

Division 42: Commissioner of Main Roads, \$1 213 248 000 —

Mr S.J. Price, Chair.

Ms R. Saffioti, Minister for Transport.

Mr R. Sellers, Commissioner of Main Roads.

Mr P. Woronzow, Acting Managing Director.

Mr L. Coci, Executive Director, Infrastructure Delivery.

Mr P. D'Souza, Acting Executive Director, Finance and Commercial Services.

Mr D. Snook, Executive Director, Metropolitan and Southern Regions.

Mr R. Farrell, Principal Policy Adviser.

[Witnesses introduced.]

The CHAIR: This estimates committee will be reported by Hansard. The daily proof *Hansard* will be available the following day.

It is the intention of the Chair to ensure that as many questions as possible are asked and answered and that both questions and answers are short and to the point. The estimates committee's consideration of the estimates will be restricted to discussion of those items for which a vote of money is proposed in the consolidated account. Questions must be clearly related to a page number, item, program or amount in the current division. Members should give these details in preface to their question. If a division or service is the responsibility of more than one minister, a minister shall only be examined in relation to their portfolio responsibilities.

The minister may agree to provide supplementary information to the committee rather than asking that the question be put on notice for the next sitting week. I ask the minister to clearly indicate what supplementary information she agrees to provide and I will then allocate a reference number.

If supplementary information is to be provided, I seek the minister's cooperation in ensuring that it is delivered to the principal clerk by Friday, 29 September 2017. I caution members that if a minister asks that a matter be put on notice, it is up to the member to lodge the question on notice through the online questions system.

I give the call to the member for Scarborough.

Mrs L.M. HARVEY: I refer to the line item "Depreciation and Maintenance Expenditure" on page 158 of budget paper No 3 that has allocations of \$14.2 million in 2019–20 and \$37.3 million in 2020–21. Which asset are those new depreciation figures linked to?

Ms R. SAFFIOTI: As I understand it, additional depreciation and maintenance costs accrue when building roads such as Armadale Road Bridge, Karratha–Tom Price Road, Reid Highway and the Altone Road to West Swan Road project, and that is reflected in the forward estimates.

Mrs L.M. HARVEY: Why is there such a significant increase of \$23 million between the two forward estimates?

Ms R. SAFFIOTI: Because they are significant projects. When governments build projects, they have to apply depreciation and because some of them are or will be Main Roads–controlled projects, they are also part of a maintenance program. Part of the accounting process is to depreciate roads.

Mr Z.R.F. KIRKUP: I refer to the heading "New Works" on page 625 of budget paper No 2 and the Armadale Road Bridge–North Lake Road Flyover. I notice there is a \$71 million differential between what the Labor Party promised on 4 January 2017 and what is now being planned by this government in the budget. Can the minister explain why there is a \$71 million differential?

Ms R. SAFFIOTI: This is a big and significant project that will create a new bridge and link Armadale Road over the freeway and into that area. A lot of planning has been done. After the election, we sought further advice from Main Roads WA. A key issue is access onto and off the freeway. The costing is based on some significant new access points, in particular going north from Cockburn. It is one of the key reasons the project definition has changed. Ultimately, it will be a much more significant project. It will really reduce congestion in that area. As I have outlined on many occasions, the east–west congestion seen in the northern and southern suburbs is impacting on freeway flows. This project is a great project. The scope of the project changed so that it could provide more significant linkages for the western side of the road project.

[3.20 pm]

Extract from Hansard

[ASSEMBLY ESTIMATES COMMITTEE B — Thursday, 21 September 2017]

p506b-516a

Chair; Mrs Liza Harvey; Ms Rita Saffioti; Mr Zak Kirkup; Ms Cassandra Rowe; Mrs Jessica Stojkovski; Mr Vincent Catania; Mr David Michael; Mr Shane Love

Mr Z.R.F. KIRKUP: Do those increased access points come into or out of any existing residential development or estate?

Ms R. SAFFIOTI: Existing residential—no.

Mr Z.R.F. KIRKUP: Since the time the minister has been in office, has she had any conversations with any third parties about expanding the bridge?

Ms R. SAFFIOTI: Third parties?

Mr Z.R.F. KIRKUP: Yes.

Ms R. SAFFIOTI: Not that I am aware of—except for every local member in the area! I am not sure whether they are third parties. I have spoken to every local member about it. I held a community Metronet forum as part of our community cabinet process. I presented to approximately 230 people in Harrisdale. There were a few questions from the floor at that forum about the Armadale Road bridge. It is one of those projects that everyone loves to talk about because it has been wanted for a long time. I have spoken to a lot of people about this project. Some more general questions from the floor at that Metronet forum were about the road infrastructure, both the duplication of Armadale Road leading to that, between Anstey Road—no; the other one. The Armadale Road duplication is one project, and of course the bridge is the other.

Mr Z.R.F. KIRKUP: So, the minister has not had any conversations with landowners or property developers surrounding that area since coming to office?

Ms R. SAFFIOTI: I might have spoken to property developers.

Mr Z.R.F. KIRKUP: There might be?

Ms R. SAFFIOTI: There might be, because they might be property developers and property owners. The person who asked me that question at the Metronet forum could have owned land in that area. I do not ask everyone to disclose their land ownership when they ask me a question.

Mr Z.R.F. KIRKUP: Let us excise that forum, if we can. Outside of that forum, has the minister had any conversations with any individual who might have a vested interest in surrounding properties?

