

Chair; Ms Libby Mettam; Ms Rita Saffioti; Mrs Alyssa Hayden; Mr Matthew Hughes; Mr Yaz Mubarakai; Mr Vincent Catania; Mr Zak Kirkup; Mrs Jessica Stojkovski

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**Division 41: Public Transport Authority of Western Australia, \$1 106 051 000 —**

Ms J.M. Freeman, Chair.

Ms R. Saffioti, Minister for Transport.

Mr P. Woronzow, Acting Director General, Department of Transport.

Mr M. Burgess, Managing Director.

Mr P. Parolo, Chief Financial Officer.

Mr J. Steedman, Executive Director, Finance and Contracts.

Mr R. Hamilton, Executive Director, Major Projects.

Mr A. Kannis, Managing Director, Metronet.

Mr P. Abromeit, Policy Adviser.

**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 questions 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 be examined only 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, 30 October 2020. 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.

[Witnesses introduced.]

**The CHAIR:** I give the call to the member for Vasse.

**Ms L. METTAM:** I refer to page 622 and significant issues impacting the agency. The first point refers to Metronet. Can the minister confirm that the Midland line, the Forrestfield–Airport Link and the Morley–Ellenbrook line will run six trains per hour at peak; and, if so, how will the Public Transport Authority guarantee the reliability of peak services with 18 trains per hour running between Bayswater and Perth stations?

**Ms R. SAFFIOTI:** In our media conference when we announced the route definition, I think we outlined that we were looking at four trains per hour on the Morley–Ellenbrook line, but we are doing further modelling. We are also upgrading the signalling between Bayswater and the city to further assist running more trains per hour. That is the work that we are doing. I think that signalling upgrade was scheduled post-the forward estimates but we have brought that forward. We will increase the capacity of our signalling and we will finalise the operational model for the Ellenbrook line. Going forward, we will be able to stipulate exactly how many trains per hour will be on the Ellenbrook line, but it will be between four and six.

**Ms L. METTAM:** Even if it is four trains per hour at peak, that is 16 trains per hour between Perth and Bayswater. I understand that the optimal number of trains for a reliable service is 12 trains per hour. Is there, or will there be, sufficient capacity on the lines between Perth and Bayswater and does Perth station have the capacity to cater for the number of trains that will run at peak? Can the minister explain how this will be possible?

**Ms R. SAFFIOTI:** Perth station has a spare platform—that is, platform 9. On capacity, as I said, we are upgrading signalling and it should be noted that with intensive signalling we are running 25 trains per hour between Perth Stadium station, which was built under the previous government, and the city. That was part of the previous government's public transport plan for the stadium station.

**Ms L. METTAM:** Picking up on the minister's earlier comments. Was the minister hoping that there would be a spare platform at Perth station? Was the decision to run trains from Ellenbrook to Perth and Claremont a considered decision of the PTA?

**Ms R. SAFFIOTI:** I already answered the member's first question. It was done through business case development and options analysis—I think the PTA started with 100 options. Then we looked at all the different feasible options

Chair; Ms Libby Mettam; Ms Rita Saffioti; Mrs Alyssa Hayden; Mr Matthew Hughes; Mr Yaz Mubarakai; Mr Vincent Catania; Mr Zak Kirkup; Mrs Jessica Stojkovski

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to get from Perth to Ellenbrook as part of the Infrastructure Australia analysis. We looked at rapid transit ways, busways, different routes, tunnels, you name it. That was all assessed as part of a thorough business case analysis.

**Ms L. METTAM:** Will additional costs be attributed to the challenge of having 16 to 18 trains on this line? Can the minister confirm—because I do not think the minister answered this question—that the decision to run Ellenbrook trains to Perth and Claremont was a decision of the PTA?

[10.00 am]

**Ms R. SAFFIOTI:** Yes. It was a recommendation to government.

**Mrs A.K. HAYDEN:** On page 621, I refer to the “Appropriations, Expenses and Cash Assets” table and the total appropriation budget line. Can the minister identify where in the budget papers funding has been allocated for the Abernethy Road rail crossing in Byford?

**Ms R. SAFFIOTI:** I am just trying to understand what the member is talking about. Can the member explain it?

**Mrs A.K. HAYDEN:** It is my understanding that under the Public Transport Authority, a delay has occurred with the rail crossing on Abernethy Road in Byford due to the upgraded road by the local shire of Serpentine–Jarrahdale. A dual-lane road has been upgraded, with the PTA responsible for upgrading the single-lane rail crossing to a dual-lane rail crossing to include new boom gates, pedestrian crossings and new rail. This was meant to occur 12 months ago, then in February 2020, and then again in July 2020. I have spoken to the Shire of Serpentine–Jarrahdale. On its website it expresses frustration with the PTA in getting this project finalised. It is a very busy intersection and there is major congestion around the school, town centre and shopping precinct. Where is the money allocated for this project and why is there a delay?

**Ms R. SAFFIOTI:** I will read through the notes I have. I understand that it is a shire project. The project is being undertaken by the Shire of Serpentine–Jarrahdale. This is an intersection that we would love to see improved. Hugh Jones has raised this with me too directly a couple of times.

