

Division 36: Public Transport Authority of Western Australia, \$842 884 000 —

Mr A.P. O’Gorman, Chairman.

Mr M.J. Cowper, Parliamentary Secretary to the Minister for Transport.

Mr R.A. Waldock, Director General, Department of Transport.

Mr M.A. Burgess, Acting Managing Director.

Mr P.J. King, Executive Director, Finance and Contracts.

Ms K.C. Wilkinson, Principal Policy Adviser, Office of the Minister for Transport.

[Witnesses introduced.]

The CHAIRMAN: The member for Gosnells has the call.

Mr C.J. TALLENTIRE: My question to the parliamentary secretary is about the \$609 million estimated cost of the Perth City Link project listed on page 445 of the *Budget Statements*. How much of the expenditure on this project will be state money; how much will be commonwealth money; and how much will be City of Perth money? I am also interested to know about the approach being taken: are we going for a sequential delivery of the project or a concurrent delivery of the project? How will the sinking of the Wellington Street bus station be managed while other works are going on? That is what I am referring to when I talk about the sequential or concurrent approach to the project.

Mr M.J. COWPER: I thank the member for the question. As the member knows, the project is about sinking the railway through Perth. Over the past 100 years the railway has been an east–west barrier to northwards development, and it has kind of dissected the city, resulting in constrained access between the city and Northbridge, with limited north–south access for pedestrians that has further constrained development. The City of Perth and the state have agreed to remove the significant transport barrier and to release former Department of Transport land to the East Perth Redevelopment Authority for the purposes of redevelopment and improving the access linkages between the CBD and the Northbridge precinct. The Transport component is being managed by the Public Transport Authority, and the above-ground development is being managed by the EPRA.

The Perth City Link transport project is made up of two components: the lowering of part of the Fremantle railway line in the Perth railway station; and the new underground bus station to replace the Wellington Street bus station. The state and the City of Perth have formalised their agreement in a deed that sets out the framework for implementation of the project and commits the PTA to undertake the transport works and relinquish control of some land currently used for Transport purposes, the EPRA to undertake its development works, and the City of Perth to provide funding and to undertake improvements to roads and the precinct. The main railway works will be undertaken through a competitive alliance form of the contract.

The scope of the project has been developed and is summarised in two master plans—namely, the Perth City Link master plan for the lowering of the Fremantle railway line in Perth, and the Perth City Link master plan for the new underground Wellington Street bus station. Cabinet approved a joint PTA and EPRA cabinet submission in March of this year, the key elements of which were a capital cost of \$609.3 million for the PTA works; a capital cost of \$47 million for the EPRA works; additional operating costs to the PTA during the construction and commissioning phases of the Transport works; and, the railway works to be started immediately and to be completed by mid-2014. The bus station works will be undertaken at the completion of the rail works, through to mid-2016. However, this will be the subject of further research, as will the decisions about the delivery of the model for the underground bus station, so some issues are still being massaged. I will now refer to Mr Waldock to provide some further detail.

Mr R.A. Waldock: I think that answers most of the questions. The work will be sequential, and certainly the bus station will be commencing, as has been pointed out, during the period of 2013–14, but more particularly 2014–15 and 2015–16. That is more likely to be a design-and-construct project, as against the rail works, which is an alliance project. The reason, of course, for it being an alliance project is because it will be a very complex piece of work that will be done during operating conditions on a brownfield site. The arrangements and the relationship between the contractor and PTA will have to be very close, and we will need to work very much as a partnership.

Mr C.J. TALLENTIRE: I have a further question. I thank the parliamentary secretary for the answer. When was the decision made for it to be a sequential project delivery, because I suppose the alternative is to go for a concurrent approach?

Mr M.J. COWPER: Through Mr Waldock.

