: I did indicate that I thought the WA Planning Commission and transport are trying to move towards a single approach to this, at least to advise the government—but I can say no more. It is certainly far more the Department of Transport issue. As I say, the reason why a lot of the, I guess, expectations sit within the Department of Transport is because we have got the technical skills. I actually think that the sort of questions you are asking are far wider than the Department of Transport. I am saying that the WA Planning Commission and transport are trying to come to terms with the issues and provide government advice.

Hon KEN TRAVERS: Are you the lead agency or is someone else the lead agency in government?

Mr Waldock: I think the lead agency is just not clear. The lead agency—our point of view is that we are the lead agency in providing technical advice and support; so we are the lead agency there. You are asking a totally different question.

Hon KEN TRAVERS: I am just trying to work out who is the lead agency. That is part of the policy vacuum; there is not a clear lead agency to deal with these matters.

[5.20 pm]

Hon ALANNA CLOHESY: The questions I have are actually for the PTA rather than Main Roads.

The ACTING CHAIR: In that case we will move to Hon Adele Farina.

Hon ADELE FARINA: My first question is in relation to Bunbury taxis. When are safety measures going to be funded for Bunbury taxis, similar to those in place in the metropolitan area?

Ms Lyhne: I am not aware of specific discussions with Bunbury Taxis at the moment, but we are probably having some. We are talking to a number of regional taxi groups about cameras in their taxis. We have had extensive conversations with Mandurah, and very recently Kalgoorlie taxis have put two cameras into their fleet. It is very much about getting the cameras into these fleets. It is different in the country area to the metro area because of funding issues and also because we need to ensure that we can provide the backup and support to those cameras re downloads and so forth. But it is good news that Kalgoorlie taxis have moved and purchased and put cameras into two of those taxis, and I believe there is at least another one to go, and we are in discussions with Mandurah Taxis around how they want to pursue theirs as well.

Hon ADELE FARINA: And Bunbury taxis, which was my question?

Ms Lyhne: Yes. I guess what I am saying is that we are in discussions with regional taxis. I am not aware of any specific discussions with Bunbury taxis, but our officers may well be talking to them. But, clearly, any conversations we have been having with Kalgoorlie and Mandurah would apply there also. I would have to go and explore what that is.

Hon ADELE FARINA: Can we take that as a question on notice?

The ACTING CHAIR: Yes.

[*Supplementary Information No D12.*]

Hon ADELE FARINA: They have certainly raised the issue with DOT on a number of occasions over recent years.

Mr Waldock: We do have—it is a bit like the improvement fund for the WA Planning Commission—the TIDF, which is the taxi industry development fund, which is based on metropolitan. We are able to use that fund for strategic purposes, and we have done on a number of occasions for things like contributing towards security cameras in taxis, for taxi ranks and all the rest, upgrading the infrastructure. We have not got that vehicle in country taxis. We are doing the sorts of things that Ms Lyhne indicated. We are working and we have offered to provide some second-hand cameras that we had in the previous taxi fleet before we upgraded the technology. It is a tough one, because it is a matter of who pays, but we are trying to work through it, and the green paper will have hopefully some clarity in that space in the future.

The ACTING CHAIR: Do you have a question on this subject, Hon Ken Travers?

Hon KEN TRAVERS: I have now been asking regularly at these estimates hearings about how we are going with the Peel taxi cameras. Why have we not, after all of this time, been able to get resolution? In terms of the magical pot of money, I thought we were looking at R for R to fund the Peel taxis.

Hon JIM CHOWN: I think there is one taxi in the Peel area with a camera. It is Kalgoorlie, is it? It is a long way from Peel, then.

Ms Lyhne: I have said previously that we are working very closely with them and we are aiming to do everything that we can to facilitate cameras being installed in the Peel taxis. The advice I have is that we are ready to support them in any way that they need, and it is a matter of them making some decisions around the types of cameras they want and how they want to go about it.