**Mrs A.K. HAYDEN** interjected.

**The CHAIR:** Member for Darling Range, the minister has the floor. I will call you. Minister, keep going.

**Ms R. SAFFIOTI:** The project is being undertaken by the Shire of Serpentine–Jarrahdale. The shire engaged different consultants to complete three different design packages, along with a separate contractor to construct the works. Working in collaboration with the shire, the PTA has had direct involvement in reviewing designs relating to the level crossing and road–rail interfaces as per our obligations. Some aspects of the proposed level crossing, signalling, design works and staging have needed further review by the shire, its consultants and contractor before we can sign off. The shire is currently addressing a number of comments recently provided. We understand that the shire’s construction manager will look at the safety management plan soon and test the commission plan. These plans will need approval by the PTA. We hope to see this project completed as soon as possible. We are working with the shire on it and we hope to get its final plans and give our approval as soon as possible. This is an area in which we would like to see some improvements. Also, as part of the Byford rail extension, we will look, as part of the scope of works, at what other improvements can be made at that level crossing.

[Mr T.J. Healy took the chair.]

**Mrs A.K. HAYDEN:** The minister just read advice that the Shire of Serpentine–Jarrahdale has obviously had to reassess some planning works that the PTA is not happy with. Can the minister explain what those works are and why the PTA is not happy and why the shire has to reassess that? My concern is: why would a shire worker be working on PTA or rail line? I understand that the PTA has jurisdiction over train lines and I hope that we do not have workers from a local government working on a major piece of infrastructure.

**Ms R. SAFFIOTI:** What was the question?

**Mrs A.K. HAYDEN:** If the minister listened and showed some respect for the time —

**The CHAIR:** Member! Would you like to repeat your question?

**Mrs A.K. HAYDEN:** I would love to repeat my question. I would just like to highlight that, unfortunately, the relationship between the PTA, this government and the Shire of Serpentine–Jarrahdale has resulted in a massive delay in major infrastructure to the PTA rail at the Abernethy Road rail crossing. The shire has upgraded Abernethy Road, which is a main thoroughfare through the town of Byford. The community is frustrated with the works that PTA has delayed. If the minister indicates that the problem is with the shire, can she please outline what the problem is and why the PTA is not taking the lead on its own infrastructure?

**Ms R. SAFFIOTI:** It is a shire project. It is a local government road.

Chair; Ms Libby Mettam; Ms Rita Saffioti; Mrs Alyssa Hayden; Mr Matthew Hughes; Mr Yaz Mubarakai; Mr Vincent Catania; Mr Zak Kirkup; Mrs Jessica Stojkovski

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**Mrs A.K. HAYDEN:** The rail is not local government.

**The CHAIR:** Member, I will just let the minister finish.

**Ms R. SAFFIOTI:** I am not angry with the shire. I actually like working well with shires and I think the Shire of Serpentine–Jarrahdale has a massive task in providing the infrastructure necessary for such a growing suburb. Frankly, nothing happened with projects such as the Byford rail line and the Tonkin Highway corridor under the previous government, and it would openly admit that. Nothing happened for eight and a half years in that whole area.

**Mrs A.K. HAYDEN:** Can we go back to the question?

**The CHAIR:** Sorry, member, I will just wait until she finishes and then I will come straight back to you.

**Ms R. SAFFIOTI:** No infrastructure was committed in eight and a half years. Byford has had a similar experience to that of Ellenbrook. Basically, it is growing as a town centre but in a sense it has the challenges of rural roads and no rail line. The government wanted to address all of that, so we are very keen to work with the Shire of Serpentine–Jarrahdale. I find it a proactive, positive group. I will sit down with the shire to see what else we can do to get it done. We want to ensure that the shire has the confidence to go forward.

The other issue too, which is important to note, is that the national Office of Road Safety has to grant approval for those types of works, and we must work with that. We are doing our best. We see this as a priority project. As I said, I feel sorry for the Serpentine–Jarrahdale shire that had nothing for eight and a half years and now there is a lot of catch-up. We are really keen to help it catch up with that infrastructure.

**Mrs A.K. HAYDEN:** I thank the minister very much. I am glad she has apologised to the Shire of Serpentine–Jarrahdale for the former member for Darling Range. Does the minister confirm that she takes no responsibility for upgrading the rail line, which clearly comes under the PTA, and that she is happy that a priority project can take more than 12 months to be completed? The minister calls this a priority and it has taken 12 months to even try to get some action on that rail crossing. Does the minister confirm that the PTA has no responsibility over that rail line and that she is happy with the status?

**Ms R. SAFFIOTI:** No.

**Mr M. HUGHES:** I refer to page 621 of the *Budget Statements* and the “Temporary Public Transport Services Reduction” line.

**Ms R. SAFFIOTI:** Just to clarify, I did not confirm the answer to the previous member’s question.

**The CHAIR:** Sorry?

**Ms R. SAFFIOTI:** Just to confirm, I rejected the premise of the member for Darling Range’s question.

**The CHAIR:** Member for Kalamunda.

**Mr M. HUGHES:** Towards the bottom of page 621 there is a reference to temporary public transport services reduction. Can the minister please outline the impact that COVID-19 has had on public transport patronage? To what extent have the patronage levels recovered and how does that compare with public transport patronage in other jurisdictions across Australia and internationally?