Ms R. SAFFIOTI: I might have. Like I said, people talk to me about projects all the time. I do not ask someone to disclose that. When I am walking the streets of Cockburn with my good friend the member for Jandakot, I do not ask people to disclose their land ownership before I say hello to them. It is impractical to provide that type of certainty.

Mrs L.M. HARVEY: When someone owns property in the vicinity of a \$237 million project, does the minister not ask them to disclose where their property is?

Ms R. SAFFIOTI: I do not get the question. If I am walking the streets of Cockburn and someone says, “Hey, great to see that bridge” and I say, “Yeah, it’s great we’re doing this bridge”, does the member want me to ask them whether they own property in that area? Does the member want me to do that? I do not understand—is that the question? Does the member want me to ask everybody who talks to me about their landholdings?

Mrs L.M. HARVEY: No. When people are lobbying for a \$237 million investment by the state government, does the minister inquire whether they have a pecuniary interest in seeing that project fulfilled?

Ms R. SAFFIOTI: This project was an election commitment. The candidates, the opposition at the time through its existing members, the City of Cockburn, everybody I talked to said that the Kwinana Freeway in that area is completely congested. That is what I heard. I heard from everybody that travelling north on that freeway can get absolutely chaotic at times, particularly during peak times. Preliminary planning had been done by Main Roads in negotiations with the City of Cockburn. To tell members the truth, it also concerns people within the Shire of Serpentine–Jarrahdale. A lot of people who live in Harrisdale–Piara Waters are within the City of Armadale. A lot of people in Armadale travel those east–west connections. A lot of people came up and told me that this is a project worth considering. I understand that the City of Cockburn ran a campaign during the federal election trying to secure funds for both the duplication and the bridge. When I step back and look at the projects that are on the horizon, I am very proud of this project. This project will create significant east–west linkages. It will provide better access and it will decongest the freeway. These are all projects that I am very passionate about delivering.

Mr Z.R.F. KIRKUP: Outside of walking the streets of Cockburn or at a forum, has the North Lake Road flyover ever been raised with the minister in, say, a Labor Party business roundtable forum?

Ms R. SAFFIOTI: I do not really know what the member is getting at.

Extract from Hansard

[ASSEMBLY ESTIMATES COMMITTEE B — Thursday, 21 September 2017]
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Chair; Mrs Liza Harvey; Ms Rita Saffioti; Mr Zak Kirkup; Ms Cassandra Rowe; Mrs Jessica Stojkovski; Mr Vincent Catania; Mr David Michael; Mr Shane Love

Mr Z.R.F. KIRKUP: Has that piece of infrastructure ever been raised with the minister at any Labor Party fundraisers?

Ms R. SAFFIOTI: I do not know.

Mr Z.R.F. KIRKUP: You do not know?

Ms R. SAFFIOTI: I go to a lot of functions as a minister. For example, I know members of this committee own property next to major government projects. I would say this project, together with my Metronet projects, is often raised with me. Tonnes of projects are raised with me; I would say on a daily basis. I cannot get out of the chamber without my colleagues coming up and raising projects with me. I try to run but I cannot get out of the lower house chamber without my good colleagues raising issues with me!

Mr Z.R.F. KIRKUP: This is not about the chamber, though; this is fundraisers.

Ms R. SAFFIOTI: Every project is raised with me by everybody. As the Minister for Transport; Planning, I go everywhere. During personal phone conversations, my friends raise projects with me. That is how crazy this job is. It is a great job, but everyone raises issues with me.

Mrs L.M. HARVEY: What volume of freight movements is it anticipated this project will take away from Leach Highway and what is the modelling with respect to the improvement in peak travel time for commuters?

Ms R. SAFFIOTI: This project?

Mrs L.M. HARVEY: For the Armadale bridge—North Lake Road flyover.

Ms R. SAFFIOTI: From Leach Highway?

Mrs L.M. HARVEY: It is an east—west connector.

Ms R. SAFFIOTI: I think we are doing that modelling now. Once that modelling is complete, we will be able to provide that to the member.

Mrs L.M. HARVEY: Will the minister provide that by way of supplementary information?

Ms R. SAFFIOTI: No. We do not have that information yet.

Mrs L.M. HARVEY: Does the minister not have it yet?

Ms R. SAFFIOTI: No.

Ms C.M. ROWE: I refer to the line item “Perth Stadium Transport Project—Swan River Pedestrian Bridge” on page 202 of budget paper No 3. Can the minister please outline what progress has been made on the construction of the pedestrian bridge?

Ms R. SAFFIOTI: This project is a challenge. We inherited this project. Upon winning government, a number of issues were raised about the delivery of the bridge. Since that time, the manufacturing of the bridge’s deck and arches has gone to local suppliers. A lot of other associated works were not budgeted for at the time—for example, the bus stops on the Gloucester Park side. There must be a more technical name than bus stop! As they were not factored in, no funding had been allocated. There are also some increased costs for the lay-down area for the bridge’s construction. That lay-down area had to change because we were not able to exit a site that the stadium construction company also needed access to. That additional cost had to be reflected regardless of where the bridge was made. We have now factored that into the budget. The bus stops are something else we have had to factor in. But the local manufacturers and suppliers down Cockburn, Fremantle and Kwinana way are all undertaking the project. Progress is going well and we want to see this bridge up as soon as possible. Of course, without the bridge, transport to the stadium is a significant challenge and we are working through all the particular points of how we get people into and out of the stadium as efficiently as we can, with the bridge and without it as well.

