

**Division 40: Public Transport Authority of Western Australia —**

Ms M.M. Quirk, Chair.

Ms R. Saffioti, Minister for Transport.

Mr P. Woronzow, Director General, Transport Portfolio.

Mr M. Burgess, Managing Director, Public Transport Authority.

Ms R. Lamont, Executive Director, Finance and Contracts, Public Transport Authority.

Mr A. Vincent, Managing Director, Metronet.

Mr L. Coci, Managing Director, Office of Major Transport Infrastructure Delivery.

Mr P. Laing, Senior Policy Adviser.

[Witnesses introduced.]

**The CHAIR:** The estimates committees will be reported by Hansard and the daily proof will be available online as soon as possible within two business days. I will allow as many questions as possible. Questions and answers should be short and to the point. Consideration is restricted to items for which a vote of money is proposed in the consolidated account. Questions must relate to a page number, item or amount related to the current division, and members should preface their questions with those details. Some divisions are the responsibility of more than one minister. Ministers shall be examined only in relation to their portfolio responsibilities.

A minister may agree to provide supplementary information to the committee. I will ask the minister to clearly indicate what information she agrees to provide and will then allocate a reference number. Supplementary information should be provided to the principal clerk by noon on Friday, 31 May 2024. If a minister suggests that a matter be put on notice, members should use the online questions on notice system to submit their questions.

I give the call to the member for Roe.

[11.20 am]

**Mr P.J. RUNDLE:** I refer to the line item “Ferry Services” found in the bottom table on page 621, and I go back to our previous conversation about ferry stops et cetera. The minister was just enlightening us on the number of stops and the potential of the ferry service and she said she was happy to provide further information.

**Ms R. SAFFIOTI:** There are a couple of things. As I said, first of all, it is about going out to market and seeing what is available in relation to locally made ferries. Once we get a greater understanding of travel speeds, that will help to determine the schedule. Then there is, of course, how we roll it out. We cannot make 20 ferries overnight, so there will be a gradual rollout. We are looking to go out to the market very soon with a call for expressions of interest to ascertain what model and type of ferry we can use. There is a lot of interesting technology out there now with electric ferries compared with the traditional ferries. The design also needs to be considered to make sure that we do not create a lot of—is it wake? Sorry, it is wash; I know my boats! Other issues include jetties and ferry stops, and then what, if any, dredging is required. That will be the next level of investigation. Projects have been set up to ascertain potential stops, what level of dredging will be required and what the impact of that will be on the local environment. That work is being undertaken, plus early market soundings, before we go to a formal process.

I suspect that there will be different stages to the rollout of potential ferry stops. For example, if we look at where we have density and a lot of population, the Canning Bridge area is one that pops up immediately. I think the comment was that 30 years ago, the feasibility did not stack up. That is because these significant developments were not around. A significant node of density has been established at Canning Bridge, so one would sense that that would be a very good stop. The potential time taken to travel by ferry across the water from Canning Bridge to UWA, for example, will probably beat the train and bus times. It will potentially be a lot quicker. With regard to other potential stops, as I said, Point Fraser will become a key point as a result of the new bridge. Potential stops may also include Burswood, Optus Stadium and the Swan Brewery, but there are a number of them.

The patronage of the ferry system has been very strong. The current route is very popular because families love to catch the ferry from the city to the Zoo in South Perth and vice versa. It is a short and easy route, and on a cost-recovery basis, it has the best figures across the entire network.

We believe that the extended ferry network will be a good proposal. The current work on this proposal involves the assessment of existing jetties, geotechnical and marine surveys, marine engineering and looking at the environmental issues. Another key issue is where an overnight berthing facility will potentially be located. The ferry route investigation involves a marine survey and also looking at the dredging and grading requirements.

The ferry design will be a key part of this work. We will not be designing the ferries ourselves; we will let the market do that. Given our very strong history and strength in shipbuilding in this state, with the new ferry MV *Tricia* that

was made in Dongara and also the shipbuilding facilities in Henderson, we have a lot of capability, which is very exciting. This contrasts with some of the bad experiences over east when ferries were bought from overseas and did not fit under some of the bridges; people had to duck every time the ferries went under those bridges.

**Mr P.J. RUNDLE:** I would be interested to know about the subsidisation of the ferry service at the moment compared with rail; and, if extra ferry stops are rolled out, what does the minister predict that subsidy will go up to?