Hon KEN TRAVERS: Are they going to have to fully fund the cameras themselves?

Ms Lyhne: Yes, they are, as Kalgoorlie has fully funded theirs. As Mr Waldock has already indicated, the taxi camera replacement program in the metropolitan area was funded by the TID fund. However, any new operator that is entering the industry in the metropolitan also has to fund their camera themselves.

Hon KEN TRAVERS: In one of the conversations, and I cannot remember if it was the last time or the time before, when we discussed the Peel cameras, there was the idea of the department putting forward a proposal for some royalties for regions funding—I think Albany was there as well at that stage—to try to assist regional taxi operators, who are doing it tough. Whatever happened to that proposal?

Mr Waldock: I must have been asleep at the wheel, I must admit, because I do not remember that discussion.

Hon KEN TRAVERS: Maybe I suggested it to you and you said it was a good idea. I thought you would have taken it up by now.

Mr Waldock: I honestly do not remember.

Hon LIZ BEHJAT: Can we quote you on that?

Mr Waldock: Maybe I was on holiday again! Can I suggest that that is certainly worth taking up if we have not taken it up?

Hon KEN TRAVERS: But you will take it up this time and explore it?

Hon ADELE FARINA: You are on the record now!

Hon KEN TRAVERS: We can take that as a commitment, not even a comment—a commitment!

Hon ADELE FARINA: I just want to move back to Port Geographe because you indicated earlier, and correct me if I have understood you wrongly, that the decision not to do the sand bypassing was based on the studies undertaken by UWA. I am interested to know what those studies indicated would be the natural sand bypassing in the first year after reconstruction of the groynes.

Mr Waldock: I understand that. We will add that to the other information.

The ACTING CHAIR: That is in D6 on notice.

Hon ADELE FARINA: Yes, but I find this a bit hard to accept. You have got a situation where the department has made a decision which could have quite dire consequences for infrastructure, not to mention totally wreck Wonnerup Beach, and you have made this decision based on expert advice but you do not know what the expert advice is.

Mr Waldock: If you are asking me details —

Hon JIM CHOWN: Mr Acting Chairman, we have pursued this at some length on behalf of the member.

Hon ADELE FARINA: No; you have not provided me with any answers.

Hon JIM CHOWN: The director general has made it very clear that we have put a number of questions on notice. There will be an adequate response in regard to the reports to the member. The director general has also stated here today that he will be pursuing community consultation as soon as possible.

Mr Waldock: No; sorry. I will be quite clear. I will be speaking to my people as a matter of priority following that and I am more than happy, following that, to have a personal discussion with you on this very issue.

Hon ADELE FARINA: When will the committee get the UWA report?

Mr Waldock: We will be responding to that on notice.

Hon ADELE FARINA: So what—in two weeks?

Hon JIM CHOWN: Whatever the time period normally is.

Hon MARTIN PRITCHARD: I live in the northern suburbs so I have spent many years driving into town down the Mitchell Freeway and seen it slowly get worse and worse.

Hon JIM CHOWN: There is always the option of the train.

Hon MARTIN PRITCHARD: There is.

Mr Waldock: It has got better and better.

Hon MARTIN PRITCHARD: Certainly, that is an option, but there are quite a number of people who do not take up that option. There are some who obviously take it up, and strategies that assist them obviously are very good, but many people still drive in. I noticed with regard to significant issues impacting the agency that this is something you are turning your mind to and you are developing strategies to try to deal with it. Can you give me some idea of what strategies you are looking at? I do not want to be controversial, but I notice that tolls have been discussed at some point. There will be other strategies. I just wanted an idea of what sorts of things you might be looking at.

Hon JIM CHOWN: There are no tolls being strategised or discussed at any point. Let me make that very clear. Is your question in relation to the train service or the freeway?

Hon MARTIN PRITCHARD: No; it is driving. I know that could come within Main Roads; I understand that. I would imagine that you would develop overall strategies for dealing with those sorts of issues. I am just wondering what is being contemplated.