Mr R.A. Waldock: That was made prior, clearly, to the advice to government; I have not got exact dates with me, but I can come back to the member on that. It was made after enormous, I guess, risk analysis and risk

assessment of the whole project. We believed that there was probably a different and more value-for-money contracting model, but probably what drove us most was the fact that it is a very, very constrained site, and to be doing two projects on the same site, even if it was the one contractor, would create, we believed, enormous issues in terms of management. So for both the nature of the contract and the contract methodology and delivery mechanism, together with the site constraints and cash flow issues, we believed this was the best way forward. It is lower risk and more achievable.

Mr C.J. TALLENTIRE: I have a further question. In terms of disruption to the flow of activity in the city, would it not be true that the sequential approach will prolong the time of disruption to people who frequent Perth?

Mr M.J. COWPER: I will ask for Mr Waldock to provide further assistance.

Mr R.A. WALDOCK: Certainly it will extend it by two years, or around about two years, because we thought we could have done a parallel program, pretty much, to 2014, all being well. But we are putting a lot of work in with EPRA, so even during those last two years of the bus station we will be able to still try to maintain a thoroughfare. Sure, there will be hoardings; sure, there will be some construction, but we are going to be trying to improve the amenity and do things with the EPRA people during that period. So, yes, it will take longer, but I think it will be manageable and I think we will still be seeing some amenity between 2014 and 2016.

Mr C.J. TALLENTIRE: I have a further question. Can I just get clarity on who actually made the decision to go for this approach that will cause a more prolonged period of disruption?

Mr M.J. COWPER: Mr Waldock will answer.

Mr R.A. WALDOCK: I chair the hub steering committee, which is made up of a number of people throughout government, including the Department of Treasury and Finance at different levels—both its special strategic projects area and also its budgeting area. It also includes the City of Perth and other agencies, including the Department of Planning, the WA Planning Commission, Main Roads and others. That group made a clear decision that formed part of the basis of the decision to go to government on a sequential project.

Mr C.J. TALLENTIRE: But surely that would have been a recommendation, and it would have been the minister or cabinet who made the final decision.

Mr M.J. COWPER: Mr Waldock will answer.

Mr R.A. WALDOCK: Yes.

Mr C.J. TALLENTIRE: Was it a cabinet decision?

Mr R.A. WALDOCK: Yes.

[5.20 pm]

Ms R. SAFFIOTI: My question, which relates to metropolitan and regional passenger services on page 443 of budget paper No 2, is about two key public transport projects—the dedicated transit way for buses along Alexander Drive and the Ellenbrook rail line, which was an election commitment by the Liberal government. Can I have an update on the progress of those two initiatives?

Mr M.J. COWPER: We will deal with one at a time. I was briefed on the Ellenbrook situation the other day and two options are being considered. However, first we will deal with Alexander Drive. The north east quadrant of the city is the only corridor without some form of priority mass transit into the city. The rail network forms the main transit spines of the public transport system and, with the introduction of the new Mandurah line in late 2007, the network now has five main spokes that radiate out of the city of Perth across the metropolitan area.

However, there is a large mass transit gap between Joondalup and the Midland rail line with no easily identifiable or preserved corridor for a rail line. If a sixth spoke was added to the public transport system to cover this area, it would complete the main public transport spine network and provide a more comprehensive coverage of all major metropolitan Perth corridors. It is worth noting that the Alexander Drive alignment has an existing passenger population catchment of some 250 000 people. This is much more than the proposed Ellenbrook railway line catchments, which will have built-out limitations due to Whiteman Park.

Rail services can be very effective as the heavy mass transit spine of the public transport network, but only when space is available for the rail line. Given current development pressures and the scarcity of suitable spare land in the corridor, if land for the transit spine is not available then the transit system needs to fit within road reserves. Bus and light rail-based systems are much more adaptable. The key to an effective mass transit spine is priority or right-of-way, whether it be a rail or bus-based system. The current public transport routes provided in the corridor are a combination of direct bus routes to the city and the feeder bus services that operate through the

Morley and Mirrabooka bus stations, as well as some cross-suburban services that connect with the northern suburbs rail line at the Warwick, Whitfords and Stirling interchanges.