[11.30 am]

**Ms R. SAFFIOTI:** There has always been a cost-recovery rate across public transport of around 20 to 30 per cent, depending on the mode. Sorry, I do not have the mode. I can get cost recovery for the existing ferry to the member by way of supplementary information. I swear it is published somewhere. It is in the annual report. Anyway, we can provide the current cost recovery rate for ferries compared with other modes by way of supplementary information.

**The CHAIR:** Minister, can you indicate what you will provide?

**Ms R. SAFFIOTI:** I will provide the cost-recovery rate of the existing ferry system.

[*Supplementary Information No A18.*]

**Mr P.J. RUNDLE:** I sense the minister's enthusiasm for the project and adding further stock. Does the minister expect that there would be an 80 per cent chance of going ahead or is she waiting for the feasibility studies to come in? It sounds like the minister is pretty enthusiastic about this being a good option for Perth.

**Ms R. SAFFIOTI:** I am because I think Perth has changed dramatically over the past 30 years, both from a commuter perspective and, as I said, due to the significant developments in Como and near Canning Bridge. I suppose there are three grounds. The feedback from a tourism perspective is always that we have a brilliant river but we just do not use it enough. We should promote it as a tourism experience, and the ability to go to major tourism destinations by ferry will add to the experience. We have an incredible river and weather, yet we probably do not utilise the river enough. The third thing is ferry technology, which I think has moved significantly in relation to construction and what materials they can be built out of, the different fuels or energy sources and the fact that the technology has improved to limit the wash and the impact on the riverbanks. Those three things lend themselves to us adopting ferries. As I said, we just want to make sure there are no showstoppers, and that is why we are doing all the work on the geotechnical engineering, jetty structures and what levels of dredging would be acceptable.

**Mr P.J. RUNDLE:** Has the government done any numbers on how many cars this would take off the freeways?

**Ms R. SAFFIOTI:** I do not have the exact numbers, but we can get them for the member—that is, numbers on the potential impact on congestion. As I said, having better links to Canning Bridge from the University of Western Australia and the whole Queen Elizabeth II Medical Centre precinct is quite an interesting point and very, very important for the future management of congestion around the city. We can provide that information on the number of cars estimated to be removed.

**Mr P.J. RUNDLE:** I would appreciate that. Will that be by way of supplementary information?

**Ms R. SAFFIOTI:** Yes, it will be by way of supplementary information.

**The CHAIR:** Minister, can you just repeat what you will provide?

**Ms R. SAFFIOTI:** We will provide the likely impact of the number of vehicles removed from the roads if there was an expansion of the ferry system.

[*Supplementary Information No A19.*]

**The CHAIR:** Members, I am very mindful of the time, so can we limit questions —

**Mr P.J. RUNDLE:** Yes, that is it. I have finished that section.

**Ms R. SAFFIOTI:** Sorry; I have the ferry cost recovery. The estimated cost recovery of the ferry system for this financial year is 41.5 per cent, noting it is a very short route and very popular. We will not initially expect that same level across the whole system, but if we got near it, it would be great.

**The CHAIR:** I am mindful of the time. There was a bit of speculation in your last question, member for Roe; you really need to stick to just the facts, ma'am, all right?

**Ms L. METTAM:** I refer to the third significant issue impacting the agency, the Morley–Ellenbrook line, on page 611 of the *Budget statements*. Can the minister explain why every other Metronet project has experienced a cost blowout apart from the Morley–Ellenbrook line?

**Ms R. SAFFIOTI:** It depends on the nature of the contract, how it was entered into and the relationship with subcontractors. Every rail line is different. It just depends on the nature of the relationship with the contractors, as I said, and when the contract was entered into.

**Ms L. METTAM:** Does the minister anticipate that there will be any increases to the project cost before completion?

**Ms R. SAFFIOTI:** I do not expect any major changes, but we continually work with the contractors to make sure that we get a good result.

**The CHAIR:** Member for Moore.

**Ms L. METTAM:** I have a further question.

**The CHAIR:** I have just given you some advice, member for Vasse. Again, you are going to future possibilities. If your question is in that vein, I suggest no. If the member is asking a question about the nature of the contract, I think that is fine. I can already see tension there with people wanting to get a question, so please keep it quick. Member for Vasse.

**Mr R.S. LOVE:** No tension here!

**Ms L. METTAM:** Is the operating subsidy for this line included in the budget papers or does it still need to be included?