Hon JIM CHOWN: I know those strategies were discussed in the previous session with Main Roads, but if we want to expand on it a bit further, Mr Waldock would be more than happy to respond.

Mr Waldock: In a general sense. The difficulties with the Mitchell Freeway are real, as you know, and you have just talked about travel times. We have done a significant amount on the Mitchell Freeway going north, because it is, again, as we discussed earlier in the Main Roads section, certainly far easier as you move people out to widen the roads, improve the merges and take away merges in areas. We have done all that outward bound and that has been very effective, and I think there is no question people have seen significant improvement the further north you go, and of course we are extending the Mitchell Freeway further. We have certainly got that covered. We will continue to look at what we can do in terms of coming south, because the hotspots there are defined pretty clearly by topography and certainly constraints in terms of Lake Monger and the like and how many lanes we can get; we are constrained.

[5.30 pm]

But we certainly will continue to work on less merges and try to again remove the turbulence that reduced capacity. At the same time we think that with the work we are doing on Tonkin Highway and Reid Highway, especially with grade separations and the like, we will see people finding where they get in terms of origin and destination; a number of people will take a different network approach to how they get to where they are going. I think we are widening the network, as it were, in terms of capacity, which will allow some relief. We do not want to fool ourselves in this space. We are a north-south city. We have got 120 kilometres of urban sprawl. There are always going to be constraints in the future as the population grows. We will continue to look at better technologies. One of the technologies we are very keen to consider is what we have talked about for some time—managed motorways where we have programmed merges and sort of gates coming in at speed into the freeways. That can improve capacity significantly. Again, we will widen where we can, where we can reduce hotspots, but it is ongoing. We will come back, if you wish, with perhaps some key initiatives we have for the Mitchell Freeway, particularly going south, because that is the challenge.

Hon MARTIN PRITCHARD: Can I say that would be very appreciated. Also with regard to any ideas on Wanneroo Road and Marmion Avenue, because they are the other two arteries that come through, which people only choose obviously because of the constraints of the traffic lights and such.

Mr Waldock: I am happy to take that on notice.

The ACTING CHAIR: The only member left with some questions is Hon Ken Travers, who, if he limited his questions, would allow us to break early.

Hon KEN TRAVERS: I would love to. If I get succinct answers, we might just manage it!

Hon JIM CHOWN: How about “yes” or “no”!

Hon KEN TRAVERS: In some cases that is all I want from you, but I can never seem to get that.

Following on from what Mr Waldock just said about Reid and Tonkin and people using a different network approach, will not the Perth Freight Link also have that impact on people with motor vehicles taking a different network approach?

Mr Waldock: We have done modelling on different scenarios, as I mentioned earlier. That modelling shows that it is incredibly manageable. In fact the Perth Freight Link, whilst it is certainly aimed, as you would expect, at freight and giving us some of the most efficient freight networks in the world, let alone Australia, I think it is also interesting because if you look at our road system more generally, we have got constraints in Mitchell Freeway and we have got constraints in Kwinana Freeway. The ability in the future to widen Tonkin Highway, and Roe Highway in particular, I think they will be the spines of the future. Potentially, with the

alternative route that has been mentioned, it will improve the network as we see that it will connect Roe Highway through not just to Stock Road but potentially going down to Cockburn Road. We can see that what we are trying to do is to establish a far better road network to manage the challenges of growth in population.

Hon KEN TRAVERS: But as you said earlier, that will drive traffic through that area. Traffic that wants to head —

Mr Waldock: I did not say that.

Hon KEN TRAVERS: You said people get a different network approach, so surely if you build a high-speed freeway you will induce traffic demand—we all know about that—that will send more cars. Those who want to head into the western suburbs or the lower northern suburbs could potentially use the Perth Freight Link and then seek to try to use the existing road corridors to the north.