**Ms R. SAFFIOTI:** During COVID there was a collapse in public transport patronage, as would be expected. The figure got down to 15 per cent of pre-COVID activity for a period. It is welcome news that the level of patronage has climbed back and the city has the strongest public transport activity in the nation. The new figures collected show an average of about 76 per cent of the 2019 patronage. That figure is higher than it is in any other state. If I go through some figures, that 76 per cent is higher than Adelaide—interestingly, it is higher than Auckland, too—Brisbane, Sydney and Melbourne. We are getting back to about 80 per cent of pre-COVID activity. We are also seeing secondary students coming in at very high numbers. Student patronage is coming back to near 100 per cent of pre-COVID levels. Public transport usage by pensioners and healthcare card holders is about 90 per cent. One of the areas that is still bringing down the numbers is tertiary students because a lot of the universities, for example, still have a lot of online learning, and so I think that is about 60 per cent.

[10.10 am]

Across the board we are doing really well. We have the highest patronage rates across Australia. We are also looking at numbers across the world, and we have one of the highest rates in getting public transport back to normal. One of the key segments of the economy is the numbers of tertiary students, which is mainly because of the style of teaching, but we are the strongest across the nation. As part of that, we have enhanced cleaning; we are doing a lot more cleaning. For example, the budget shows \$12.9 million of additional funds for cleaning our trains and stations.

**Ms L. METTAM:** I refer to page 118 of budget paper No 3, *Economic and Fiscal Outlook*, “Metronet—Forrestfield–Airport Link Commissioning Deferral”.

Chair; Ms Libby Mettam; Ms Rita Saffioti; Mrs Alyssa Hayden; Mr Matthew Hughes; Mr Yaz Mubarakai; Mr Vincent Catania; Mr Zak Kirkup; Mrs Jessica Stojkovski

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**Ms R. SAFFIOTI:** The member refers to budget paper No 3, page 118?

**Ms L. METTAM:** Yes. It is under “Public Transport Authority of Western Australia”, “Other Spending”. When was the decision made that there would be a deferral of the commissioning? What is the expected date for the new commissioning? What are the associated costs?

**Ms R. SAFFIOTI:** I think this was all announced after the incident at Cross Passage, Dundas. At the end of 2018, we announced that the new scheduled operation would see the first trains running at the end of 2020–21. This has now been written into the budget to reflect that date. The decision was made back then, and I think this is basically making sure that the estimates reflects a past decision.

**The CHAIR:** Further question, member for Vasse?

**Ms L. METTAM:** I have an additional separate question.

**The CHAIR:** If it is a new question, I have the member for Jandakot for a new question and then the member for North West Central for a new question.

**Mr Y. MUBARAKAI:** Thanks, Mr Chair.

**Mr V.A. CATANIA:** This is opposition time; it’s not the government’s time.

**Ms L. METTAM:** Yes.

**The CHAIR:** Members, I have a list and I am happy to go through it.

**Mr V.A. CATANIA:** You can ask the minister yourself!

**Mr Y. MUBARAKAI:** I know. I want to put it on record.

**The CHAIR:** Minister?

**Mrs A.K. HAYDEN:** Can you not meet with your members?

**The CHAIR:** Members! Thank you very much.

**Mr V.A. CATANIA:** This is taking up our valuable time!

**The CHAIR:** You are taking up your valuable time! Member for Jandakot.

**Mr Y. MUBARAKAI:** Thank you, Mr Chair.

**Mrs A.K. HAYDEN:** Do you not meet with your members?

**The CHAIR:** Member! Member for Jandakot, please proceed.

**Mr Y. MUBARAKAI:** Extremely rude! Thank you, Mr Chair.

**Ms R. SAFFIOTI:** That Hugh Jones is such a good candidate.

**The CHAIR:** Please ask the question. We have limited time.

**Ms R. SAFFIOTI:** Such a good candidate.

**Mr Y. MUBARAKAI:** Thank you, Mr Chair. I refer the minister to page 630 and the point is regarding —

**Mr V.A. CATANIA:** He does not even have his budget books there.

**The CHAIR:** No! Thank you.

**Mr Y. MUBARAKAI:** It is the Thornlie–Cockburn Link, under “Asset Investment Program”. Can the minister please provide an update of the progress of this key project as well as the works undertaken to replace the Ranford Road Bridge?

**Ms R. SAFFIOTI:** Thank you, member. I think it is good to give an update of the Ranford Road Bridge, in particular, because probably one of the best-kept secrets of this project is that part of the Thornlie–Cockburn Link project is the replacement of the Ranford Road Bridge with a new eight-lane structure. That is included as part of the overall project budget. Works are currently underway on the new bridge, which will cater for future traffic volumes and station access. The new bridge will be higher to futureproof the rail corridor and will have six general traffic lanes, bus lanes, and a shared path on each side to facilitate cycling and pedestrian access. Ranford Road has been realigned to the east and reduced to two lanes to ensure that traffic can still use the bridge while construction of the new infrastructure takes place.

In our many discussions, the member raised with me a number of times some of the issues about making sure we have improved traffic management around that area, and we are working to deliver that. We have already done some of that work, and there are further improvements—in particular the lighting, which was one of those issues.