**Ms R. SAFFIOTI:** The operating subsidies for all the rail lines to be commissioned are in the budget.

**Mr R.S. LOVE:** I turn to some of the outcomes and key effectiveness indicators on page 613 of the *Budget statements*. I find one item particularly concerning, and that is “Customer perception of safety—Independent external surveys: Train station—Night-time”, which indicates that in 2022–23 it was budgeted for there to be a customer perception of safety of 72 per cent at night-time. Is it good enough for the Public Transport Authority to set a target that low—that is, 72 per cent of customers having a perception that they felt safe at train stations at night-time? Would it not be better for the authority to aspire to something much higher and take some measures to achieve that?

**Ms R. SAFFIOTI:** We always take measures to increase safety, and we are doing that across a number of fronts. I think the targets rely on past performance and we are looking at gradually improving. We will continue to look at improving perceptions of safety. We are rolling out a number of key initiatives across the network, which of course include the continued rollout of closed-circuit television cameras. How many CCTV cameras are there across the network, Mark?

**Mr M. Burgess:** There are about 12 000.

**Ms R. SAFFIOTI:** There are about 12 000 CCTV cameras across the network as part of our renewal and upgrade of train stations. For example, whether it be Bayswater station or all of the existing Armadale line stations, a key factor is safety and making sure we improve visibility and increase the number of CCTV cameras across the network. We have also expanded further security across our buses, with enhanced security patrols. We are constantly looking to improve safety and, in particular, the perception of safety. I take the member’s point about the target, but if we were to target 90 per cent but reach 78 per cent, the member would be very upset. I think we targeted 72 per cent and we reached 78 per cent, so we exceeded the target. Of course, we continue to do everything we can to maximise safety.

**Mr R.S. LOVE:** The minister just said that the government set a low target of expectations so it did not fail to meet that target.

**The CHAIR:** I do not think she actually said that.

**Mr R.S. LOVE:** I think she did. Again, I go back to the question: does the minister think that having 28 per cent of people who do not feel safe using train stations at night is an acceptable target?

[11.40 am]

**Ms R. SAFFIOTI:** This is a perception survey. I suspect that if we ask people’s perceptions of a lot of things, their answers will be different from what we want to hear.

We are doing a lot of different initiatives. In fact, if we look at all the other numbers, we see that the passenger satisfaction thermometer survey shows that the level of satisfaction with Transperth bus security remains very high, with 99 per cent of passengers feeling safe on board a bus during the day and 85 per cent at night. We always aim for 100 per cent, and we will always aim for 100 per cent. The Public Transport Authority is basing its targets on last year’s numbers, and for them to not get any worse. But, of course, we always want to improve.

**Mr R.S. LOVE:** Will the minister consider increasing the target in future years to set some sort of aspiration for the organisation to achieve a better outcome?

**Ms R. SAFFIOTI:** One of the reasons we are delivering Metronet, which the member criticises and opposes, is to improve people’s perception and experience on public transport. That includes capping fares and improving security across the network. It also encompasses increasing the number of people who live near our train stations. In my view, passive surveillance is absolutely integral to continue to support people using public transport. For example, we continue to encourage people to build near our train stations so that more people have passive surveillance. But, more generally, all the opposition does is criticise transport. The member’s concern for this issue is a little bit hollow.

**Mr P.J. RUNDLE:** I refer to page 617, “Western Australia Agricultural Supply Chain Improvements” under the heading “Freight Program”. In addition to the \$22 million provided to upgrade the four CBH Group sites:

Brooklyn, Broomehill, Cranbrook and Moora, \$34.8 million will be spent in 2024–25 to increase freight capacity on agricultural transport routes. What projects will be delivered using this funding?

**Ms R. SAFFIOTI:** I think we can give the member some of that information from the Department of Transport. I will see whether I have any further notes on this section. There are two references in the components here. The current grain freight upgrades have all been allocated and are underway. Those are the four sites the member mentioned. Brookton, Broomehill, Cranbrook and Moora all have funding agreements with CBH and there is the total contribution, plus there are further works that, as I understand it, include further extension of seven rail sidings on top of the existing \$22 million. Works on the Midland line between Carnamah and Mingenew will upgrade it from a 16-tonne axle load to a 19-tonne axle load. Those are the projects we have agreed to. We are in current and final discussions with CBH about how we allocate the rest of the funding, particularly for future projects. Very soon, we will probably finalise what other projects are funded in the agricultural supply chain improvements program.