[3.30 pm]

Mr V.A. CATANIA: I refer to the heading “New Works” on page 625 of budget paper No 2 and the line item “Karratha—Tom Price Road—Extend Current Sealing”. What is the estimation of the completion of the road from Millstream to Tom Price? What is the estimate to complete the whole road project?

Ms R. SAFFIOTI: I met with the City of Karratha today about the work. We were talking about this road, amongst other things, and the city is very, very enthusiastic. There is \$50 million currently allocated to the project. We are going through some discussions with the City of Karratha. We are going through the process and \$50 million is allocated. We want to try to get the project up and running as soon as possible and we are doing that. I might stand corrected, but I think the total cost for stages 3 and 4 will range between \$206 million and \$325 million.

Mr V.A. CATANIA: Which road will be used? Obviously, \$50 million is not a lot of money to seal roads up north. Will the public road or the Rio Tinto access road be the preferred option—that is, to seal that small section of road costing potentially over \$325 million?

Ms R. SAFFIOTI: I do not have that information in front of me, but I can provide some general information about this.

Mr V.A. CATANIA: There are two roads. One is a Rio Tinto access road and one is a public access road. I understand that one road would be much cheaper to seal than the other. By way of supplementary information, can the minister say which road will be sealed, if she does not know at this point? I have been briefed in the past that sealing the public road would cost somewhere in the order of \$600 million and sealing the Rio Tinto access road would cost somewhere in the order of \$260 million to \$325 million. Can I have some clarity on which road and how much for either of them?

Ms R. SAFFIOTI: I can provide by way of supplementary information what road that \$300 million figure applies to.

[Supplementary Information No B30.]

Mr V.A. CATANIA: Has the minister had any discussions with Rio Tinto and the federal government about their contribution to the sealing of the road?

Ms R. SAFFIOTI: I have not had any discussions personally. I understand that there has been some level of discussion with the Minister for Regional Development and the Premier and, potentially, his office. There have been some discussions and preliminary assessments of whether we can access federal government funds for the project.

Mr V.A. CATANIA: It is great to see Hon Alannah MacTiernan in charge of this project, which she started and said she would complete many years ago, but does \$50 million get us to the Balla iron ore project? The reason I ask is that the proponent of the Balla iron ore project wants to use drive in, drive out work from Karratha.

Ms R. SAFFIOTI: I understand the questioning. All I can say is that there is ongoing and live discussion at the moment between all the parties. As I said, all these things are currently in front of government and there are discussions with the City of Karratha, the particular mining proponent and of course the federal government. All those issues are being assessed and the way forward is being developed. Negotiations are being had between my department, the Department of Primary Industries and Regional Development and the Department of Jobs, Tourism, Science and Innovation, which are the key three players in this project. All those things are live. We have not reached the answer yet about where we are at in those discussions, but all those things are being considered and we are working on them.

Mr V.A. CATANIA: Given the fact that the project has been delayed until 2019–20, which is when the bulk of the money starts to come in, is Main Roads making any contribution to the upgrade and maintenance of the existing unsealed road? Will that maintenance continue to be provided to that road?

Ms R. SAFFIOTI: I understand that some funds are being provided for maintenance and I think more generally there is discussion about who takes control of the road in the future.

Mr V.A. CATANIA: Is it true that the government has taken \$60 million out of the Wiluna–Meekatharra Road, which was all planned and ready to go? Have those funds been taken out to fund the government’s election commitment for \$50 million for the Karratha–Tom Price road?

Ms R. SAFFIOTI: Funding election commitments was the priority in this budget and we have said that in a number of forums, I suspect, in this place and the other place. It is a tough budget process. We had a number of election commitments and our priority was to fund them, and that is what we are trying to do.

Mr V.A. CATANIA: I have a further question.

The CHAIR: That last question was probably a new question, because the member was talking about a different road project.

Mr V.A. CATANIA: But the allocation is being diverted to another road. Does the minister’s department have any plans to provide any funds over the next four years to seal that very dangerous road between Wiluna and Meekatharra, which the former government committed to and budgeted for \$60 million from royalties for regions? Are there any plans to put any money towards that road to link up the two communities? Sealing that road is critical for transport between Perth, Kalgoorlie and Port Hedland, but also very vital for the two communities in order for them to have a safe travelling road. I think it is probably the last Main Roads road that is not sealed. Are there any funds available for that road?

Ms R. SAFFIOTI: As I said, the budget process saw a lot of reprioritisation. At each budget process all these assessments will be looked at and decisions will be made. I understand that some people will be disappointed, but, as I said, this is a tough budget process. It is a process that saw us invest significantly in roads in regional WA. I add that the Liberal–National government was in power for eight and a half years and this project was obviously not a priority.

[3.40 pm]

Mrs L.M. HARVEY: I refer to page 624 of budget paper No 2. The 2017–18 budget estimate indicates that \$18 million has been allocated for regional run-off-road crash sites and \$10 million has been allocated for urban intersection crash sites. Could the minister provide by way of supplementary information a list of the projects that will be funded under those two business cases?

Ms R. SAFFIOTI: I thank the member for that question. That process is still underway. The recommendation has not come to me, so we have not made decisions on it yet.

Mrs L.M. HARVEY: Ordinarily, when those business cases are being developed, Main Roads has a priority list and that is what the allocation is linked to. Is there a priority list that might be available by way of supplementary information?

