

STANDING COMMITTEE ON ESTIMATES AND FINANCIAL OPERATIONS

2016–17 ANNUAL REPORT HEARINGS



**TRANSCRIPT OF EVIDENCE
TAKEN AT PERTH
THURSDAY, 15 FEBRUARY 2018**

**SESSION ONE
DEPARTMENT OF TRANSPORT**

Members

**Hon Alanna Clohesy (Chair)
Hon Tjorn Sibma (Deputy Chair)
Hon Diane Evers
Hon Aaron Stonehouse
Hon Colin Tincknell**

Hearing commenced at 10.02 am

Hon STEPHEN DAWSON

Minister representing the Minister for Transport, examined:

Mr RICHARD SELLERS

Director General, examined:

Ms NINA LYHNE

Managing Director, Transport Services, examined:

Mr STEVE BEYER

Acting Managing Director, Policy, Planning and Investment, examined:

Mr PETER PAROLO

Chief Financial Officer, examined:

Mr ANTHONY KANNIS

Project Director, Metronet, examined:

Mr RICHARD FARRELL

Principal Policy Adviser, Office of the Minister for Transport, examined:

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

The WITNESSES: Yes.

The CHAIR: It is essential that all of your testimony before the committee is complete and truthful to the best of your knowledge. This hearing is being recorded by Hansard and a transcript of your evidence will be provided to you. It is also being broadcast live on the Parliament website. The hearing is being held in public, although there is discretion available to the committee to hear evidence in private. If for some reason you wish to make a confidential statement during today's proceedings, you should request that the evidence be taken in closed session before answering the question. Agencies have an important role and duty in assisting the Parliament to review agency outcomes and the committee values your assistance with this.

Minister, have you got a brief opening statement?

Hon STEPHEN DAWSON: No, thank you, Madam Chair.

The CHAIR: We will start off with standing committee members, noting we have a participating committee member with us today as well.

Hon COLIN TINCKNELL: Thank you very much and welcome to this committee. I refer to page 6, the director general's foreword. Can you provide an update on the review of the "Transport @ 3.5 million" plan and the government's rail and land-use planning changes?

The CHAIR: Generally throughout the hearings, the approach that we have been taking is that the hearings are primarily focused on the annual report. What you are asking for is something post the

annual report. But I have been trying to give a bit of scope to see what answers the minister might be able to fit within that.

Hon STEPHEN DAWSON: Thanks, member, for the question. The director general has indicated that he is happy to provide an answer to that so I will ask Mr Sellers to respond.

Mr SELLERS: The towards 3.5 million plan was developed over a period of two years and was completed. The information from the 3.5 plan has been included in a number of other planning documents such as Perth and Peel@3.5 million. Clearly, there was an announcement earlier this week about Infrastructure Western Australia. We are currently undertaking some consultation on that and part of that consultation is to seek Infrastructure Western Australia to prepare a 20-year plan, and I suspect the work that was done on the towards 3.5 plan and many other planning documents will be included in the scope of that.

Hon COLIN TINCKNELL: I refer to page 145, customer feedback, which began on the previous page. Can you provide examples of how customer feedback has led to a process of change and improvement?

Mr SELLERS: Certainly, it does drive change. For some examples of change, I will ask my colleague Ms Nina Lyhne to talk to you.

Ms LYHNE: I am very happy to do that. We have a whole program of change in terms of customer experience within our organisation. The customer feedback that we get here is a part of the input that we use. We talk to customers proactively when we are actually engaging them in how we should deliver services. It is hard for me to direct a specific bit of feedback to a particular initiative, but this feedback has resulted in a number of significant changes; for example, SMS alerts and email alerts to customers when their licences may be coming due so that they are reminded to pay. The way that we design our customer service centres around the customer and the queuing systems and those sorts of things are all products of feedback we have had around waiting time and time to deliver services. We actually have, as a result of that, reduced quite significantly the waiting times in many of our centres. We have digitised a lot of our services because, obviously, we get a lot of feedback around wanting to be able to interact with the department on a digital basis. We are constantly increasing the number of services that are available in the digital space. All of that is a result of, obviously, acknowledging the modern world and technology, but feedback from our customers who tell us that convenience, time to wait and those sorts of things are key to service delivery. There are other services where we have had feedback in remote areas, for example, from remote communities around access to services, and we now deliver licensing services to very remote Aboriginal communities on the basis that the level of services are the same as you get in the city, but in a way that is appropriate for those communities and in terms of repeat visits and those sorts of things. We are actually very proud of the work that we are doing in terms of customer experience and the feedback that we get from customers clearly plays an important role.

[10.10 am]

Hon COLIN TINCKNELL: Chair, I am about to ask a question now where I am quite happy to take some of this information on notice if it is possible, because it goes back a while but it does refer to page 63 of the annual report. It is regarding the Merredin transfer fee as per the 1967 agreement between the state government and CBH. A lot of people do not know a lot about this, but I have a couple of questions and I am not sure whether the minister can answer these now or possibly on notice.

The CHAIR: Member, it probably will also go to whether it is relevant to this current annual report, so ask away and we will work out what we can do.

Hon COLIN TINCKNELL: There is no line in regard to that payment in that report on page 63. I am wondering whether there were any payments made in regard to the Merredin transfer fee in the 2016–17 financial year.

The CHAIR: Just for your information, member, the previous committee hearings ended on that particular contract.

Hon COLIN TINCKNELL: I was not aware of that; okay.

The CHAIR: That is fine; it is just for your information. Minister, is there capacity to answer that question?

Hon STEPHEN DAWSON: Madam Chair, member, I am advised that that question is better asked at the PTA session, which obviously is the next hearing after this one. Ask the question in that session; I am not sure if they will have the information there, but let us see what answer we give in that session and we will work out where to go from there.

The CHAIR: Minister, is that because the PTA is responsible for that contract?

Mr SELLERS: For that contract, that is right.

The CHAIR: Thank you.

Hon COLIN TINCKNELL: Thank you, I am very happy with that, Chair. I will pass to someone else.