The main spine that bisects this area is Alexander Drive–Fitzgerald Street. Three high frequency bus services—routes 886, 887 and 889—operate on this spine from Marangaroo and Ballajura to the Wellington Street bus station in the centre of Perth. These services are already experiencing capacity problems.

Ms R. SAFFIOTI: I am not being rude, but in view of the time can we just have an update on the two potential projects?

Mr M.J. COWPER: The member wanted an answer and I am providing it.

The forecast is that most of the land development is taking place in the north western and north eastern suburbs of the northern end of the Alexander Drive spine. Current estimates indicate that population in the suburbs will increase by a further 24 000 by 2010; 52 000 by 2015; and 84 000 by 2021. In addition, with factors such as congestion and the cost of fuel worsening, more people will seek alternative means of travel, particularly public transport. The forecast demand indicates that by 2031, 54 000 passengers will be wishing to enter and leave the city via Fitzgerald Street on a typical weekday. This compares with approximately 19 000 passengers today. Based on these population and demand increases, the current public transport network will not be able to cater for the growth.

The CHAIRMAN: Parliamentary secretary are you coming to an end fairly quickly?

Mr M.J. COWPER: Very quickly.

There is a need to redesign public transport in this corridor to provide a main transport spine down Alexander Drive–Fitzgerald Street that will be able to cope with the projected increase in population in the adjacent suburbs and provide a competitive alternative to the car.

The Public Transport Authority engaged Parsons Brinckerhoff to assist with the compilation of a rapid transit strategy for the corridor. This study was completed in October 2009 and provided a series of recommendations relating to route, mode, priority measures, park and ride and associated land use et cetera. The PTA is now engaged in feasibility planning which will finetune these recommendations to a level where a master plan can be written to guide the development of the corridor. This work will take this broad strategy into a proof of concept stage to refine the demand —

Ms R. SAFFIOTI: Perhaps supplementary information would be a better way of providing information on an update of those projects.

The CHAIRMAN: Parliamentary secretary, can we have that information by way of supplementary information, because there is a lot of information in what you are reading out? Can you indicate exactly what you will supply by supplementary information? Perhaps you could name the document.

Ms R. SAFFIOTI: I would like by way of supplementary information an update of the progress of the two projects I referred to in my question.

Mr M.J. COWPER: Mr Chair, the Parsons Brinckerhoff document is available for anybody to see.

Ms R. SAFFIOTI: I want an update of the government's commitment to two projects—the Alexander Drive transit way and the Ellenbrook rail line. I know that there is a feasibility study out, but I am asking for the government's commitment to these two projects.

Mr M.J. COWPER: In relation to Ellenbrook, the railway line will be built.

Ms R. SAFFIOTI: Can the parliamentary secretary provide that information by way of supplementary information?

Ms A.J.G. MacTIERNAN: The member wants the date.

The CHAIRMAN: Parliamentary secretary, can you provide that by supplementary information?

Mr M.J. COWPER: There are no dates at this time.

Ms R. SAFFIOTI: Is the parliamentary secretary saying there are no dates for these two projects?

Mr M.J. COWPER: It is still in the planning process. In relation to the Ellenbrook line, two proposals are being considered and at this point there is not a preferred option.

Ms R. SAFFIOTI: So a rail line will be built?

Mr M.J. COWPER: A railway line will be built.

Ms R. SAFFIOTI: What is the time frame?

Mr M.J. COWPER: I am unable to provide that information right now, given that the preferred option has not been determined.

Ms R. SAFFIOTI: The minister's adviser is refusing to provide an update on the progress of two key projects. Is that correct?

Mr M.J. COWPER: No, it is not true.

The CHAIRMAN: The adviser does not have a right to speak unless she is directed by the parliamentary secretary.

Mr M.J. COWPER: The senior policy officer may be able to provide the information the member is seeking.

Ms R. SAFFIOTI: Subject to the time, can we move on because the parliamentary secretary is not willing to provide the information?