Ms R. SAFFIOTI: I have not seen the list. It would be a bit strange for me to provide by way of supplementary information something that has not come to me yet. I note that it is a late budget process, so things ordinarily would have been sorted by the beginning of the financial year. This goes to the tabling of annual reports and a number of processes. The lateness of the budget process—it is unique; actually, I think it is going to happen every four years, so maybe it is not that unique—has changed what is available and what decisions can be made, because agencies have to wait for the budget process to be finalised before they can make allocations for these projects.

Mrs L.M. HARVEY: I would have thought that, because it is a late budget process, these projects would have been well settled on by the agency. They are all road safety prioritised for regional run-off-road crashes and metropolitan intersection crash engineering solutions. I find it extraordinary that the minister cannot provide that list, because the list of projects is ordinarily provided before the road trauma trust account funds are allocated.

Ms R. SAFFIOTI: I am sorry?

Mrs L.M. HARVEY: Before the allocation is made from the road trauma trust account, the list of projects is generally provided, and that is how the allocation is made. So, if there has been no list, is it a random allocation to those two particular projects?

Ms R. SAFFIOTI: Of course there is a list. All I am saying is that that process has not been finalised. Of course there is a process that Main Roads and the Road Safety Commission go through. It is the same process they have gone through in recent years whereby they assess the road safety significance of particular projects and make recommendations to government. Of course that is the process; it just has not happened yet.

Mrs L.M. HARVEY: I am astonished that an allocation has been made from the road trauma trust account with no business case from Main Roads behind it. I am astonished that the minister cannot provide that list. It has been provided in every budget estimates to date.

The CHAIR: That is more of a statement than a question.

Ms R. SAFFIOTI: That is an ambitious claim; I will go and check.

Mrs J.M.C. STOJKOVSKI: Minister, this is something that is very close to the heart of the electorate of Kingsley. I refer to page 201 of budget paper No 3 and the Wanneroo Road–Ocean Reef Road grade separation. Will the minister provide an update on the progress of this election commitment and how it will benefit the people of the northern suburbs and those in my electorate of Kingsley?

Ms R. SAFFIOTI: This is, of course, another election commitment. Again, I am talking about delivering election commitments, busting congestion and creating jobs.

Mr V.A. CATANIA: Let us talk about other ones as well.

The CHAIR: Member! Minister, please carry on.

Ms R. SAFFIOTI: I am delivering on those three big goals. I think the project is a very good project. Is it needed? Yes, it is. I know it is a project that the local community appreciates, particularly those in the community to the eastern side who are trying to access train stations and other services. It is a big project. Planning is underway. As I recall, that intersection is one of the most congested intersections across the network; I think it is in the top 10. It is a significant project. Planning is underway and we hope to start construction late next year. Significant planning needs to be undertaken. It is one of the projects in our \$2.3 billion package. As I said, there is significant

east–west congestion across the northern and southern suburbs where there has been significant growth and development in areas such as Carramar, Tapping and Banksia Grove in the north and Piara Waters, Harrisdale and Southern River in the south. This project will ease east–west traffic congestion, but it will also free up traffic in the north–south corridor. This is just another one of those projects. Over time, the focus on Wanneroo Road as a key north–south road has increased. We are continuing to monitor the road, as people may choose Wanneroo Road or the freeway to access key destinations.

Mr Z.R.F. KIRKUP: I refer to the significant issues impacting the agency outlined on page 617 of budget paper No 2. The first dot point refers to bridges. The minister may be aware that there is a three-lane bridge in my district called Estuary Bridge, which I believe has reached pre–Forrest Highway levels of vehicle movements a day. I understand that part of Main Roads’ overall plan for traffic in Mandurah is to build a second bridge. I wonder whether any money has been set aside in this budget to commence planning for or construction of a new estuary bridge.

Ms R. SAFFIOTI: We had a discussion about this project yesterday. We do not have any funds for that project. I know that the project has been mentioned. I think the new bridge in Mandurah was opened to traffic yesterday. We will see how the traffic settles down after the bridge is opened and then look at the traffic flows. Currently, we do not have the funding. There is also the issue of whether a duplicate bridge would have to be built. That would be a big cost and currently we do not have any funding for that.

Mr Z.R.F. KIRKUP: I understand that one of the significant issues with that bridge is the movement of high and wide loads across it, creating significant congestion throughout my district when those movements take place. Is there any particular reason why that road needs to be designated as a high and wide load route and is there any way of removing that designation?

Ms R. SAFFIOTI: I can provide supplementary information on why Estuary Bridge has been designated as a high and wide load route.

[Supplementary Information No B31.]

Mr V.A. CATANIA: Minister, correct me if I am not on the right page, but I refer to the service summary of the adjusted total cost of services on page 618 of budget paper No 2. The fourth line item is for road network maintenance. My question is about the Roads to Recovery program. I do not expect the minister to have the answer, so perhaps she can provide it by way of supplementary information. I do not know whether the Roads for Recovery programs comes under that line item. Is the minister able to provide, perhaps by way of supplementary information, those local governments that have breached of the conditions of their agreements with Main Roads about Roads to Recovery funding? I do not know whether anyone has that information to hand.

[3.50 pm]

Ms R. SAFFIOTI: I have been advised that Roads to Recovery is a commonwealth funded program and that we do not get involved in the administration of that program.

Mr V.A. CATANIA: Does Main Roads not do any administration whatsoever on behalf of the commonwealth?

Ms R. SAFFIOTI: I have been advised that it does not.