Hon AARON STONEHOUSE: I refer to page 32 and the first section where it discusses the taxi user subsidy scheme. I note that a review was conducted of that scheme which also considered options for incorporating the reform of the on-demand transport industry into the scheme where relevant, which I think is fantastic. It is great to see the Department of Transport looking at ways to incorporate on-demand transport services. I am just wondering if you can speak about the outcome of that review with regard to on-demand transport services and that scheme, and if you can provide me with any information of what the outcome was.

Hon STEPHEN DAWSON: I thank the member for the question. I will ask Ms Nina Lyhne if she can respond to that one.

Ms LYHNE: That review covered a whole range of different issues around policy alignment with the practice, certainly the on-demand transport elements, and a very significant part of it was actually about the payment systems and the fact that we still use vouchers, and modernising that. There were recommendations about the need to consider how TUSS works in the on-demand transport world, because clearly it is limited to taxis at the moment. Those recommendations were that, yes, we need to address that as we move forward with reforms, but we are still considering the next steps in terms of that information, so it certainly was addressed as part of the review.

Hon AARON STONEHOUSE: Okay. If I am not mistaken, I understand that Uber provides a transport service specifically for people with a physical disability. In the review, they looked at that service as well, I imagine?

Ms LYHNE: The review was specifically around the TUS scheme, which is the subsidised travel. Certainly, in the broader context of on-demand transport reform, there is no doubt that the on-demand industry will actually be able to deliver a lot of services for people with various disabilities as they, I guess, tailor their services more to meet specific needs. That review was actually specifically about the TUSS vouchers, which, of course, do not apply to all transport that relates to people with disabilities.

Hon AARON STONEHOUSE: Thank you for that. Would it be possible to get a copy of that review?

Hon STEPHEN DAWSON: Again, I will ask Ms Lyhne. I am not sure if the review has been made public yet.

The CHAIR: If the review has not been made public, there are also options available to you to make the information available to the committee within a private status, the same as any provision of information to Parliament. You would need to provide an explanation as to why that information should not be made available to the Parliament, which is this committee.

Hon STEPHEN DAWSON: Madam Chair, I am happy for you to note the request. We will investigate the matter. The review could be going to cabinet, so if it is due to go to cabinet —

The CHAIR: Then under section 82, it would be cabinet-in-confidence.

Hon STEPHEN DAWSON: Absolutely, but we are not actually clear at this stage, so if you want to —

Hon AARON STONEHOUSE: If we put it on notice now, and then —

Hon STEPHEN DAWSON: If you want to put it on notice, we are happy to investigate that, and if we can provide it to the committee, by all means we will; and, if we cannot, we will obviously give you the reasons why we cannot.

[Supplementary Information No A1.]

Hon AARON STONEHOUSE: Moving back to page 30, I note the discussion around a transition assistance package for taxi operators. There was a package totalling some \$27.5 million rolled out from October 2016. I note also that between 29 October 2016 and 31 March 2017, a total of \$19.7 million was paid to the owners of 1 009 taxi plates. I am wondering, if the data exists, can you provide a breakdown of the recipients. No specific information about the recipients, but how many plates they held—were they owners of one or two plates who received assistance, or were they owners of 10, 20 or 30 plates? Does that information exist, and can you provide it?

Hon STEPHEN DAWSON: I will ask Ms Lyhne if she can provide a response to that.

The CHAIR: What data is available?

Hon STEPHEN DAWSON: Just in terms of giving an answer to the question.

Ms LYHNE: We can provide that sort of breakdown, but I will have to take it on notice, obviously. I do not have it here.

[Supplementary Information No A2.]

Hon TJORN SIBMA: I refer first of all to the beginning of the document and the director general's foreword, referring to a planning document "Transport @ 3.5 Million—Perth & Peel Transport Plan for 3.5 Million People and Beyond" and an issue raised, I think, in the first question today. In particular, I am focusing in on the likelihood that this plan will need to be revised to include the government's Metronet strategy. Then, jumping ahead to page 40, the report provides detail about the extensive consultation strategy and submissions received in order to develop "Transport @ 3.5 Million". What I am attempting to ascertain is: what is the principal planning document that the Department of Transport is utilising? Is it "Transport @ 3.5 Million", which then accommodates Metronet, or is the Metronet plan, as it is to date, the principal planning document that the department is working to? Could I get an answer to that, please?

Hon STEPHEN DAWSON: I will ask Mr Sellers, the DG, to respond to that.

Mr SELLERS: In the earlier answer, I mentioned that Infrastructure WA was announced and the intent of that is to go to a 20-year strategic plan. The discussion around "3.5 Million" was certainly a very good consultative document that gelled the ideas of that time together into a statement that was the towards 3.5 million for the city. Those plans are always there as strategic plans that you can

then update and build on as more information comes on. The government has been elected on a platform for Metronet, and Anthony, my colleague, is moving forward with the first three stages of that. When you put that information against the skeleton planning in the 3.5, the Thornlie line is there, the Yanchep line is there, there is information about transport options to Ellenbrook and, clearly, the Metronet heavy rail option is being explored as we speak for that. But in terms of the overarching strategy, the policy that is being consolidated at the moment is for Infrastructure WA to assist government to build a 20-year planning strategy.

[10.20 am]

Hon TJORN SIBMA: Thank you for your response. My understanding, and I am prepared to be corrected, is that Infrastructure WA will not be formally established for some time yet. Is it at the end of this year or some time next year? Is my understanding of that correct?

Hon STEPHEN DAWSON: Member, thank you for the question. I am giving a bit of leeway here, but you are asking questions that refer to the future and that are not within the parameters of this annual report.

Hon TJORN SIBMA: With such a progressive minister in this place, I am sure that your vision is in the future too.

Hon STEPHEN DAWSON: You know, I am a lawmaker, not a lawbreaker, so obviously I try to follow the rules, member. You are asking about the future. Let me ask Mr Sellers what he is happy to say in relation to that answer.