Chair; Ms Libby Mettam; Ms Rita Saffioti; Mrs Alyssa Hayden; Mr Matthew Hughes; Mr Yaz Mubarakai; Mr Vincent Catania; Mr Zak Kirkup; Mrs Jessica Stojkovski

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When I was driving along there up to Roleystone after the south Fremantle victory at South Fremantle Oval—that is the way I always used to take and continue to take going from south Fremantle up to Roleystone—I noted some of the lighting issues. Yes, it is a major bit of work. Of course, Mr Chair (Terry Healy) has also raised those similar issues a number of times. We are trying to improve the lighting and traffic management during the period of the works. It will be a disruptive project—there is no doubt about that. It is such a key corridor and we have a lot of work to be done. We thank everybody in advance and for their continued patience as we build for tomorrow and really upgrade all these great projects.

This is also about creating jobs. I was at a construction dinner last night, and the feedback that we are getting about job creation has been incredible, so thank you very much, member, for your continued advocacy for your community and making sure that we deliver this project to the benefit of everybody.

**Ms L. METTAM:** In relation to the Thornlie–Cockburn line, why did the government make the decision to package that project with the Yanchep line? From an industry perspective, there was some concern that packaging two projects that are 70 kilometres apart gave very little opportunity for mid-tiers to compete, given that they may not have the capacity or want to take the financial risk of tendering for a project of that size. Why was that decision made to package those two projects?

**Ms R. SAFFIOTI:** There was a cross-government workshop, including, as I recall, the Public Transport Authority of Western Australia and Main Roads, that looked at the market to see how to get the best value for money and the right team in place. Member, I was at a construction dinner last night and no-one raised the issue with me, so I was just wondering which —

**Ms L. METTAM:** They have raised it with me before.

**The CHAIR:** Sorry, member!

**Ms R. SAFFIOTI:** Who was that?

**Ms L. METTAM:** I am not naming —

**The CHAIR:** Sorry, minister! If you answer your question, in a minute the member can seek to ask a follow-up question, so if you can finish your response.

**Ms R. SAFFIOTI:** Well, who was it? Because I was there and I had all the contractors —

**Ms L. METTAM:** We are asking you the questions.

**The CHAIR:** Members! Minister, if you can finish your response.

**Ms L. METTAM:** You are not as popular as you think.

**Ms R. SAFFIOTI:** Yes, I am.

**Ms L. METTAM:** No.

**Ms R. SAFFIOTI:** I had all the contractors out —

**The CHAIR:** Members! Thank you.

**Ms R. SAFFIOTI:** I had all the contractors out there last night at a 300-person dinner, and not one person said that there were not enough jobs available—not one person. What they did mention was that the opposition's policy is unsustainable.

**Mr V.A. CATANIA:** I refer to page 621, division 41, Public Transport Authority of WA, and the table for appropriations, expenses and cash assets. Under delivery of services, can the minister provide me, perhaps by way of supplementary information if she does not have the amount, the total cost of transport subsidisation by the taxpayers of Western Australia for metropolitan transport for this financial year and into the forward estimates leading up to 2023–24?

[10.20 am]

**Ms R. SAFFIOTI:** I have the average annual operating subsidies by percentage. I will give the member those and if he needs further information, we will provide that too. Was it for the budget year or the budget year and the forward estimates?

**Mr V.A. CATANIA:** It is for the current budget year and the subsequent projected forward estimates up to 2024.

**Ms R. SAFFIOTI:** I will go through my note. It has the annual average subsidy for regional town bus services, Transwa road and rail services, country schools bus services, and Transperth services. I will start with the level of subsidy for the country bus services. They are 96.1 per cent in 2019–20, 96 per cent in 2020–21, 95.9 per cent in 2021–22, 95.9 per cent in 2022–23 and 95.9 per cent in 2023–24. For Transwa road and rail, they are 78.5 per cent 2019–20, 77.4 per cent in 2020–21, 72.8 per cent in 2021–22, 73.1 per cent in 2022–23 and 73 per cent in 2023–24.

Chair; Ms Libby Mettam; Ms Rita Saffioti; Mrs Alyssa Hayden; Mr Matthew Hughes; Mr Yaz Mubarakai; Mr Vincent Catania; Mr Zak Kirkup; Mrs Jessica Stojkovski

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For regional town bus services, they are 91.7 per cent in 2019–20, 92.1 per cent in 2020–21, 89.1 per cent in 2021–22, 88.9 per cent in 2022–23 and 88.9 per cent 2023–24. For Transperth services they are 76.3 per cent in 2019–20, 77.4 per cent in 2020–21, 70.2 per cent in 2021–22, 69.8 per cent in 2022–23 and 69.6 per cent in 2023–24. That is the level of operating subsidy.

**Mr V.A. CATANIA:** Percentages are great, but can the minister please provide the actual amount of taxpayer subsidy in a dollar figure for each of those services? Did that include rail and bus in metropolitan Perth?

**Ms R. SAFFIOTI:** Yes.

**Mr V.A. CATANIA:** Can the minister provide the figure for that current subsidy to our public transport network, breaking it up by regional WA and metropolitan Perth?