Mr Waldock: Our modelling does not demonstrate that to any extent, but I will check that again. Our modelling demonstrates that because of the natural constraints in Stirling Highway, it will not be a significant growth.

Hon KEN TRAVERS: Curtin Avenue, Servetus Street and West Coast Highway.

Mr Waldock: Curtin Avenue is difficult to get into and it has certainly still got major constraints. We do not see it but I can reflect on that when I have a look at the modelling again.

Hon KEN TRAVERS: Does that mean there are no drivers then for a second river crossing between Perth and Fremantle?

Mr Waldock: No, that is a different model. We should not speculate, but let us assume —

Hon KEN TRAVERS: Go on!

Mr Waldock: Let us assume that that was a Stock Road tunnel through to the north west highway.

Hon KEN TRAVERS: To where, sorry? Stock Road to —

Mr Waldock: Through the north somewhere, underneath the city, to connect to one of the key roads at some stage in the future. That is far more direct, because to send people via Fremantle is a long detour for most people.

Hon KEN TRAVERS: You would need a send it a fair way north though.

Mr Waldock: If you could just perhaps reflect on what the parliamentary secretary started with in his opening comments, we have to come back to government, and government have to have information, by the second quarter of next year with the 3.5 million plan for roads, tunnels, mass transit, bicycles, travel demand and new technologies that will impact on the future.

Hon JIM CHOWN: And an anticipated population increase to 3.5 million by 2050.

Hon KEN TRAVERS: Why would we have any confidence of that plan will ever see the light of day in light of the history of your previous plans?

Mr Waldock: I would not respond to that question, but what I would respond to it is that I think in a planning sense we now have a 3.5 million plan put out by the Western Australian Planning Commission and the Department of Planning, and the good news about that is that we are now able to take population and employment information, and that is available, to move into our models, both STEM models and ROM models, and now to clear modelling of all that. I think we can say that the further we go forward and the further we can look at how the city is going to grow, these plans become far more useful, because I think if we try to constrain it by 15-year time frames, we lock into a lot of other complications. From our point of view, we think the 3.5 plan is very exciting. It gives us a 35 to 40-year type future and allows us to have a far more strategic view of how this issue grow and how the transport systems will support it.

Hon KEN TRAVERS: As part of that “Perth and Peel@3.5Million” plan to 2050, it includes a transport network that includes both existing and proposed passenger rail, the potential passenger rail, existing freight and proposed freight. What role did the Department of Transport have in the preparation of that “Perth and Peel@3.5Million” plan?

Mr Waldock: We spoke on a regular basis and worked with the Department of Planning.

Hon KEN TRAVERS: So the road network that is outlined in that plan and the rail plan is where your current thinking is as an agency then?

Mr Waldock: That is what our current thinking is, subject to, and I make the point very clearly, the enormous amount of work we are taking over the next 12 months.

Hon JIM CHOWN: The plan is still evolving, as I understand it.

Mr Waldock: Of course it is.

Hon KEN TRAVERS: That is fine. Is part of that then the idea of diverting the freight rail around Midland and Woodbridge? Looking at this map, it does not seem to be a part of this plan; is that not part of our current thinking then; has that been dropped?

Mr Waldock: That is the 3.5 million planning document, as I understand it. I think what you are talking about is freight now, are you?

Hon KEN TRAVERS: This includes freight. It has two separate rail lines, it has the freight rail and the passenger rail.

Mr Waldock: I am not sure about that, but let me just again reinforce what I said. When we come out with a 3.5 million plan, we will certainly be making sure that roads, both people roads and freight roads, and railways will all be picked up. Any concerns you may have I hope will be clarified over the next 12 months.

Hon KEN TRAVERS: But what I am asking is that in current thinking, the bypass around Woodbridge is not currently for freight rail? There was a planning study done on it and no-one seems to be able to —

Mr Waldock: You are talking about the Midland diversion?

Hon KEN TRAVERS: Yes.