Mr SELLERS: I think that it is worth noting that the transport strategy that was being consulted that led to the “3.5 million” document was happening in parallel with a range of other broader planning initiatives for the Perth–Peel region, and the information gathered at that time was fed into Perth and Peel@3.5 million strategic planning process that is still underway. So, we were part of the transport, initially, for that. There were utilities, basic raw materials and conservation outcomes, and demographic and new growth areas were all overlaid into that. That work is still ongoing, so that information is very live. The question around Metronet is that we have been very open with the Metronet published pathways that are being worked on at the moment. They are out there, and when you look at that and the “3.5 million”, you will see that there is significant alignment there. The process from here is to work towards assisting the government getting the Infrastructure WA model and plan together.

Hon TJORN SIBMA: Thank you, hence my question, and it was not my intent to hypothecate what future planning instruments might be, but I think it is a practical observation to make that there is somewhat of an interregnum of principle of planning documents and their primacy between now and when an Infrastructure Western Australia task force, organisation, board or whatever its composition might be is established. From this point on to that point, my question is: what is the principal transport planning document that the Department of Transport works to?

Mr SELLERS: Sorry, I might not have been clear enough in saying that we have been working with the rest of government on getting the Perth–Peel strategic planning process together and the “3.5 million” work has certainly informed that. But if you look in that process, there was a report called the Stephenson report from 40 years ago that set road and rail corridors; some of them exist now and others do not. There is a range of documents that go towards that. Primacy is something that we discuss with the government of the day and they give us direction on those planning documents, and there is a suite of them.

Hon TJORN SIBMA: For the present time, understanding the point that you make about a government's prerogative to determine essentially which are the primary strategic planning documents, what is the principal strategic transport planning document at the present time?

Hon STEPHEN DAWSON: Again, member, I appreciate that you are using this opportunity to get answers to some of the questions that you want, but, unfortunately, the question that you should be asking relates to what was the principal planning document used during the 2016–17 year, because this is the annual report that refers to that. In terms of what is happening in 2018, obviously 2018 does not factor into the annual report.

Hon TJORN SIBMA: I will look forward to the next iteration of the annual report to potentially receive an update, but I think the public good is served when they know which document, which plan, actually has primacy at any given time, and I do not get an answer to that.

Hon STEPHEN DAWSON: I do not disagree with you about public good, but there are opportunities, Parliament particularly, and we will be back in a couple of weeks.

Hon TJORN SIBMA: I will be taking you up on those.

Hon STEPHEN DAWSON: As you do, and I appreciate that, but that is probably a better place to ask questions about now and into the future, so I am not sure we have got much more of an answer to give in relation to that question here now.

Hon TJORN SIBMA: I will allow another committee member to get on with their interrogation, thank you.

Hon DIANE EVERS: My first question relates to page 95 at note 30. This is about payables. I notice that the trade payables has nearly doubled and I am just wondering whether the time to pay our creditors has increased.

Mr PAROLO: The accounts payable time frame for payment are actually mandated under the Treasurer's instructions, so they have not changed. The reason you are seeing such a change in the profile is because in the last year we have actually moved the agency towards meeting the Auditor General's best practice time lines, so what is actually happening is that we are accruing and building up our accounts payable and because we are reporting on the seventeenth back to the OAG and we are using those statements, what is happening is that we have a higher level of accounts payable, whereas before we would be reporting back a bit later and the payments would have gone through to clear those particular creditors. So, we do work within the Treasurer's Instructions' guidelines for payment time frames.

Hon DIANE EVERS: That is good. Thank you for that. My next question is on page 20, but this is just really recognising that the Department of Transport has now been joined with Main Roads and the Public Transport Authority. I am just wondering whether you can confirm that this is the last year with three separate annual reports.

Mr SELLERS: The three agencies have been joined now for the seventh year, I think, from memory. The reason that there are three annual reports and there will continue to be three annual reports for some period of time is that the Public Transport Authority and Main Roads exist under separate legislation and it is a requirement of how we report that we actually have to do separate reports for those entities.

Hon DIANE EVERS: Would that suggest that should that change for some reason and they were no longer required to report differently as a GTE, you would then be doing a single report?

Mr SELLERS: Hypothetically, yes.

Hon DIANE EVERS: Okay, thank you. My next question is on page 132, regarding transport of containerised freight on rail rather than on road. I notice that it did not quite meet the target. I am just wondering whether there are further efforts being made. How actively is this being promoted to get that freight on rail?

Mr BEYER: Thank you for the question. There is always a bit of volatility and there has been some volatility in Fremantle ports. Trade numbers and that will sort of manifest in the number of containers that go on rail and are on a month-by-month and a year-by-year basis. We have been tracking at over 15 per cent of containers on rail for several years. In fact, we are nationally leading the nation in that. New South Wales is only able to get more because they bring a lot of containers in from regional New South Wales, so from the metropolitan point of view we are doing very well. The efforts that go to increasing is partly a government policy commitment to provide additional funding for the rail container service, and with that we are working actively. In fact, the additional subsidy kicked in place from 1 January this year and we are working actively with the rail operator to explore initiatives to tap into other products that can be hauled on rail and particularly to step up the scale of investment in things like intermodal terminals and the like to provide a better hub-and-spoke arrangement for trucking operators to bring freight to hinterland terminals rather than directly into the port.

Hon DIANE EVERS: Great; that sounds good. So that target should be going up, I would imagine, for next year again?

The CHAIR: Hypothetically speaking, which we do not deal with in this committee.

Hon DIANE EVERS: Hypothetically, yes.

Mr BEYER: Exactly. We will work over a longitudinal moving average rather than necessarily be accountable for month by month or year by year, but it is clearly over a four-year, five-year time frame. We have got a clear strategy to grow that market share.

Hon DIANE EVERS: Thank you. Just one other question on page 128—the KPI related to rate of incidents on the water. I notice that the target was set below the three previous years. I am just wondering whether there was an expectation that this would go down and also, if you could answer within that question as well roughly the number of boats that are registered. It says per 10 000, so I am just wondering how many.