**Ms R. SAFFIOTI:** Is the member asking for that in dollars?

**Mr V.A. CATANIA:** Yes.

**Ms R. SAFFIOTI:** By way of supplementary information, we can provide the dollars for the operating subsidy for those four group services—that is, country bus services, Transwa services, country town bus services and metropolitan services—for this budget year and the forward estimates by dollar value.

*[Supplementary Information No A17.]*

**Mr V.A. CATANIA:** Does the subsidy that is forecast in the forward estimates for Metronet include the completion of extra lines in Perth? Is that included in the subsidy that the minister just mentioned?

**Ms R. SAFFIOTI:** The rail operating subsidy for the Forrestfield–Airport Link, the Thornlie–Cockburn Link and Yanchep rail extension are in the budget, but other projects are not yet. Some of the other projects are not new lines per se, like new stations and so forth. The rail operating subsidy has been included, but the other projects have not.

**Mr V.A. CATANIA:** Has work been done to establish exactly the subsidy that will potentially be needed for those new lines for the completion of Metronet?

**Ms R. SAFFIOTI:** It is preliminary work.

**Mr V.A. CATANIA:** Is the minister able to provide a dollar figure for a completed Metronet and the cost to taxpayers of that subsidy?

**Ms R. SAFFIOTI:** We have not finalised the work for the other remaining rail lines.

**Ms L. METTAM:** I have a further question relating specifically to two Metronet lines referred to on page 621. Can the minister explain how the operating costs are calculated for each of those lines? What is the expected cost recovery for each year outlined in the budget? Does the subsidy grow over time? How is the expected subsidy set to grow over the next 10 years? This relates to the member's question, but also spending changes listed on page 621 under line items "Thornlie–Cockburn Link Operating Costs" and the "Yanchep Rail Extension Operating Costs".

**Ms R. SAFFIOTI:** I think the member's question was how do we determine the level of cost recovery from those lines or how we determine the subsidy. We subtract from the annual operating expenditure of the additional line the anticipated expenditure across that line, through the modelling of forecasts and patronage. That is the level of the operating subsidy, minus the additional income from the additional expenditure. The figures I provided before are the operating subsidies from across the network. That is the entire operating expenditure across the entire network minus the income.

**Ms L. METTAM:** Part of that question was: does this subsidy grow over time and what is the projection of the subsidy?

**Ms R. SAFFIOTI:** Forecasting is determined by two things. There is expenditure—of course, if we run more services, expenditure will grow over time—and relevant income, but it also depends on public transport patronage. Currently, we are experiencing 80 per cent patronage, so the operating subsidy this year will end up being higher than forecast. We are working through that. Public transport income was increasing as a result of increased public transport patronage primarily. I think, between 2018–19 and 2019–20 we experienced an increase in public transport patronage, which had not happened since about 2013, from my recollection. Of course, that then declined, which reduced the operating subsidy. When patronage numbers come in higher, income comes in higher than forecast. That helps the budget, but, of course, the COVID-19 pandemic has been a shock and there have been other costs like cleaning costs, which are now another part of that model. We have higher costs from the fact that we are cleaning more but we are running a similar service and our numbers are down. As a result, the operating subsidy for this year and, potentially for next year, will be higher.

**Ms L. METTAM:** What is the total impact on net debt and the net operating balance, including the subsidy depreciation and borrowing costs of those two lines over forward estimates?

**Ms R. SAFFIOTI:** Of which lines?

Chair; Ms Libby Mettam; Ms Rita Saffioti; Mrs Alyssa Hayden; Mr Matthew Hughes; Mr Yaz Mubarakai; Mr Vincent Catania; Mr Zak Kirkup; Mrs Jessica Stojkovski

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**Ms L. METTAM:** The Thornlie–Cockburn and Yanchep lines.

**Ms R. SAFFIOTI:** An interesting aspect of this is that those two lines are being funded by the commonwealth and state through equity. The member might notice that in the PTA balance sheet there are borrowings that relate to the FAL project. The FAL was funded through borrowings directly by the PTA. I do not think the previous government injected funds into public transport, so PTA was directed to borrow for FAL. There is no direct borrowing attached to TCL and Yanchep.

**Ms L. METTAM:** But does the minister have figures on what the total impact on net debt will be and the net operating balance?

**Ms R. SAFFIOTI:** If we did not do them, we would not be spending the money.

**Ms L. METTAM:** That is not the question

**Ms R. SAFFIOTI:** The member should look at the state appropriation for those projects and that is the impact on net debt.

[10.30 am]

**Ms L. METTAM:** Does the minister have a definitive figure on the cost and the impact on net debt?

**Ms R. SAFFIOTI:** I am saying that these are not debt funded. They are funded through the consolidated fund through an equity injection similar to what happens in most other public services. Forrestfield–Airport Link was funded directly through a borrowing by the Public Transport Authority. Sorry, I forgot to recognise the \$499 million from the federal government so it is not all debt borrowing; the federal government contributed \$500 million. These projects were funded through some money from the metropolitan region improvement fund as I recall—\$70 million.