Mr Waldock: Right. That work was done by the Department of Planning, but I am surprised that it has not manifested itself. Maybe the work on that is post-capital works. Certainly that is still a long-term plan.

[5.40 pm]

Hon KEN TRAVERS: This shows the Stephenson Highway being completed, so that is still part of the planning that we will have over the next —

Mr Waldock: No more than it has been on the agenda for 50 years.

Hon KEN TRAVERS: Again, as you mentioned earlier, when you start tinkering with the network, it means people have to take a different network approach.

Mr Waldock: That will be something that will be considered, yes.

Hon KEN TRAVERS: I will go to the grain rail freight because I am sure that will get my colleagues excited. Which agency is currently responsible—is it the PTA or Department of Transport—and which agency’s job is it currently to seek to try to ensure that we get maximum use of the rail lines that the government so kindly put federal government money into? The tier 1 and 2 lines got a lot of federal government money invested in ensuring that they were kept open, but is it the PTA or Department of Transport’s job to try to now maximise the use of those or facilitate the private sector using those lines?

Mr Waldock: I am not sure that that is their job. The PTA's responsibility is to manage the freight network as an owner, with the lessee being Brookfield. Our job is to make sure that the warrants they have entered into in their lease agreement are met, and that particularly relates to standards and the like. That is what the PTA do, and that has been certainly the subject of a great deal of discussion. If you are suggesting that the PTA or Transport are in the business of promoting overtly rail on behalf of Brookfield, that is not their job.

Hon KEN TRAVERS: I might come at it from a slightly different way. There seems to be some confusion as to what government's position is as to providing further money to keep the rail lines open—both the Miling and the tier 3 lines—and even as late as today there were state government ministers and their supporters suggesting that there is still money available from the state government for CBH and Brookfield to access to keep tier 3 and the Miling line open. That seems to be contrary to the Minister for Transport's previous utterances that there is no more money, so I am trying to work out —

Hon JIM CHOWN: I am little surprised that state government ministers are making those sort of comments, especially in regard to the ongoing negotiations that have now finalised, it is my understanding, and it looks like the whole process is going to arbitration. The arbitration process could take 12 to 18 months. I am sure the member is aware that under arbitrations or an independent arbitrator what is on the table in regard to these negotiations is that Brookfield has made it very public that they are more than happy to pay over at least the next decade for the maintenance and upgrade of a number of these lines; unfortunately, CBH believe that the price for access that Brookfield are asking for, which I think is below \$2 a tonne, is too high, and that is what the negotiations have stalled and we are now heading towards arbitration. Under the process, the tier 3 question is also under negotiation and I assume that it will end up in arbitration as well. CBH have actually only asked, under the ERA system, for access to about half the lines in the tier 3 area, not all the lines.

Hon KEN TRAVERS: Alright —

Hon JIM CHOWN: So from my perspective—I am now speaking as a member for the Agricultural Region—I find this very frustrating.

Hon KEN TRAVERS: I do not want to be accused of giving you a dorothy dixer here —

Hon JIM CHOWN: No, I am just giving a response because —

Hon KEN TRAVERS: The minister today tweeted —

yep, money on table from RfR 4 tier 3 on comple'n of neg'ns, ...

Hon JIM CHOWN: I will not respond to a tweet because that is not an official statement.

Hon KEN TRAVERS: It is coming from the Minister for Water.

Hon PAUL BROWN: We are not here to discuss what other ministers said; we are here to hear what the parliamentary secretary has to say.

Hon KEN TRAVERS: This is the confusion I am trying to clear up.

The ACTING CHAIR: Order! Hansard has just informed me that they are having a lot of trouble trying to record the conversation, so try to keep things one at a time.

Hon JIM CHOWN: If I may, Mr Chairman. I opened this conversation by making a very clear statement in regard to this very sensitive matter, and I believe it is completely inappropriate for ministers to make any sort of statement without conferring with my minister on this matter. In my opinion, I do not believe a tweet should be declared as any sort of official statement.