[10.30 am]

Hon STEPHEN DAWSON: Member, thank you again for the question. I will ask Ms Lyhne if she can respond to that one, please.

Ms LYHNE: Yes, I would be happy to. I think I can actually answer the question about the number of registered vessels as well. As at 31 December 2017, there were 98 129 registered vessels. The targets would have been adjusted down based on our expected outcomes from the work that we were doing in the marine safety space. These are the reported incidents. We do a lot of work obviously in education and preventive work—lifejacket education and all those sorts of things. We would have adjusted the target in line with that.

These are reported incidents. In some ways in the safety world, it is good to have reports—clearly, messages going out and people reporting incidents. Whilst, obviously, we do not want the incidents in the first place, sometimes more visibility can result in more reporting of incidents. I am speculating as to why that might be.

Hon DIANE EVERS: That is what I was just going to ask: did you have reason to believe that in previous years they were not being reported?

Ms LYHNE: The rate of reporting is often directly proportional to the amount of information we put out about the requirement to report.

Hon DIANE EVERS: That is interesting. Thanks.

The CHAIR: I guess that is probably not particularly unusual when you think about reporting.

Hon DIANE EVERS: It just sort of says so what we do expect for next year. Yes, but let us hope that is the reason for it.

The CHAIR: It is interesting.

Hon NICK GOIRAN: Minister, page 38 of the annual report sets out the licensing services delivered in remote areas. Can you or one of the officers advise the committee whether there is any difference in obtaining a driver's licence for the first time in the metropolitan area or in a remote area?

Hon STEPHEN DAWSON: Thank you, member, for the question. I will ask Ms Lyhne if she can respond to that question.

Ms LYHNE: The standards that are applied are the same irrespective of where they might be applied. You are required to pass a practical driving assessment and you are required to pass a theory test no matter where you are in the state. The way that we deliver the services will vary. Clearly, going out to remote places to deliver the services will mean that we visit less frequently. We take information with us, we do a lot of education, we promote the process and so forth, but, fundamentally, the standards remain the same.

Hon NICK GOIRAN: What are the administrative steps that a person needs to take in order to obtain their learner's permit?

Ms LYHNE: There is a lot of information available on our website that takes people through the various stages of the PDA process. The steps that a person needs to take involve undertaking a theory test, which means you have to demonstrate that you understand the road rules; you have to undertake a practical driving assessment, obviously to show your practical ability; you also have to undertake —

Hon NICK GOIRAN: Can I just stop you there? So you have to pass a practical driver's assessment in order to get a learner's permit?

Ms LYHNE: I am sorry. I read the question to be in relation to getting a driver's licence.

Hon NICK GOIRAN: Just the administrative steps that a person needs to take in order to get a learner's permit.

Ms LYHNE: You sit the theory test that I mentioned first.

Hon NICK GOIRAN: Is that the only thing you need to do?

Ms LYHNE: Administratively, you need to go into one of our offices and apply for a learner's permit, yes.

Hon NICK GOIRAN: What are the costs associated with the steps involved in obtaining a learner's permit?

Hon STEPHEN DAWSON: I will ask Ms Lyhne to respond to that one, Madam Chair.

Ms LYHNE: I will need to take on notice the exact costs as they stand at the moment.

Hon STEPHEN DAWSON: Just so to be clear, member, were you seeking the cost as at 30 June to do with this annual report or are you seeking more up-to-date information?

Hon NICK GOIRAN: Either/or—whichever.

The CHAIR: At a particular date in time, what are the costs?

Hon NICK GOIRAN: That would be fine. But it is very important—because otherwise I am going to come back to this committee and ask it to pursue this further—that each of the administrative steps that have a cost are identified and itemised. If it is the case that the only thing you need to do is to apply for a theory test, and there is one cost associated with that—incidentally, that is not going to be the answer—then there would be one item there with one figure. If more than one thing needs to be obtained, then it should be itemised in each fashion.

[Supplementary Information No A3.]

The CHAIR: Member, if you explain to the committee and to the witnesses the point you are trying to make, they may be able to provide you with the information that you are looking for in order to support your theory.

Hon NICK GOIRAN: At the outset, I drew the minister's attention to page 38 of the annual report, which talks about licensing services delivered in remote areas. The evidence to the committee this morning is that the standards are the same if you are applying for a driver's licence whether in a remote area or the metropolitan area. In order to test the veracity of that, I would like to know the administrative steps and costs associated in order to obtain a learner's permit.

That then takes me to my second round of questions, and they may need to be taken on notice. I would also like to know what are the further administrative steps and costs required for a person to obtain the driver's licence as distinct from the learner's permit.

The CHAIR: The same question for learners and the same question for P—provisional licence.

Hon STEPHEN DAWSON: Madam Chair, we are very happy to provide that information. Ms Lyhne was going to make a brief comment.

Ms LYHNE: Just to be absolutely clear, what we will provide to the committee is a list of the steps that are required right from the very beginning of the process through to getting a driver's licence and what that cost is at each step where there is an administrative cost associated. We will do that as of 30 June 2017, because there have been some changes to the process in recent times.

The CHAIR: And it is to be split by metro and country if there is any variation.

Ms LYHNE: Yes.

The CHAIR: Are you good with that, member?

Hon NICK GOIRAN: That would be wonderful, Madam Chair.

[Supplementary Information No A4.]

Hon NICK GOIRAN: I notice, Madam Chair, that the witness indicated there have been changes since the annual report. Would it be possible for the witnesses to provide a list to us of what those changes are?

Hon STEPHEN DAWSON: Madam Chair, certainly we are happy to be helpful. Obviously, member, those changes are not referred to in this annual report, but in the spirit of making sure that this committee has what it needs to do its work, we will certainly provide that information.

The CHAIR: Thank you, minister.

Hon NICK GOIRAN: With respect to these various steps and the information that is going to be provided to the committee, is any witness able to indicate if there are any exemptions available for the fees that are associated with these different steps?