Mr V.A. CATANIA: I will redo my question then, if that is okay.

The CHAIR: Yes. That is okay.

Mr V.A. CATANIA: Thank you, Chair. I refer to the Great Northern Highway on page 624 of budget paper No 2. I look forward to travelling on the Great Northern Highway tomorrow to Meekatharra. Does the figure for the line item “Muecha to Wubin Stage 2” include the \$24 million committed by the state government?

Ms R. SAFFIOTI: Which figure is the member talking about?

Mr V.A. CATANIA: For the line item “Muecha to Wubin Stage 2” under “Great Northern Highway”, \$211 million has been allocated under the 2017–18 budget. Does that include \$24 million from the state government?

Ms R. SAFFIOTI: I do not have that breakdown, but the whole project has a commonwealth–state mix. I would assume that the 2017–18 figure includes a state contribution.

Mr V.A. CATANIA: Is there a contribution by the state?

Ms R. SAFFIOTI: The whole project is funded on an 80 to 20 ratio. I do not have the figure in front of me but I assume that the \$211 million includes a 20 per cent state contribution.

Mrs L.M. HARVEY: The third dot point under “Significant Issues Impacting the Agency” on page 616 of budget paper No 2 states —

... Infrastructure Australia predicts congestion will cost the State \$16 billion a year in lost productivity by 2031.

I link that to the \$84 million for the Perth Freight Link finalisation. Could the minister please list the projects that will occur in lieu of the Perth Freight Link project to alleviate congestion in the southern corridor?

Ms R. SAFFIOTI: One project to alleviate congestion in the southern corridor, as was highlighted earlier, is the Armadale Road to North Lake Road Bridge over Kwinana Freeway. This is a major project that will reduce east-west congestion and create better access into the growing activity centre of Cockburn. It is a project that the City of Cockburn has lobbied for for many years and put high on its agenda. That is one project. On the Leach Highway upgrade, \$118 million has been allocated to upgrade Carrington Street to Stirling Highway on High Street. We are in negotiations with the City of Fremantle about proposals to improve that access point, particularly access onto the Stirling Highway bridge. This project is about reducing congestion and creating jobs and was an election commitment. The Murdoch Drive connection to Kwinana Freeway and Roe Highway is another major project about creating southern access into the Murdoch activity precinct, which is a growing precinct with a hospital and a number of other facilities. Perth’s first medihotel will be in that vicinity. We are in constant discussion with the Cities of Cockburn and Melville about that project and are working towards implementing it. Another project in the southern corridor is Kwinana Freeway to Russell Road to Roe Highway. We will widen the northbound lane in that area, which is a major project to reduce congestion in an area that is significantly congested every morning, every afternoon and every day. Another project is Kwinana Freeway and Roe Highway to the Narrows Bridge. We will implement the Smart Freeways project, which was on the previous government’s agenda. We have been able to implement some funding for that project. The member for South Perth has been very enthusiastic about Kwinana Freeway–Manning Road project for a number of years. That project is about providing greater access onto the freeway for residents in the South Perth and Manning area. I think it will reduce some of the congestion on Leach Highway as a result. We plan upgrades to Karel Avenue as part of our entire project. On top of that, we will build the Thornlie to Cockburn Link and we have a package of other initiatives, for example, increasing the subsidy for getting freight onto rail, which will deliver reduced truck movements into that corridor. That is a range of initiatives that are part of our \$2.3 billion busting congestion, creating jobs package.

Mrs L.M. HARVEY: How many vehicles per day does Main Roads anticipate will come off Leach Highway as a result of each of those projects?

Ms R. SAFFIOTI: As a result of each of those projects?

Mrs L.M. HARVEY: For example, how many vehicles per day is it anticipated that the Manning Road–Kwinana Freeway upgrade will remove from Leach Highway?

Ms R. SAFFIOTI: We are undertaking a lot of work in this area.

Mrs L.M. HARVEY: I was specifically referring to Roe Highway, which was designed to take pressure off Leach Highway. I was asking for specific projects that were going to solve that problem. The member has mentioned Kwinana–Manning Road. How many vehicles per day would be removed from Leach Highway that would otherwise have been facilitated by Roe 8 and 9 as a result of the Kwinana–Manning Road intersection and upgrade.

Ms R. SAFFIOTI: There are a number of initiatives. It is all about reducing congestion in the southern suburbs, which was the member’s original question. There are a number of key issues about Leach Highway such as the future development of an outer harbour and the pressure that will remove from that corridor. There are a range of issues. I have outlined all the roads, but there is also the outer harbour development and the intermodal development. Intermodal transport allows us to get more trucks off roads earlier. We are working with key bodies such as the Freight and Logistics Council and key industry proponents about how we can develop intermodal transport to reduce the number of trucks on the road. We are increasing the subsidy for freight on rail. Our target is to increase the percentage of freight going by rail from 15 per cent to 20 per cent. That is what we intend to do.

Mrs L.M. HARVEY: I do not think that the minister understands what I am asking. My understanding is that freight traffic on Leach Highway is about 14 per cent to 16 per cent of the vehicle movements, which means that 84 per cent or 85 per cent of the vehicle movements on Leach Highway are commuter vehicles. I understand that the minister is talking about an outer harbour solution for freight, which is 16 per cent of the vehicle movements on Leach Highway. The rest of them are commuters. How many vehicle movements per day will be reduced on Leach Highway as a result of the Armadale–North Lake Road upgrade?