The CHAIRMAN: I have a list of members seeking to ask questions and my job is to get as many asked as I can. Member for Cannington.

Mr W.J. JOHNSTON: I refer to regional school bus services on page 444 in budget paper No 2. How many children under the age of four does the Public Transport Authority carry on its bus services, and how many children under the age of seven does the PTA carry on its bus services?

Mr M.J. COWPER: That sort of information will not be available today.

The CHAIRMAN: Can you provide it by way of supplementary?

Mr M.J. COWPER: If the member wants that sort of information, he can put a question on notice.

Mr W.J. JOHNSTON: I noted that the adviser nodded when the parliamentary secretary said no and that is fine. Has the PTA had any discussions with the Office of Road Safety about the implementation of the new child safety restraint laws and does the PTA intend to ensure all children under the age of seven have the appropriate child restraints when travelling on school buses that have seatbelts fitted?

Mr M.J. COWPER: I know what the member is getting at now and it would have been better if he had said that in the first instance. Transperth buses are exempt —

Mr W.J. JOHNSTON: I am talking about orange school buses.

Mr M.J. COWPER: They will have seatbelts.

Mr W.J. JOHNSTON: Has the parliamentary secretary discussed it with the Office of Road Safety and will the buses have the required restraints?

[5.30 pm]

Mr M.J. COWPER: The answer is no; the Public Transport Authority has not discussed it with the Office of Road Safety. However, it will be followed up.

Mr W.J. JOHNSTON: Will the children have the appropriate restraints?

Mr M.J. COWPER: If there is a requirement by law for the children to have them, they will. Buses are actually exempt.

Mr F.A. ALBAN: I refer to the bus replacement program in the third dot point on page 446 of the *Budget Statements*. A recent request was made to the minister for low-floor buses in the north-eastern region, where the lack of liquefied petroleum gas facilities in Midland was quoted. Can the parliamentary secretary elaborate on when and where these accessible buses will be provided and deployed in the future? I note there is \$521.4 million for the bus replacement program in the 2011–12 forward estimates.

Mr M.J. COWPER: In 1998 the state government entered into a bus supply contract with Mercedes Benz to supply 848 buses over a 10-year period. The contract was extended and now has a termination date of 2011. The Transperth bus fleet has grown during that contract period to about 1 130 buses—an increase of some 22 per cent in the past 10 years. The expansion corresponded with the growth in service kilometres commensurate with population growth in the same period. The government has now approved the procurement of 65 buses a year from 2011–12 over a 10-year period in line with the Economic and Expenditure Reform Committee recommendations. The types of buses that will be supplied are rigid diesel buses, rigid compressed natural gas buses and articulated diesel buses with the possibility of the introduction of a hybrid vehicle in the out years. All supplied buses are now low-floor in compliance with disability discrimination legislation requirements. Purchase of low-floor diesel buses will allow the government to address the issues that the member has previously raised with the minister. There will be fixed service delivery with a specific number of buses to be delivered every quarter until delivery is complete or the contract is terminated. Tender submissions for the new bus service

contract are now closed and an evaluation of tender submissions will be completed and a supplier endorsed by the end of 2010. The first buses from the new contract will be delivered in July 2011, allowing for a seamless transition from the expiring bus service contracts.

Mr W.J. JOHNSTON: I have a further question on this topic. Will that figure of 65 buses a year increase the number of buses on the road for the PTA?

Mr M.J. COWPER: Currently, the 65 buses will be additional to the fleet but we will hold back some buses so that we can increase the total number to 80 additional buses. However, these old buses will be used in transitional arrangements.

Mr W.J. JOHNSTON: Sorry, I do not understand what the parliamentary secretary said.

Mr M.J. COWPER: We will seek additional funding to increase the number from 65 to 80 buses in years to come.

The CHAIRMAN: Members, I draw your attention to the time. According to the timetable we had to shut this down at 5.30 pm, so unfortunately I cannot accept any more questions.

The appropriation was recommended.