Hon STEPHEN DAWSON: Again, we might have to take this information on notice, but I will ask Ms Lyhne if she can respond.

Ms LYHNE: Generally, no, but I will take on notice, and when I provide the information, I will also, as a double-check, make sure that we have listed any exemptions, if there are any.

[Supplementary Information No A5.]

Hon NICK GOIRAN: Through you, minister, if there are any exemptions, could you, when coming back to the committee, indicate what are the criteria to be eligible for any of those exemptions?

Hon STEPHEN DAWSON: Member, we can certainly do that.

The CHAIR: We will take that as a separate one. We will take all the exemptions as A6.

[Supplementary Information No A6.]

Hon AARON STONEHOUSE: I refer to page 39 and the introduction of the alcohol interlock scheme. I note it refers to it being a user-pays scheme. I am just wondering is there any cost to the department in administering the scheme at all.

Hon STEPHEN DAWSON: I will ask Ms Lyhne to respond if she can, please.

Ms LYHNE: There is a cost to the department in terms of administration. Clearly, we need to enter data into our system. We need to send out notices. We need to monitor—that is, our fees and charges are cost recovery, so the fees and charges associated with the alcohol interlock cover the cost to the department.

Hon AARON STONEHOUSE: So it is full cost recovery by the people under that scheme.

I note at the bottom of that section, it refers to national and international research which indicates that alcohol interlocks are effective in reducing drink-driving re-offending by an average of 64 per cent. Has any research been done in Western Australia as to the effectiveness of our scheme and are we reaching that same level of effectiveness?

[10.40 am]

Hon STEPHEN DAWSON: Again, I will ask Ms Lyhne if she can respond, please.

Ms LYHNE: The scheme will be evaluated, but it is still very early days for the scheme and people are really just starting to come on it now, so it would be far too early to draw any conclusions. But we fully expect to see the sort of benefits that have been seen around the world.

Hon KYLE MCGINN: Do we have an expected time frame for when a review of that scheme will be complete?

Hon STEPHEN DAWSON: Miss Lyhne, perhaps you could tell us if you know—if you have the information to hand—how many people are part of the scheme.

Hon KYLE MCGINN: That would be helpful, too. Thank you, minister.

Hon STEPHEN DAWSON: That might give us an idea, and then, if you are able to, provide a response to the second part.

Ms LYHNE: So, these are numbers that are not current as of the annual report, but they were the numbers that were last reported to me. We currently have 18 drivers who have completed the alcohol interlock scheme successfully. That means they have demonstrated their separation of drinking and driving for a minimum uninterrupted period of six months. We have currently 213 drivers who rely on the interlock restricted drivers' licences. We have 51 drivers who have breached the scheme, and thereby they have to restart the minimum period again, which is the uninterrupted six months. There are a currently 2 068 drivers convicted of prescribed alcohol

offences who will be subject to the scheme when they become eligible to apply for the grant of a driver's licence. As you can see, the numbers are just starting to come onto the scheme now. I do not have a date for when we would be reviewing that, but we would be doing that together with the Road Safety Commission, which oversees and coordinates a lot of road safety activity in the state.

Hon STEPHEN DAWSON: Member, can I also say that if you wanted, for example, the dates at that 30 June 2017 date, we would be happy to provide that, too. But if you are happy with what Miss Lyhne has hold you, then we will leave it there.

Hon KYLE McGINN: That is okay. I am just wondering; the 2 000 drivers who will be entering that scheme when they are eligible, do you have a rough idea of what the average wait time is before they are eligible to apply and they come under that scheme once they have lost their licence for drink-driving?

Hon STEPHEN DAWSON: Again, I will ask Miss Lyhne to respond.

Ms LYHNE: That would depend on the nature of their conviction. That would be to do with what the courts determined.

Hon KYLE McGINN: Sure. No worries. No further questions on that.

Hon TJORN SIBMA: I do not wish to be tedious, but I —

Hon STEPHEN DAWSON: Member, you are never tedious.

Hon TJORN SIBMA: Whether I intend to or not, sometimes I am accused —

The CHAIR: Perhaps if you are trying not to be tedious you might just get on with the question.

Hon TJORN SIBMA: I will take your guidance, Madam Chair. With respect, it is the final line of questioning before I move on to something else.

Transport at \$3.5 million: from what I can ascertain in the context of the director general's foreword as it appears in the annual report under consideration, "Transport @ 3.5 Million" was the principal planning document for the Department of Transport in the year 2016–17. Is that the appropriate conclusion to draw?

The CHAIR: Minister.

Hon STEPHEN DAWSON: I will ask Mr Sellers to respond to that one, please?

Mr SELLERS: The year that the annual report covered was the year that we were doing the work on and working with the community on that plan, and presented it back to the community, yes.

Hon TJORN SIBMA: Thank you, sir. What was the full costing of developing the plan? Are you able to provide that information now or should we take that on notice?

Hon STEPHEN DAWSON: Mr Sellers again.

Mr SELLERS: My recall in the early part of my response is that it was over a two, two-and-a-half-year period. The costs for this particular annual report year I do not know off the top of my head—we will have to take it on notice—but if the minister is okay, we can, I am sure, look for the full cost of what we did in back years and report that to the committee.

[Supplementary Information No A7.]

Hon TJORN SIBMA: Page 21 of the annual report deals with the section establishing the Metronet office. Mr Kannis has not had an opportunity to provide a contribution yet, so this might be an opportunity—through you, of course, minister. This is a quote from the annual report —

Initially, the Office will undertake the planning and development of a number of projects within the program up to the completion of project definition, improvement and master plans.

The next line of questioning concerns in particular that phrase, as it appears in this annual report. How many projects are being referred to?

Hon STEPHEN DAWSON: Member, thank you for the question and thank you for making the point that it refers to this annual report. Mr Kannis, are you able to provide an answer in relation to that question?