Extract from Hansard

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Ms R. SAFFIOTI: Just to confirm, the Perth Freight Link project, which the previous government was spending up to \$3 billion on, was there to address freight traffic, which the member is now saying represents only 14 per cent of the entire traffic.

Mrs L.M. HARVEY: No. I am not saying that.

Ms R. SAFFIOTI: Was the previous government willing to spend \$3 billion of taxpayers' money to address something that the member now says is not a problem?

Mrs L.M. HARVEY: No. It was designed to address congestion because congestion —

Ms R. SAFFIOTI: It was called the Perth Freight Link.

Mrs L.M. HARVEY: I do not want to argue with the minister. My question is about congestion costing the state \$16 billion a year in lost productivity.

Ms R. SAFFIOTI: The member is now saying that freight movements are not a problem.

Mrs L.M. HARVEY: Can I ask my question?

The CHAIR: You asked your question.

Mrs L.M. HARVEY: It is about congestion costing the state \$16 billion a year in lost productivity. The vast majority of that congestion is commuter congestion. The minister has listed projects to replace the commuter vehicles that were going to be on Roe 8 and Roe 9 instead of Leach Highway. I thought the minister would be able to demonstrate the number of vehicle movements per day that would be removed as a result of these other measures.

[4.00 pm]

Ms R. SAFFIOTI: To clarify, the member has walked into this hearing today after claiming that the Perth Freight Link was the be-all and end-all for reducing congestion. The former government was willing to put up to \$3 billion of taxpayers' money into the Perth Freight Link, which the member now says addresses only freight and we have to address commuter congestion.

Mrs L.M. HARVEY: That is not what I said.

Ms R. SAFFIOTI: The member asked the question.

The member now says that freight is not a problem; it is commuter traffic. That is why we redirected the \$2.3 billion for the Perth Freight Link to reduce congestion across the network, with 17 individual road projects targeted to reduce congestion together with funding for two rail projects that will significantly reduce congestion. The member has given me the ability to demonstrate, yet again, why the previous government's project was so flawed and why our \$2.3 billion Boosting Jobs, Busting Congestion package is the right thing to do. We will leave no stone unturned to make sure that we deliver on our commitments to reduce congestion across the suburbs. The member's question today highlights why our path is the way to go.

Mrs L.M. HARVEY: That is not what I said. As part of the Perth Freight Link—that is, Roe 8 and 9—that project was designed to alleviate the problem identified that more than 80 per cent commuter trips in that area have travel times that are 20 per cent, or more, longer than the average pm peak time. Roe 8 is part of that project. Yes, it was called the Perth Freight Link because it was to end up at the harbour eventually. Given that a significant part of the Perth Freight Link was to reduce the commuter congestion problem we have, in which people are travelling for 20 per cent longer than any other commuter in peak time, I would have thought these alternative projects the government has put forward would address that, but it is clear the minister has not done that work. We might move on.

[Ms S.E. Winton took the chair.]

Ms R. SAFFIOTI: I would like to answer that question. Does anyone seriously think that the Armadale Road bridge will not reduce congestion? Does anyone seriously think that that will not be the case? Does anyone seriously think that adding an extra lane north on the freeway in the vicinity of Russell Road will not reduce congestion? Does anyone seriously think that smart freeways will not reduce congestion? The member's question is ludicrous. It is gobsmacking that the member now says that freight was not the problem, yet the former government was willing to spend up to \$3 billion to try to address freight.

Mr D.R. MICHAEL: Talking about congestion, I refer to page 615 of budget paper No 2 and the third line item from the bottom of the page, "Stephenson Avenue—Scarborough Beach Road to Mitchell Freeway". That project will decrease congestion in my electorate of Balcatta as well as the surrounding Stirling city centre. Can I get an update on the progress of this important project?

Ms R. SAFFIOTI: We see this as a very important project, and we are very keen to work with the City of Stirling to facilitate it. I know that as a former City of Stirling councillor and strong advocate for this project and his

electorate, the member sees this a key project. This project is about reducing congestion around that area, but it will also facilitate significant development. We are talking significant commercial and residential development. The project is a key part of the City of Stirling's vision to walk with the state government in our approach to get smart precinct development. I note that Stirling, given its location and proximity to the city, beach and very strong transport connection, has many attributes. We will provide a project that will deliver on many fronts. I know the City of Stirling has had discussions with the federal government about securing potential federal funding. I welcome that and I would like to see it happen. We are very keen to work on a tripartite arrangement in which the state, council and federal government work together to reach the member's, the government's and the city's desired outcomes. The member may be aware that we are in the process of establishing a group to oversee this project. We will try to ensure that we deliver outcomes to the member's electorate and to the wider community.

Mr R.S. LOVE: I refer to page 626 of budget paper No 2 and an allocation in the table under the subheading "Funded By" that lists various funding sources. The line item "Drawdowns from Royalties for Regions Fund" has a figure of \$123.01 million this year and various figures in further years. Can the minister point me to funding in the budget papers for the Northam–Pithara Road, which the previous government announced last year?

Ms R. SAFFIOTI: I understand this project was not proceeded with. As the member would be aware, we have a range of election commitments. We noted that the previous government — I think the previous member for Pilbara outlined that the focus of royalties for regions was not roads. I think his comment was, "We haven't spent much on roads". We have a range of election commitments that we need to accommodate first because they are the commitments we took to the people. As part of the reprioritisation, this project did not make this budget.