**Ms L. METTAM:** This is not answering the question.

**The CHAIR:** Let the minister finish her response.

**Ms R. SAFFIOTI:** I am.

**Ms L. METTAM:** No.

**The CHAIR:** Sorry; minister, are you finished?

**Ms R. SAFFIOTI:** Yes; I was just going through how they are funded. That was the question, was it not?

**The CHAIR:** Finish the response and you can ask a further follow-up, if you like, member.

**Ms R. SAFFIOTI:** I am going to how they were funded, because that was the question. The Thornlie–Cockburn Link and Yanchep were funded from commonwealth funding, the MRIF and the consolidated fund. There were no direct borrowings by the Public Transport Authority for these projects, unlike what was for the FAL.

**Ms L. METTAM:** Is there a figure on what the overall impact on net debt and the net operating balance will be?

**Ms R. SAFFIOTI:** I am not sure what the member is asking. We are funding these projects, so half those costs primarily come from the state government. There are no direct borrowings against the PTA. If we did not do any project across the entire budget, potentially, net debt would be lower. That is what happens. If we do not spend, it does not impact the operating account, which does not impact net debt. I am not sure what the question is.

**Ms L. METTAM:** There is some concern about whether the government has some clarity about the cost of Metronet, so I am seeking that clarity.

**Ms R. SAFFIOTI:** The clarity is in budget paper No 3; it has every project under delivery.

**Ms L. METTAM:** What page?

**Ms R. SAFFIOTI:** It is on page 137 of budget paper No 3. It is also on page 630 of budget paper No 2. I can go through them line by line here, but all the numbers are there.

**Ms L. METTAM:** In relation to what the minister has pointed out, I note on page 137 there are four years' worth of figures for these Metronet projects instead of five years' worth of figures, which were in last year's budget. Can the minister please outline, maybe by supplementary information, the total cost of what has been paid in previous budgets and the future costs associated with each of the Metronet projects? We are seeking the total cost for the Forrestfield–Airport Link, the Thornlie–Cockburn Link and all the projects that are outlined, appreciating that some funds are already paid.

**Ms R. SAFFIOTI:** I refer the member to page 632 of the budget papers. As part of the agencies' asset investment program there is the expenditure to date, the cost of the budget and the forward estimates. It is all there.

Chair; Ms Libby Mettam; Ms Rita Saffioti; Mrs Alyssa Hayden; Mr Matthew Hughes; Mr Yaz Mubarakai; Mr Vincent Catania; Mr Zak Kirkup; Mrs Jessica Stojkovski

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**Ms L. METTAM:** Can the minister answer the question about page 137, which the minister pointed to. We would like to know the total cost of all those Metronet projects, including the costs paid in previous budgets as well as the costs that will be paid in future budgets in the forward estimates.

**Ms R. SAFFIOTI:** I want to clarify a few things. Budget paper No 3 is a summary table for presentation purposes and highlights different initiatives. Budget paper No 2 goes through the asset investment program, which is where every project under delivery is specifically listed under “Estimated Total Cost”, “Actual Expenditure” to date and the budget and the forward estimates. All the information is there, member, on page 632 of the budget papers.

**Ms L. METTAM:** It is a pretty simple question. The opposition has continuously asked for some clarity on the cost of Metronet. We are asking for the total cost—the capital expenditure—of the projects listed on page 137, which take into account prior years and forward estimates costs for each of those projects. It is pretty simple.

**Ms R. SAFFIOTI:** It is there on page 632.

**Ms L. METTAM:** Can the minister provide it by supplementary information?

**Ms R. SAFFIOTI:** It is in the budget papers.

**Ms L. METTAM:** It is not.

**Ms R. SAFFIOTI:** Yes, it is, on page 632.

**The CHAIR:** I will let the minister reply. You are free to answer the question as you seek to.

**Ms R. SAFFIOTI:** I refer to division 41, part 9 “Transport” in the *Budget Statements*, which we are meant to be talking about. On page 621 is the heading “Division 41: Public Transport Authority of Western Australia”, “Transport”. I then refer the member to page 632, which shows the asset investment program. This asset investment program has been in every budget paper since I worked in the Department of Finance in Canberra. It has always been part of the budget papers. The asset investment program goes through projects under delivery and identifies the estimated total cost of the project, how much has been spent to date and how much is in the forward estimates. It is there.

**The CHAIR:** I am happy to give further questions, but the member for Darling Range is up for a new question.

**Ms L. METTAM:** I note that it is a pretty simple question. Why is all the information on the asset investment program not in this table?

**Ms R. SAFFIOTI:** The answer to the questions the member asked are there. They are in the budget papers. The estimated total cost is in the budget papers. It is just what happens. As sure as the sun rises in the morning, ETCs are in budget papers. That is how I understand it; it is there.

**Mrs A.K. HAYDEN:** Can the minister identify under “Works in Progress” on page 632, which the minister was referring to, where the Byford rail is in this budget?

**Ms R. SAFFIOTI:** The Byford rail is under a separate item in transport—“Metronet Projects Under Development”. As we have always outlined in past budget papers and budget processes, there is a pool of funds for projects under development. That pool of funds includes funding from the commonwealth and from the state. It is on page 638, which is another division as I recall—still under part 9, but we can refer to it now if the member wants. Under “Metronet Projects Under Development” there is a pool of funds. The process is as recommended through the Langoulant inquiry for how we manage a procurement process for significant projects. We have a pool of funds—it is funded there—and we allocate when the projects are signed and they move into the section “Projects Under Delivery”. That has happened over the past two to three years. It is a good model accepted by everybody, in that the funding is put in a pool and we allocate once the contracts have been signed.