Mr KANNIS: Yes. So, to clarify, the projects that are under project development at this point in time are the Thornlie–Cockburn link, the Yanchep rail extension, the Morley–Ellenbrook line, the Byford rail extension, the Midland line rail extension, the new Midland station, Karnup station, level crossing removals and railcar procurement.

Hon TJORN SIBMA: Is there a relative priority that you afford each of these projects under the Metronet umbrella; and, is it possible to advise the committee which of these multiple projects is your office most preoccupied with?

The CHAIR: Just keeping in mind that that could be perceived as a hypothetical, but let us see what the minister is able to provide us with.

Hon STEPHEN DAWSON: Thanks, member. Again, we are referring to the 2016–17 year annual report; however, Mr Kannis, if you are able to provide an answer to that question, as much as you can, that would be great.

Mr KANNIS: Just as a result of the work that has actually been occurring on projects, they are not priorities in terms of which ones do we want to happen first; they are priorities in terms of which ones are most advanced. It is fair to say that Thornlie–Cockburn and Yanchep are the ones that are getting the most intense work at this point in time, and those projects are being prepared for submission to Infrastructure Australia and cabinet.

Hon TJORN SIBMA: Just to clarify, but not to be pedantic, priority has been ascribed to individual projects effectively based upon how much, presumably, pre-planning had gone into those individual elements at a certain time. What I am trying to grapple with is whether that is an opportunistic ascription of priority, or is there some other methodology that I should be advised about?

Hon STEPHEN DAWSON: I am going to ask Mr Kannis to respond.

Mr KANNIS: It is not opportunistic; it is also about pragmatism in terms of projects going forward. If I can just explain, for Morley–Ellenbrook, for example, as you would imagine, there is a significant amount of work required to bring in consultants to do the work on that project. We are in the last sort of stages of appointing consultants for that project. So that is why it is a matter of what we could do within the team, rather than what we want to do. It is because we have to go through a process of appointing consultants. Then the other projects such as Byford, Midland and Karnup and level crossing removal are following the same process, so it is a matter of as soon as we can get those consultants on board, we will be planning those in an equal way, with equal priority.

Hon TJORN SIBMA: Sure. This is not at all a criticism of technical competence across departments or offices, but there is reference here to the establishment of the Metronet task force and the Metronet office that you lead, Mr Kannis. Among those two bodies and throughout departments, it is safe to assume that across a number of the other Metronet projects you have identified there is not existing professional competence to assist you in developing feasibility studies or project definition studies, and that outside assistance—this happens all the time, but I just want to know

whether this is a serious limitation on the government's capacity to develop business cases in time, prior to submission to, say, for instance, Infrastructure Australia, which I know has not occurred yet? [10.50 am]

Mr KANNIS: There is a competence in the team to do so, to prepare the planning for the projects. However, just as a matter of level of workload, you need to bring in people who will do the technical work. We are planning these projects, preparing project plans for them, to enable us to go forward with them. There is the competence to manage the projects, as there has been for a number of years, in the Public Transport Authority, which I now have access to. I am combining that with the Department of Planning, Lands and Heritage and we are project planning those. As you can imagine, just to clarify, we started on 12 June. To the extent of between 12 June and 30 June, Metronet consisted of me. Since then, we have built up a team of around 50 people that are around us. I am confident that those people will be enough to facilitate projects, on the basis that we need to bring in arms and legs and technical capacity to do the work.

Hon TJORN SIBMA: Sure. Thank you very much for that; that was very useful. As I understand now from you, the Metronet office as it is comprised broadly now constitutes around 50 people.

Mr KANNIS: Yes.

Hon TJORN SIBMA: Okay; thank you. That would come as some relief.

I just want to dive into the relationship between the Metronet task force and your office, because both things are referred to in the annual report. What is the sort of reporting relationship between the two bodies? Can you tell me what that is?

Hon STEPHEN DAWSON: Again, member, you are kind of pushing it. Mr Kannis did advise us that the office started on 12 June in this reporting year. Obviously, for the eight days until the end of the annual report period, it was him.

Hon NICK GOIRAN: Eighteen.

Hon STEPHEN DAWSON: The 18 days, yes. Thank you, member; at least somebody is listening to me. However, we will see what Mr Kannis can provide. Obviously, those processes may not have been in place during those 18 days, but if Mr Kannis is happy to provide an answer to that, we can go ahead.

Mr KANNIS: The reporting arrangement for the Metronet office: I have a structural reporting relationship with the director general of Transport; he is my employer. However, I also have a responsibility to report to the minister, who is chair of the Metronet task force. That is a direct line of consultation and accountability to the minister on that subject. I have been representing publicly the governance structure that shows that the Metronet office reports to the task force, and that consists of directors general of a number of agencies.

Hon TJORN SIBMA: Can I get a number for that?

The CHAIR: The question is: can we get a copy of the structure of the reporting relationships, please?

Hon STEPHEN DAWSON: Certainly; we can provide that.

Mr KANNIS: Yes.

Hon TJORN SIBMA: Thank you.

[Supplementary Information No A8.]

Hon TJORN SIBMA: Maybe just a final bite at this. Mr Kannis, you referred to consultants being appointed to assist in the development or final development of a number of those projects—I will

just call them business cases as a global term. Are you able to provide, either now or by way of supplementary information, the cost of the appointment of those consultants?

Hon STEPHEN DAWSON: The answer is no. Those consultants were not engaged during this 2016–17 period, so we will not be providing this information by way of supplementary. However, I would encourage you to use both Parliament and, indeed, future processes to see if you can get access to that.

Hon TJORN SIBMA: I most certainly will, minister.

Hon COLIN TINCKNELL: Just a couple of questions. I am referring to page 105, note A —

Amounts receivable for services increased by \$15.5 million (7.8%) representing the non-cash component of service appropriation.

What drove the non-cash component of the service appropriation to increase by the \$15.5 million?

Hon STEPHEN DAWSON: Member, I am sorry, but can I stop you for a second? We have not actually found the page you are referring to. Do you mind just telling us that again?