The ACTING CHAIR: Parliamentary secretary, you have said what I was about to say; a tweet is a bit hard to respond to, Hon Ken Travers.

Hon KEN TRAVERS: It is the latest example of ongoing claims in the media and everywhere else, where there is complete confusion. I am trying to work out who in government is responsible for it and who is conveying to Brookfield and CBH. Is it Department of Transport, is it PTA or is there some other agency, like the Water Corporation, that is responsible. Maybe it is the Department of Sport and Rec. I do not know.

Hon PAUL BROWN: The Nationals have already put money on the table.

The ACTING CHAIR: Members, order! Hansard is having difficulty. Hon Ken Travers has the call.

Hon KEN TRAVERS: Is that correct, just by the interjection, that there is money on the table from royalties for regions for it?

Hon JIM CHOWN: I will take the political heat out of this and ask the director general to respond to the question.

Mr Waldock: The minister is on the record, I am sure, but certainly I will reinforce his comments that we have had discussions at the most senior levels with both CBH and Brookfield, and they both acknowledged that the process is the process and it needs to be worked through. They need to come to some understanding. Whether or not government might look at anything post that, maybe, but that is all future. At the present moment, whether it is 12 months, two years or 10 years, a process is laid down. Both parties understand it and they will work towards a resolution, and that is where it sits.

Hon KEN TRAVERS: I guess what I am trying to work out is if a resolution is not reached or they end up in arbitration and, as a result of the arbitration figures, it comes out significantly higher than what was predicted as part of the strategic grain network review is the cost of operating those rail lines, that that therefore means that CBH says it will now put it all on to trucks. Who is ultimately responsible for managing that issue, inside government?

Mr Waldock: In a departmental sense, it is me—both PTA and Transport.

Hon KEN TRAVERS: Wearing which hat?

Mr Waldock: PTA is the one driving the discussions, but all those are hypothetical.

Hon KEN TRAVERS: It is not that unrealistic.

Mr Waldock: The code is about working through. The arbitrator will certainly for the first time, hopefully in a reasonable period of time, have an umpire's decision on what those section charges should be, and that is a breakthrough.

Hon KEN TRAVERS: But if they end up to a point where they are higher than the road charges, what happens then?

Mr Waldock: I think it is all hypothetical.

Hon JIM CHOWN: We need to let the process take place.

Hon KEN TRAVERS: It is a high-risk strategy is it not? Surely someone needs to be monitoring that within government, and I am trying to find out who is monitoring that.

Mr Waldock: The PTA particularly are monitoring it on a daily basis. We stay close to both parties and we are very interested in how it develops. That is all we can do at this stage.

Hon DARREN WEST: Hypothetically, you have not totally ruled out that the government may put money into tier 3 railway lines.

The ACTING CHAIR: I have a point of order there, Hon Darren West. The procedure policy states that questions must relate to the budget papers and cannot be hypothetical.

Hon DARREN WEST: Sorry. Given that you have not ruled out that there is government money on the table for tier 3 rail —

Mr Waldock: I guess my comments are still—the minister’s position is that this process will work its way through. Both parties will come to some resolution, and at the end of that, government may decide what it should do as a consideration—maybe, maybe not. But, again, we have a long way to go before we even reach that stage. We need to understand what the arbitrator’s ruling will be. We do not want either party coming to us; if we ever look at something in the future, it will be based on both parties.

[5.50 pm]

Hon DARREN WEST: Will your department be a part of that arbitration process?

Mr Waldock: Not at all. It is not laid down in the code. The codes are very clear on how it progresses now. It is very clear just in the rules and how it will go in the process, and whether it is binding or not; it is all laid out by the code.

Hon DARREN WEST: It has become a bit of a shambles, has it not?