Mr R.S. LOVE: The Labor Party campaigned in my electorate on the basis it would spend more money on roads, but this road is not being funded. The project had \$4.05 million of federal government funding attached to it. Will that funding now be lost?

Ms R. SAFFIOTI: I understand there was some commitment, but I do not think we have received the funding yet. Sorry; we have the funding. As I said, in each budget process we will go in to bat for particular projects. We will see how we go with the next budget process, but as part of this budget process, the project did not make the list. I know that people are disappointed, but we have been in government for six months and we want to accommodate our election commitments. These processes continue; we have secured funding for other projects in regional Western Australia. We have increased our regional road spending, and from the state's point of view, I think that is a good thing.

Mr R.S. LOVE: To clarify, did the minister mean to say that the \$4.05 million has been secured and remains ready to be used on the Northam–Pithara Road project?

Ms R. SAFFIOTI: I understand we have the funding—it is in our account somewhere—but in each budget process we deal with priorities. We will look at our budget priorities next year; this is an ongoing process.

Mr R.S. LOVE: If the project does not go ahead, will the money have to be returned to the commonwealth?

Ms R. SAFFIOTI: That is hypothetical; I would not know. Sorry; I understand that the national partnership agreement allows the commonwealth and the state to undertake ongoing negotiations on different priorities as things change.

Mr R.S. LOVE: Further to the \$123 million allocated on page 626 of the *Budget Statements*, where can I find a breakdown of projects in both the forward estimates and the drawdown for this year?

[4.10 pm]

Ms R. SAFFIOTI: Say that again?

Mr R.S. LOVE: There is \$123 million listed in the budget estimates to be funded from royalties for regions this year, and, further to that, \$68 million, \$85 million and \$28 million is allocated in the forward estimates. Where in the budget papers will I find the breakdown of both this year's budget and the forward estimates?

Ms R. SAFFIOTI: My understanding of the budget papers is that the member would go through the asset investment program and the items marked with the superscript letter (a), which highlights the royalties for regions-funded projects.

Mr R.S. LOVE: I suspected that might be the case so I went to the royalties for regions documents in budget paper No 3 and there is a list of road projects. Do the road projects listed on pages 225 and 226 accurately reflect the figures of \$123 million and so on?

Ms R. SAFFIOTI: The member is flicking between different budget papers so it is hard to catch up. If, by way of supplementary information, the member would like a breakdown of that line item, we can do that.

Mr R.S. LOVE: I am asking whether the road projects listed under “Royalties for Regions Expenditure” in budget paper No 3 correlates directly to the \$123 million that is listed in the budget estimates on page 626 of budget paper No 2.

Ms R. SAFFIOTI: Is the member talking about the *Economic and Fiscal Outlook*?

Mr R.S. LOVE: I am talking about the *Economic and Fiscal Outlook*, yes.

Ms R. SAFFIOTI: What page?

Mr R.S. LOVE: I refer to pages 225 and 226.

Ms R. SAFFIOTI: I can provide that by way of supplementary information. We will provide a breakdown of the line item “Drawdowns from Royalties for Regions Fund” on page 626.

Mr R.S. LOVE: Yes, please.

Ms R. SAFFIOTI: I have just been advised that there may be different numbers because there may be other spending in regional WA that is not drawn down from royalties for regions but is from local government road programs. There are also a couple of programs that are new this year, and they also reflect regional road spending but they will not be reflected in that line item. However, we can provide a breakdown of the line item.

[*Supplementary Information No B32.*]

Mr R.S. LOVE: I refer to page 625 of budget paper No 2 and the asset investment program. Under the heading “New Works” there is a line item, “Outback Way—Seal Priority Sections”. It was fully funded by royalties for regions to the tune of \$33 million, I think. What steps led to the decision to fund the sealing of Outback Way? Did the department consult with industry, particularly the pastoral industry, about sealing Tanami Road in place of Outback Way and the economic advantages that might bring for livestock movement between Western Australia and the Top End?

Ms R. SAFFIOTI: This project was part of the negotiations between the state and commonwealth on the \$2.3 billion package. The federal government was very keen on this project and, as a result, we supported this allocation being made as part of the reprioritisation of the Perth Freight Link funds.

Mr R.S. LOVE: Has the department considered at any stage, or done any studies into, the value of sealing Tanami Road as a valuable route in the future?

Ms R. SAFFIOTI: I know there is a keenness for that project. As I said, the federal government was keen to do it, I think working with the Northern Territory and Queensland. The federal government put forward this project and that is one of the reasons it received funding in this budget. I am keen to raise Tanami Road with the federal minister when I see him next, and hopefully we will see what we can do. I know there is a keenness to support this project. As I said, I can raise it with the federal minister.

Mr R.S. LOVE: I refer to page 620 of budget paper No 2, service 1, “Infrastructure for State Development”. The first paragraph refers to the program’s objectives and finishes with the words “include town bypasses.” Could the minister update me on any progress on the development of a bypass for the Bindoon community?

Ms R. SAFFIOTI: As the member would be aware, we achieved some savings on the existing project. Those savings of \$20 million are dedicated to that project, looking at early activity, in particular land acquisition. That is underway.

Mr R.S. LOVE: Will the \$20 million that has been allocated to that activity be considered part of the contribution to the development of that road? We know that the federal government helps to fund general improvements on Great Northern Highway. Would that be considered a contribution to which the federal government will then address additional money, or does that include the federal government requirement?