Hon COLIN TINCKNELL: Page 105, note B.

Hon STEPHEN DAWSON: Thank you, member; sorry to interrupt you.

Hon COLIN TINCKNELL: That is fine.

The CHAIR: Have we found the note?

Mr SELLERS: Just for clarification, are we referring to note 2 or note B on 105?

Hon COLIN TINCKNELL: It has got note A. It is right down the bottom of 105. It is regarding “Major Actual (2017) and Comparative (2016) Variance Narratives”.

The CHAIR: So it is 1A on page 105. It is A right down the bottom of page 105.

Hon STEPHEN DAWSON: Sorry, member; we were just looking for a “B”.

Hon COLIN TINCKNELL: I did say B. My eyes were saying A and my tongue was saying B. I apologise for that.

The CHAIR: It is a very detailed table, so let us just make sure that we are all on the same page. It is page 105, A, right down the bottom.

Hon COLIN TINCKNELL: I was just wondering what drove that non-cash component to increase by the \$15.5 million between 2016–17 over the 2015–16 figures.

The CHAIR: So it increased by 7.8 per cent or \$15.5 million: why?

Hon STEPHEN DAWSON: Thank you, Madam Chair, and thank you, member. I will ask Mr Parolo to respond to that one.

Mr PAROLO: The accounts receivable for services is actually an accounts receivable we have in regard to Treasury. In this particular case, what we have is that rather than us keeping cash for things like depreciation, the depreciation component represents cash held by Treasury on our behalf. It tends to be a bit of a balancing item within the financial statements, so each year it keeps going up. It is an interesting conundrum; we have not actually drawn down on that for quite some time. So it is more of a technical accounting requirement that we have between us and Treasury. I can get more detail if you would like, but I would have to take that on notice.

Hon COLIN TINCKNELL: Yes, I would be very happy with that. Thank you.

Hon STEPHEN DAWSON: We are happy to provide that information by way of supplementary.

[Supplementary Information No A9.]

Hon COLIN TINCKNELL: Please excuse my lack of knowledge on this one. It refers to page 142. I am not too sure; I will just ask the question. I refer to page 142, “Employment and industrial relations”. What is the Department for Planning and Infrastructure agency specific agreement 2007? I have no knowledge of that.

The CHAIR: So on page 142, right at the bottom, it says —

In 2016–17, DoT withdrew from the *Department for Planning and Infrastructure Agency Specific Agreement 2007*.

Hon COLIN TINCKNELL: What is that department and why did we withdraw?

The CHAIR: So what was the agreement, what is the joint consultative committee, and what is it doing in relation to initiatives?

Hon STEPHEN DAWSON: I will ask Ms Lyhne if she can provide an answer to that question.

Ms LYHNE: Transport was at one stage part of the Department for Planning and Infrastructure. The department, when it was created, would have moved out of the previous agreements.

The CHAIR: So these are industrial agreements with staff.

Ms LYHNE: That is right, which are applicable to the department. In our department we have a joint consultative committee which I chair, which is the mechanism that we use to consult with the representatives and the unions around initiatives and changes within the department.

Hon COLIN TINCKNELL: So the reason for the withdrawal is that you have updated that agreement?

The CHAIR: There is a new agreement in place, is there?

Ms LYHNE: There would be agreements in place for the Department of Transport.

Hon COLIN TINCKNELL: Beautiful.

For my next question I refer to page 45, “Perth–Carnarvon–Monkey Mia and Perth–Northern Goldfields regulated air routes”. Can you provide an update on the tender process?

[11.00 am]

Hon STEPHEN DAWSON: Member, I will ask the agency. Obviously, we are supposed to be referring to the 2016–17 annual report, but I am happy to ask Mr Beyer whether he can provide an answer to that question.

Mr BEYER: The department has gone through a competitive tender process for airlines for those two markets. We have concluded the tender process. The government has announced that Rex Airlines, which currently serves Albany and Esperance—they are a fairly major airline on the east coast—was successful with the Perth–Carnarvon–Monkey Mia air service. The northern goldfields air service—Skippers was the successful airline for that one and they will, likewise, continue. We are currently going through a process of finalising deeds of agreement with those two airlines, with a view to having that finalised and with the airlines taking up new contracts for five years from 1 July. That work still has to go through the minister for final sign-off of the deeds, but essentially that is more just an administrative process to transition to a new set of contracts.

Hon COLIN TINCKNELL: I refer to page 64 and the distribution to owners in 2016–17. What was the distribution of \$24 million made to the Department of Transport for? There was a distribution made to the Department of Transport and I am just wondering what that \$24 million was.

Hon STEPHEN DAWSON: I might ask Mr Parolo to respond.

Mr PAROLO: Just looking at distribution to owners, Public Transport Authority—the distributions that the Department of Transport handles on behalf of the government are in relation to the Perth parking levy. We will actually have distributions of funds to the Public Transport Authority. I do have some details floating around here. It will be for the CAT scheme for the replacement of the actual CAT buses. There is also the service recurrent funding. Completion of the final contribution towards the Perth Busport was \$12 million and \$5.998 million for the CAT replacement program as opposed to \$15.009 million for the actual recurrent funding and services.

Hon AARON STONEHOUSE: I do not have a specific page to refer to, but maybe you can answer this question for me. The use of drones by members of the public—does the Department of Transport license or police drone use in Western Australia?

Hon STEPHEN DAWSON: Member, do you mind asking the question again?

Hon AARON STONEHOUSE: Sure. I was wondering whether the Department of Transport polices the use of drones in Western Australia. Is the Department of Transport responsible for drones in Western Australia?

Mr BEYER: All our aircraft licensing, from a safety point of view, is undertaken through the federal bureaucracy through CASA. We only license aircraft, as I mentioned on an earlier question, for Rex aviation and Skippers, where we actually regulate air services or where we have a particular monopoly route that we want to maintain for economic reasons. From a safety point of view, it is undertaken by the federal government.