**The CHAIR:** Before I give the member a further question, can I remind members that we have Metronet and division 43, services 1 and 2, to go before 12 noon. Therefore, does the member really think he has a further question?

**Mr P.J. RUNDLE:** I have a further question. Does any of this include the \$72 million that was allocated in 2023–24 to examine recommencing the operation of the Narrogin–Wickepin rail line?

**Ms R. SAFFIOTI:** That \$72 million still exists. It currently has not been dedicated to our alternative projects. But, as I said, we are in discussions with CBH about the allocation of that \$72 million, and I think we will be able to make some further announcements on that very soon.

**Mr R.S. LOVE:** I turn to page 621, budget paper No 2, volume 2, and the income statement. The net cost of services for the PTA is laid out there. In 2022–23, the net cost of services was around \$1 722 000 plus a bit. In 2027–28, the out years, we are looking at \$2 132 382. There is an increase of around \$400 million in the net cost of services from 2022–23 to 2027–28. In the main, is that number the increased subsidies from the increased cost of the expanded Metronet network?

**Ms R. SAFFIOTI:** I think there will be a number of different components in there. For example, there would be an increasing cost of buses and the delivery of the bus network. That will be indexed by things such as fuel cost. There will be the increased cost of delivering rail because we are expanding the rail system by 72 kilometres and adding 25 new stations—a big percentage of that being additional stations. It is the cost of improving our public transport delivery of buses and trains. That number includes a lot of things—like I said, the entire bus network and rail network. Of course, we have capped fares, so as a result the net cost of services will increase because we are not recovering that through higher rates of cost recovery because we made a policy decision to cap fares for Western Australians. It is also increasing in the out years because of Transwa and the orange school bus network.

**Mr R.S. LOVE:** The minister mentioned buses. Significant issues impacting the agency, on page 611, refers to the electric bus fleet. Can the minister give me an idea of how much an electric bus purchase costs as opposed to the current vehicles?

**Ms R. SAFFIOTI:** This is a good question about electric buses. Currently, we are converting the Malaga bus manufacturing facility to manufacture electric buses. In Joondalup, we did a trial with four electric buses—two on the Joondalup CAT bus route and the other two running on other parts of the network—to ascertain the efficiency of running the buses on the Joondalup network. On that project, we put solar panels with battery backup, so it was a 100 per cent renewable facility. That trial proved to be very successful, and so we made a decision to start the conversion of our bus network to electricity, and we are doing that through Malaga. There is an extra capital cost of an electric bus versus a diesel bus, but when we look at the total cost over time, and we did it over a 20-year period, we see that electric buses come out in front because of the very reduced energy cost. That was before some of these diesel price increases, too, so that difference would be greater. Estimates were put in about the current diesel cost and the increase in diesel cost. But since we did that analysis, diesel cost has jumped up about 157 per cent, so that cost difference is even better for electric.

The key point about electric buses is that we have to go with proven manufacturing technology. The head of Volvo was here last week and we discussed our approach compared with that adopted in other parts of the world where governments have bought 100 buses from somewhere but have been impacted by the significant maintenance costs and battery life and the need to understanding how battery technology will change. Our system involved trialling the bus at Joondalup and across the network, converting the Malaga bus manufacturing business to electric, and upgrading our depots. Two tenders are out to convert the existing bus stations at Elizabeth Quay and Malaga to electric charging facilities. Over the 18 to 20-year life span of a bus, it is far more favourable to go with electric buses if the right partnership is in place, if maintenance costs can be managed, if the life of the battery and expected time of replacement is understood, and if the right charging infrastructure exists. That is why the government has adopted this program. It is exciting. People tag me on Twitter and ask why Western Australia is not doing what a city in another part of the world is doing. We are making sure that we do not get crazy outcomes in the fifth year

**Extract from *Hansard***

[ASSEMBLY ESTIMATES COMMITTEE A — Wednesday, 22 May 2024]

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Chair; Mr Peter Rundle; Ms Rita Saffioti; Ms Libby Mettam; Mr Shane Love

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when the buses are not working and the battery life is not what we expected. We have gone with trusted worldwide suppliers such as Volvo but have had a local partnership with Volgren in Malaga where we are building electric, as opposed to diesel, buses.

**The appropriation was recommended.**

[11.50 am]