Mr Waldock: I think it is less of a shambles now than it has been. At least with both parties, it is interesting that we have actually had substantial progress. Brookfield have made repeated statements that they understand. It is their job in fact to maintain the rail network to a standard that is laid down. They should not be seeking government support. That was their job, that was what should happen, and CBH fully agreed with that approach. So I think we have had enormous clarity on this in the last 12 months, and both parties agree that they need to move through a detailed process as per the code.

Hon DARREN WEST: Should negotiations and arbitration not go well and no agreement is reached and we have a situation where CBH goes down the path of the salt company from Koolyanobbing and chooses to transport all of its commodity by road rather than by rail, that would be pandemonium, would it not?

Hon JIM CHOWN: Your question is hypothetical.

The ACTING CHAIR: Member, it is hypothetical.

Mr Waldock: And let me say that CBH have had a massive investment in their rail fleet; you have to weigh that up.

Hon KEN TRAVERS: I have a couple of questions on the freight plan. In one of the answers to the questions you gave me, number 5, you said there was no freight intermodal plan. I kind of find that interesting because back in November 2013 you told me that you expected the freight and intermodal network plan to be with the government in early 2014 for consideration, and by mid-2014 you expected it to be released. I am wondering why you now say that there is no plan by that name.

Mr Waldock: I think the plan we have developed is called the Perth freight network plan.

Hon KEN TRAVERS: Is it the same plan but it just keeps changing its name?

Mr Waldock: I will ask Mr Doyle. I thought it was always that, but again —

Hon KEN TRAVERS: I think I actually picked up the “metropolitan freight and intermodal network plan”, or it would have come out of one of your agency’s documents or maybe one of your excellent presentations, Director General!

Mr Waldock: I will ask Mr Doyle to comment.

Mr Doyle: It may have been referred to under different names, but the correct name for the plan is the “Perth Freight Transport Network Plan”. It is all the same thing.

Hon KEN TRAVERS: Is the Perth Freight Transport Network Plan one that we still expect to see the light of day?

Mr Doyle: Yes.

Hon KEN TRAVERS: Did a freight transport network plan in any form—I know it changes—under any name ever get to the minister in early 2014? Was a plan ever delivered, and then subsequently the minister sent it back to you and said, “We need to do more work”, or suddenly you were about to release it and the federal government gave you money for Perth Freight Link and you had to go back and redevise your plan? Did a draft plan ever get to the minister for consideration that has been subsequently reconsidered?

Mr Doyle: My recollection is: in early 2014, no. My recollection is that it was presented in the latter half of 2014.

Hon KEN TRAVERS: I think also in an answer that you provided to me you indicated that you had completed planning on future port options in the outer harbour. You said that future port options in the outer harbour area had been presented to the minister for approval. When was that plan presented to the minister?

Mr Doyle: Again, it is around a similar time frame, so that is still under consideration.

Hon KEN TRAVERS: Has the decision of the Premier recently to increase the capacity from Fremantle port from 1.4 million TEUs to 1.7 million TEUs—I will use your figures, Mr Waldock—significantly changed the future port options in the outer harbour planning and also your freight network planning?

Mr Waldock: I guess this discussion today has been predicated on the Premier’s statement. We need to go back and better understand that.

Hon KEN TRAVERS: It has been predicated on —

Mr Waldock: We need to go back and better understand the Premier’s statement.

Hon KEN TRAVERS: Right; so he did not consult with your department before making it then? Surely you would have had input into it; that is normally the way government works.

Hon JIM CHOWN: We have not seen the statement, so we cannot comment on it.

Mr Waldock: No, we cannot comment.

Hon KEN TRAVERS: What are you currently planning on—\$1.4 billion or \$1.7 billion?

Mr Waldock: We have always said—again, it is on the record—we have been using 1.2 and 1.4. The fact of the matter is we have always said the outer port would be in the order of mid 2020s to 2030s, so that has not changed. We are still in that mindset that that is the sort of time frame for the outer port.

Hon KEN TRAVERS: That is a big gap.

Mr Waldock: It is; we have left it fairly open.