**Mrs A.K. HAYDEN:** Thank you very much minister. I appreciate the minister going to page 638. She says that Byford rail’s costing is within the pool of funds. Can the minister advise the costs allocated in this pool of funds to the Byford rail?

**Ms R. SAFFIOTI:** We are working through a procurement process so we do not identify ETCs at this stage. We have done that for every rail line. We do not give an ETC until we are further down the procurement process to keep the competitive nature of that procurement process.

[10.40 am]

**Mrs A.K. HAYDEN:** If allocated costs have not been identified, can the minister confirm right now that there is no money allocated or committed to the Byford rail line?

**Ms R. SAFFIOTI:** We have money for the Byford rail.

**Mrs A.K. HAYDEN:** If money is allocated to the Byford rail line, can the minister please tell me the amount?



Chair; Ms Libby Mettam; Ms Rita Saffioti; Mrs Alyssa Hayden; Mr Matthew Hughes; Mr Yaz Mubarakai; Mr Vincent Catania; Mr Zak Kirkup; Mrs Jessica Stojkovski

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**Ms R. SAFFIOTI:** It is part of the \$2 billion.

**The CHAIR:** Minister, we are on division 41. “METRONET Projects Under Development” is coming up after this, I believe. Are you happy to answer?

**Ms R. SAFFIOTI:** It is up to them. If they want to do part 9 now, I am happy to do that.

**Mrs A.K. HAYDEN:** The minister led to that, so —

**Ms R. SAFFIOTI:** No, the member asked a question, and I wanted to be helpful.

**The CHAIR:** You might find there is further detail in the next section.

**Mrs A.K. HAYDEN:** Can I confirm there is no money allocated right now to Byford rail, and the minister cannot give me a figure?

**Ms R. SAFFIOTI:** The money for Byford rail is in the \$2 billion figure.

**Mrs A.K. HAYDEN:** I refer to page 621 and appropriations, expenses and cash assets. Under total appropriations, can the minister identify where the funds are allocated to the investigation or design works for the south west freight line realignment?

**Ms R. SAFFIOTI:** There is funding for that work but it is being delivered through Main Roads Western Australia as part of the Tonkin Highway extension works.

**Mrs A.K. HAYDEN:** Can the minister clarify whether it is through Main Roads? I believe that is a different project—that part of the rail line that is the bridge over Thomas Road. I understand that is under Main Roads. I am talking about the freight line realignment of South Western Highway, not the Byford rail line. The route has been changed along the new Tonkin Highway extension, which was put on the Main Roads website a couple of days ago. I want to find out where the money is for the freight line realignment, not Byford rail.

**Ms R. SAFFIOTI:** I said it was in the budget for Main Roads, as in the funding for the Tonkin Highway extension. All the works associated with that are in the Main Roads budget.

**The CHAIR:** Before we go to a follow-up question, we are on division 41. On my list, Main Roads is after this, in division 40. Does the member for Darling Range have a further question?

**Mrs A.K. HAYDEN:** Thank you very much, Chair. The Public Transport Authority is responsible for the freight line realignment. The updated website identifies two new proposed route realignments and no longer shows the original route alignment that was set by the Shire of Serpentine–Jarrahdale back in 2008, as far as I know. Is that route set in concrete and has the original alignment been removed completely? Are the two proposed routes that are shown still able to be adjusted and relocated?

**Ms R. SAFFIOTI:** As we said, I think through some media commentary, we are undertaking consultation with the community and the shire about that alignment. That consultation is ongoing.

**Mrs A.K. HAYDEN:** Can I clarify when the consultation started and what type of consultation it was? Can the minister provide a copy of any letters that went out? I am happy if the minister wants to provide that as supplementary information if she does not have the detail. I also note that the shadow Minister for Transport and I met with the shire only this week and it said it had had nothing to do with the freight line realignment.

**Ms R. SAFFIOTI:** Sure, I will go through what occurred. In December 2019, a community information session was held at the Shire of Serpentine–Jarrahdale at which the previous planning work and the proposed corridor was discussed. The meeting was attended by officers from Main Roads, the Department of Planning, Lands and Heritage and the Shire of Serpentine–Jarrahdale. In March 2020, a letter from Main Roads informed the community about the Tonkin Highway extension project and the freight realignment study to determine the preferred alignment. It was sent to approximately 900 property owners in Mundijong and Mardella. Owners of properties along the rail corridor also received a notice of entry to allow for surveys to be undertaken. Concurrent with the development of the Tonkin Highway extension project, a planning study is currently underway to determine an alignment corridor and the feasibility of including the construction of the proposed realignment as part of the project. That current planning study and consultation is underway now. There will be further consultation with landowners in the area later this year.

**Mrs A.K. HAYDEN:** The minister listed a date when the meeting was held at the Shire of Serpentine–Jarrahdale; I did not get the date, sorry.