Hon AARON STONEHOUSE: I was thinking more along the lines of—I suppose there are commercial uses for the recreational drones—the small, remote-controlled ones that people would pick up at a toy store. Do they also fall under federal regulation or is there any state-based regulation around recreational drone use?

Mr BEYER: My understanding is that there is basically a new set of requirements. If you go and buy a drone, you actually have to get a drone pilot's licence, whether you want to use it for recreational use or commercial use.

Hon AARON STONEHOUSE: And that would apply to any drone? There is no size threshold or anything for drones that would fall under that requirement?

Mr BEYER: Again, it is commonwealth; it is not a state jurisdictional issue, so I do not have those precise details. It is probably better off clarifying that through the federal jurisdiction.

Hon AARON STONEHOUSE: Okay. I appreciate that.

Lastly, if we have time, Chair, the Perth parking levy: correct me if I am wrong, but it is my understanding that that levy was put in place to incentivise public transport use. I suppose this might be a question for the PTA, but has there been any review into the effectiveness of the Perth parking levy in driving public transport patronage?

Hon STEPHEN DAWSON: Thanks, Madam Chair. Thanks, member, for the question. I will ask Mr Beyer again to comment.

Mr BEYER: We look at the Perth parking licensing regime from a number of perspectives. It is actually a tool to license car bays for commercial use in the CBD. Through the licensing process and with corresponding planning approvals, we have been able to reduce the number of car bays provided per 1 000 square metres of office space quite significantly over time. So there has been, in that sense, a rationalisation on a pro rata basis of the provision of parking. The second part of the Perth parking model is that the levy then goes to fund the CAT services in the free transit zone. We do regular—well, four to five-year—patronage reviews with the Public Transport Authority to ascertain

the actual demand for those services, whether we need to provide new services and what sort of frequency we provide. Yes, overall patronage of services within the CBD has actually increased over time. Lastly, in terms of that as a tool to correlate what we do in the CBD with the wider public transport market, I think you are drawing a fairly stretched line there, because, I mean, there are a lot of other factors that influence public transport patronage than purely the CBD. Yes, there are a series of ongoing reviews and from different perspectives.

Hon AARON STONEHOUSE: What was the frequency of those reviews that you mentioned?

Mr BEYER: The last major survey we did of the CAT and free transit zone patronage was about four years ago. It was about a \$500 000 survey, because it was actually fairly time hungry. We are gearing up some more targeted surveys of things like the blue CAT and other parts of the system. At the moment we are scoping that up for work to be undertaken in the next year or so.

Hon TJORN SIBMA: My question concerns the construction of the public jetty to support Perth Stadium, since renamed, on page 22. I just wanted to get a bit more clarification on the statement that the jetty is essentially designed to provide vessel access to transfer approximately 1 000 patrons on event days. I just want to understand whether that 1 000 is over the course of a day and what other sort of practical limitations there might be on utilisation of that jetty, and any observations about public and private access to that jetty outside of event days, too, if you can.

Hon STEPHEN DAWSON: I will ask Mr Sellers to make a response to that one.

[11.10 am]

Mr SELLERS: I will start, and then pass over to Ms Lyhne. The basic parameters of the jetty are that it is set up so that people cannot tie up to it for any extended length of time. The estimates of the number of people who can use that are literally just estimates, but the intent is that anyone who is wanting to drop someone off can tie up to the jetty for a short period of time—I think it is a 20-minute maximum—unload their people and then they have to actually untie and either go and moor in the river and come in in some other way. There are no moorings that we are intending to put around it. There is no dinghy tie-up area. It is more in line with, say, one of those mid-sized charter vessels that might bring a crew up and drop them off, and they go to the event and then move off. The jetty itself is in three parts and they are designed so that you can tie up vessels of the size and shape that are able to go under the bridges, which cuts out the Fremantle-sized ferries and that. It is a smaller size entity that could make it there. Ms Lyhne, is there anything else that you can add?

Ms LYHNE: I can perhaps add that, because the jetty is nearing completion, we are talking with the stadium around managing it on event days. It will be designed to safely transfer reasonable numbers of people off vessels and into the stadium, and it will have some management around event days, but other than that I think it will probably be a facility that gets used frequently by all sorts of recreational users to access the stadium.

Hon TJORN SIBMA: Outside of it. Just focusing on that 1 000, that is presumably an educated assumption. On an event day, obviously, you have got compressed time windows of peak periods of use, so it is potentially capable of handling 1 000 drop-offs, essentially, over a couple of hours. Is that fair?

Ms LYHNE: We have taken into account that there would be reasonable numbers of people there on an event day, and it is designed to obviously ensure people are safely exiting and entering, and there will be some management around it to enable those sorts of numbers on an event day.

Hon TJORN SIBMA: Maybe finally, Ms Lyhne, on indulgence through you, minister, you mentioned that the jetty is nearing completion. Over the next quarter or two quarters, would we imagine seeing a jetty completed? I know I am pushing it, but I need to ask.

Hon STEPHEN DAWSON: I might ask Ms Lyhne if she is able to respond to that one.

Ms LYHNE: Yes, we would imagine seeing it soon. I do not have a specific date.

Hon TJORN SIBMA: But no later than 30 June this year? Perhaps I will see an update in the next annual report. I hope it does not say, "To be completed".

Hon STEPHEN DAWSON: Certainly, member, I am not going to give you that undertaking, but hopefully it will be ready soon. It is on its way. It is on schedule as well I have been advised.

The CHAIR: On behalf of the committee, I thank you for your attendance today. The committee will forward the transcript of evidence, which highlights the questions taken on notice, together with any additional questions in writing, after Monday, 26 February. Responses to these questions will be requested within 10 working days of receipt of the questions. Should you be unable to meet the due date, please advise the committee in writing as soon as possible beforehand. The advice is to include specific reasons as to why the due date cannot be met. If members have any unasked questions, I ask them to submit these via the electronic lodgement system on the POWAnet site by five o'clock Friday, 23 February. Once again, thank you everyone for your attendance today.

Hearing concluded at 11.13 am