Ms R. SAFFIOTI: As I understand, it is inclusive of the federal government money.

Mr R.S. LOVE: It is inclusive of the federal government money?

Ms R. SAFFIOTI: Yes. The federal government funds us 80–20.

Mr R.S. LOVE: So it is \$20 million of savings in total—federal and state—for the project?

Ms R. SAFFIOTI: Yes. We work with the commonwealth; we need to have a joint agreement on how we redirect those savings, and we continue to do that. The funding would be notionally 80–20. To get the project again, we will ask the commonwealth for further funds.

Mr R.S. LOVE: When I was trawling around the budget documents trying to find where the \$123 million from royalties for regions went, I noticed on page 225 of budget paper No 3 an allocation of \$38.8 million for the Muchea–Wubin road from royalties for regions funding. Can the minister tell me what that money will be used for?

Ms R. SAFFIOTI: It will be the state component of the total cost of Great Northern Highway.

Mr R.S. LOVE: What section of Great Northern Highway is it?

Ms R. SAFFIOTI: The current ones that we are building.

Mr R.S. LOVE: The amounts that were announced by the federal government a couple of days ago?

Ms R. SAFFIOTI: Yes.

Mr R.S. LOVE: I think that was for \$20-odd million. What about the rest of the money?

Ms R. SAFFIOTI: The commonwealth takes 80 per cent and we take 20 per cent, so notionally each year our contribution is 20 per cent. If we look at the figures in the budget papers for the project, notionally we have to see 80 per cent as being federal government money and 20 per cent as being state government money.

[4.20 pm]

Mr R.S. LOVE: The press release that the federal Minister for Infrastructure and Transport put out on 19 September points out that the Western Australian government will contribute \$26.34 million to that new allocation of funds. By my calculations, that leaves around \$12.5 million unaccounted for. What is the intention for that \$12.5 million?

Ms R. SAFFIOTI: We will need to double-check that statement because it does not appear to be what we understand to be the case, but I can provide any further information by way of supplementary information.

Mr R.S. LOVE: It includes comments attributed to the minister. I would have thought the minister would be aware of what is in it.

Ms R. SAFFIOTI: I am aware of the statement but I will double-check why there is a difference between what the member understands to have been presented in the budget papers and what is in that media statement. I cannot do it right now.

Mr R.S. LOVE: But the minister will provide that by way of supplementary information?

Ms R. SAFFIOTI: Yes.

The CHAIR: Can we get some clarification on what will be provided, please, minister?

Ms R. SAFFIOTI: I will provide a description of the difference between what is in the budget papers and what was released in the media statement of the federal minister and me, dated 19 September.

[*Supplementary Information No B33.*]

Mr R.S. LOVE: I refer to page 627 of budget paper No 2 and the first line item, “Aglime Routes”, in the table headed “Details of Controlled Grants and Subsidies”. There is an allocation of \$10 million in total for that line item. I note that there has been cut from \$15 million, which was announced in January this year. I am wondering how the government arrived at that figure and what particular parts of the original project will now be funded.

Ms R. SAFFIOTI: It was an allocation so, again, it was a tough budget process. We saved \$10 million from what was a tough budget process. It is an allocation, so Main Roads will work with industry and regional road groups in prioritising that expenditure. I also note that as part of the other work that has been undertaken, there are a number of election commitments throughout the south west in particular, and there is also \$44 million as part of the \$2.3 billion boosting jobs, busting congestion deal, which goes to regional roads. That is something that was not envisaged before the election. All-up, yes, there has been a reprioritisation; I am not going to walk away from that. I know that people are disappointed. We had to reprioritise to reflect our election commitments, but we have been able to secure other funding for regional WA, not only through our election commitments, but also as part of the \$44 million road package with the commonwealth government.

Mr R.S. LOVE: I am not asking questions just to be cute and point out that there is less money. I would like to know what the \$10 million will fund, because I have particular concerns. When I started out on the journey of trying to get this funding allocated in the first place, it was about two issues. One, of course, was road safety and the other was the tremendous burden being placed on the coastal councils, particularly Gingin, where one million tonnes of lime a year comes out of Lancelin, with virtually all of it going over shire roads. That is creating an enormous burden for that council. I am wondering what support there will be for the Shire of Gingin, in particular, from that \$10 million.

Extract from *Hansard*

[ASSEMBLY ESTIMATES COMMITTEE B — Thursday, 21 September 2017]

p506b-516a

Chair; Mrs Liza Harvey; Ms Rita Saffioti; Mr Zak Kirkup; Ms Cassandra Rowe; Mrs Jessica Stojkovski; Mr Vincent Catania; Mr David Michael; Mr Shane Love

Ms R. SAFFIOTI: It is my understanding that that is a council we will be working with. The decisions have not yet been made, but I understand that that shire is one that will be looked at as a priority.

Mr R.S. LOVE: There are other issues on that particular lime route, which I think this allocation is intended to go to, one of those being a single-lane bridge. I am wondering whether Main Roads is doing any work at all on trying to —

Ms R. SAFFIOTI: Which bridge is that?

Mr R.S. LOVE: It is the bridge over the Moore River on Cowalla Road. I am wondering whether any work is going on at all about getting funding—presumably federal funding—to make that road bridge a lot safer for heavy traffic.

Ms R. SAFFIOTI: We are not sure, but I will take that on board and ask Main Roads to look at that specific issue.

Mr R.S. LOVE: Thank you. That finishes my questions.

The appropriation was recommended.