**Ms R. SAFFIOTI:** It was December 2019.

**Mrs A.K. HAYDEN:** Have the landowners who were affected by the original route been consulted?

Chair; Ms Libby Mettam; Ms Rita Saffioti; Mrs Alyssa Hayden; Mr Matthew Hughes; Mr Yaz Mubarakai; Mr Vincent Catania; Mr Zak Kirkup; Mrs Jessica Stojkovski

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**Ms R. SAFFIOTI:** I suspect they might have been informed in the letter that was sent out, but it would have been Main Roads consultation so we do not have the appropriate staff here to provide any further details.

**Mrs A.K. HAYDEN:** Is an environmental process being undertaken for the two new proposed freight line realignment routes?

**Ms R. SAFFIOTI:** As I said, I do not have the appropriate advisers here. They will be with Main Roads.

**Mrs A.K. HAYDEN:** I asked a question earlier that the minister has not yet answered. Are the two proposed routes that are now shown on the website still open to flexibility and to being reverted to the original freight line route?

**Ms R. SAFFIOTI:** That is why we are undertaking a study. There has been no fixed decision. We have stated that we are out for consultation, doing the studies and all the relevant surveys to determine the best route. That is under active consultation now. There has been no final decision.

**Mrs A.K. HAYDEN:** Thanks, minister. Can the minister please explain why the original realignment route was removed from the website under her department?

**Ms R. SAFFIOTI:** As I said, it is under consultation now. Ultimately, there will be a decision. No decision has been made; it is as simple as that.

**Mrs A.K. HAYDEN:** I am pleased to hear that no decision has been made. It is great news. It is worth noting that when we play with lines on maps, it affects people's livelihoods, lives and homes. Quite a few people in the community are upset that the new alignments have been put on the map and the other one has been removed. I am pleased to hear that they are not set in concrete and the minister is open to moving them.

**Mr Y. MUBARAKAI:** I have a further question. I refer to the service summary on page 624 and the line item "Rail Corridor and Residual Freight Issues Management". Can the minister please give an update on the public funding for the engineering assessment that was undertaken by the Public Transport Authority on the tier 3 rail lines?

**Ms R. SAFFIOTI:** I was hoping to get a question about that from the Nationals WA. As we know, the debate about tier 3 rail has continued since the previous government privatised the tier 3 grain lines.

**Mr Z.R.F. KIRKUP:** I have a point of order. I believe the member for Jandakot sought this as a further question, but it is on the tier 3 rail.

**Mr Y. MUBARAKAI:** It is about the service summary.

**The CHAIR:** No, it is a further question.

**Ms R. SAFFIOTI:** The PTA commissioned an engineering review report that was undertaken by Agonis Group. There has been a lot of debate about what the cost would be to upgrade the tier 3 rail. As I have said on a number of occasions, we had hoped that the arbitration process between CHB Group and Arc Infrastructure would deliver a negotiated outcome and potentially facilitate the reopening of some tier 3 lines under their own commercial terms and agreement. The arbitration process did not come to that conclusion and no commitment was made to reopen rail lines. One of the first parts of looking at this issue is to identify the cost of upgrading the tier 3 rail lines. We undertook and commissioned an independent engineering review report. It identifies the cost for a number of different rail lines.

[10.50 am]

We are now engaging in a business case proposal process to look at those particular lines, potentially tier 2 as well, to determine the cost and benefit of upgrading those lines. The cost is the cost of upgrading the rail lines. The benefits may be much wider, and includes road safety, road maintenance and so forth. It is an exciting time to undertake this business case proposal because I think it is the first time it has been done in an independent factual manner. We are preparing all the information. As I said, we hope that we will partner with the commonwealth. Since it invested billions of dollars on inland rail in the eastern states, why can it not partner with us on rail projects? It has done so with Metronet so hopefully it can partner with us on regional rail network improvements. As I said, it is something that will improve the efficiency and, moreover, the safety of the entire regional road network.

**Mrs J.M.C. STOJKOVSKI:** I refer to page 598 of budget paper No 2 and the line item "Public Transport Authority—CAT Bus Services". Can the minister provide an update on the status of the electric bus trial on the Joondalup CAT network?

**Ms R. SAFFIOTI:** As a result of advocacy from the members for Kingsley and Joondalup about the push for electric vehicles and buses, we talked to our existing supplier to see how we can test the technology here in WA. There has been a lot of commentary about why we need to test and why can we not just transform our entire network overnight. We know that is not practical. We will not import buses made in China, for example, to be used on our bus network. As a result, we are working with Volgren and Volvo on a commercial trial of its new electric buses. We have chosen Joondalup as a closed circuit. We are working to install charging facilities in that area over the next six to nine months.

**Extract from *Hansard***

[ASSEMBLY ESTIMATES COMMITTEE A — Thursday, 22 October 2020]

p372b-382a

Chair; Ms Libby Mettam; Ms Rita Saffioti; Mrs Alyssa Hayden; Mr Matthew Hughes; Mr Yaz Mubarakai; Mr Vincent Catania; Mr Zak Kirkup; Mrs Jessica Stojkovski

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Hopefully, the first buses will arrive by the end of next year and we will trial them in 2022. If the trials are successful, and as we continue to move down this path, we plan to build those electric buses in WA. We are working with our existing suppliers, which are some of the best suppliers in the world, as we know. We are getting the trial sorted. In the long term, the plan is to bring that manufacturing to WA and convert our bus facility into building electric buses.

**The appropriation was recommended.**