Hon KEN TRAVERS: It does shift a bit. I thought you were talking 2025 at one point. That is now not —

Mr Waldock: We always left it—certainly, our view was it would depend—and what we are seeing is that there might be an opportunity to work the port a bit harder. That is what has happened in other places.

Hon KEN TRAVERS: And the roads leading into and out of it?

Mr Waldock: Our modelling, as I said in the earlier statement —

Hon KEN TRAVERS: Because —

Mr Waldock: No, if I can just finish. What I said in the earlier discussion was that the modelling has looked at different options and different scenarios of numbers and what would happen. We have looked at high levels and lower levels.

Hon KEN TRAVERS: Have you done any scenario planning, or are you about to do any scenario planning in the forward estimates, on how long it would take between a government decision to proceed with a new port and the time that a new port would open? Have we got any work done on how long that will take; and, if not, when are we going to do that work?

Mr Waldock: That, as Mr Doyle said, is when we are advising the government on the outer port.

Hon KEN TRAVERS: I am not asking about the timing of the port, but between a government decision to build an outer point to the point where you can have it open, how long will it take?

Mr Waldock: I was about to say that we have always said, from the time of announcement, maybe 10 years—maybe less, eight years, which is the typical time for a major capital project. So, eight to 10 years.

Hon KEN TRAVERS: Is it eight or 10? I think Mr Doyle has a clearer answer; that is all.

Mr Waldock: Let me answer for Mr Doyle. Anybody looking at major capital projects these days would understand that these things are enormously complex. It will depend on the environmental and planning approvals; it will depend on so many different issues, and even the delivery mechanism always changes those scenarios. We all know that doing the delivery mechanism, projects will take a lot longer. All those things would need to be considered. Anybody who can determine a project at this stage without knowing any of those issues in detail—two years, I think, is a pretty close range.

Hon KEN TRAVERS: That is fine. In your business case summary that you released for the Perth Freight Link, the modelling that you had done at that stage indicated—I have a copy of the graph that you produced as part of it—the mapping of container growth in future freight traffic on mixed use routes—the outer harbour coming on stream in 2022.

Mr Waldock: That was an early one. That was the old one.

Hon KEN TRAVERS: So it was old, but it was in the business case for the Perth Freight Link.

[6.00 pm]

Mr Waldock: I do not know.

Hon KEN TRAVERS: Are you saying that the Perth Freight Link business case was using old information?

Hon JIM CHOWN: We are not sure what you are referencing there.

Hon KEN TRAVERS: It is one of the lovely graphs that the department produces.

Mr Waldock: Which department?

Hon KEN TRAVERS: It says across it “Main Roads, Perth Freight Link, the government of Western Australia”, which I assume you would have had the input in the modelling side of it to Main Roads —

Mr Waldock: As I say, I think that is totally outdated because that is certainly not part of even our assumption, so that is wrong.

Hon KEN TRAVERS: That is what I am saying. So the business case that was released for the Perth Freight Link is wrong?

Mr Waldock: No. I know that the business case assumptions were never an outer port by 2022. It was never part of the assumptions.

Hon KEN TRAVERS: But why did the business case —

The ACTING CHAIR: We are going to draw it to a close here I think.

Mr Waldock: What about putting it on notice and we will come back as we need to?

Hon KEN TRAVERS: Can we have this on notice?

[*Supplementary Information No D13.*]

The ACTING CHAIR: The committee will forward any additional questions it has to you in writing in the next couple of days from the minister together with a transcript of evidence, which includes the questions you have taken on notice. Responses to these questions will be requested within 10 works days of receipt of the questions. Should you be unable to meet this due date, please advise the committee in writing as soon as possible before the due date. The advice is to include specific reasons as to why the due date cannot be met. If member have any unasked questions, I ask them to submit these to the committee clerk at the close of this hearing. On behalf of the committee, I thank you for your attendance today.

Hearing concluded at 6.01 pm
