

**SUBCOMMITTEE OF THE STANDING COMMITTEE ON
ESTIMATES AND FINANCIAL OPERATIONS**

2012–13 AGENCY ANNUAL REPORT HEARINGS

**TRANSCRIPT OF EVIDENCE
TAKEN AT PERTH
THURSDAY, 7 NOVEMBER 2013**

**SESSION TWO
PUBLIC TRANSPORT AUTHORITY**

Members

**Hon Peter Katsambanis (Chair)
Hon Ken Travers (Deputy Chair)
Hon Alanna Clohesy**

Hearing commenced at 1.01 pm

Hon JIM CHOWN,
Parliamentary Secretary representing the Minister for Transport, examined:

Mr REECE WALDOCK,
Chief Executive Officer, examined:

Mr MARK BURGESS,
Managing Director, examined:

Mr KEVIN KIRK,
Executive Director, Finance and Contracts, examined:

The CHAIR: Good afternoon and welcome back to some of you. On behalf of the Legislative Council estimates and financial operations committee, I would like to welcome you to today's hearing. Can all the witnesses confirm that they have read, understood and signed a document headed "Information for Witnesses"?

The Witnesses: Yes.

The CHAIR: Witnesses need to be aware of the severe penalties that apply to persons providing false or misleading testimony to a parliamentary committee. It is essential that all 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. The hearing is being held in public, although there is discretion available to the committee to hear evidence in private either of its own motion or at the witness's request. 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. Government agencies and departments have an important role and duty in assisting Parliament to review agency outcomes on behalf of the people of Western Australia. The committee values your assistance with this. For the benefit of members and Hansard, could you each state your full names and the capacity in which you appear before the committee today, starting from my left.

[Witnesses introduced.]

The CHAIR: Thank you and once again welcome to you all. Do any of the witnesses wish to provide an opening statement?

Hon JIM CHOWN: Not at this stage, Chair. Just a request: could we remove our coats?

The CHAIR: Yes. I do not think that is something that you need to request, but since you have requested it, I have absolutely no objection.

Since there are no opening statements, I will hand over to one of my colleagues, Hon Ken Travers.

Hon KEN TRAVERS: I am just trying to clarify how much money has actually been spent on upgrading tier 1 and 2 rail lines. How much of that was commonwealth money, how much was state money and how much was the \$16 million that Brookfield had to contribute?

Mr Waldock: I will kick it off while I am looking. For the grain lines, which are tier 1 and 2, in terms of the refurbishment there was a \$187 million announcement, but the contracts were in fact \$187.9 million over three years.

Hon KEN TRAVERS: Does that include the TAP payment, though?

Mr Waldock: No, the TAP payment was done through the Department of Transport, which was ceased, as you know, about 12 months ago.

Hon KEN TRAVERS: So that was purely on refurbishing of the rail line?

Mr Waldock: Yes, this is the \$187 million, which is refurbishment of the railway line, over three years—\$135 million capped by the commonwealth government, \$16.5 million by Westrail, \$13.5 million from PTA capital works and \$29.9 million capital funding. As I understand it, and Mark might be able to add a bit more to this, the contracts let to Brookfield were in the order of about \$176 million—in that order there. Those contracts are now coming to conclusion. As I understand it, they will be finalised in January next year, will they not? Is that your understanding, Mark?

Mr Burgess: Yes, even late this year and probably the only thing would be any defects that are noticed would be done in January, Reece. It has actually come in cheaper. Reece has indicated, I guess, budget figures, but the approved funding so far is \$158.810 million and the actual spend to date is \$129.648 million to the end of September this year.

Hon KEN TRAVERS: That is \$129.648 million —

Mr Burgess: It is the spend to date at the end of September.

Hon KEN TRAVERS: So there is another \$29-odd million to be spent and that will be spent by the end of this financial year.

Mr Waldock: Yes.

Mr Burgess: Yes. We have had discussions—Kev might be able to elaborate on it—with the Department of Transport and the commonwealth about the capacity to apply some of those what have been savings, in effect, to other projects. I am not sure whether we have had an answer on that, Kevin?

Mr Kirk: No, it is still early days yet. We put some suggestions across to transport to go to the commonwealth, but it is still early days.

Hon KEN TRAVERS: How is that money then allocated? So you have not used all the \$135 million that the commonwealth provided then?

Mr Burgess: That is correct; we have not used it all. That is why we are saying we will go back to them and seek to —

Hon KEN TRAVERS: Is the money consistently being spent on a proportional basis equivalent to the original \$135 million, \$16.5 million, \$13.5 million and \$29.9 million? Do you still fund it according to that sort of percentage allocation? How do you work out —

Mr Waldock: I think typically with the commonwealth, they are pretty flexible in terms of any funding, particularly Nation Building 1-type funding, so we do not use any particular method. Often it suits them to spend the money when they had it allocated during the year. But in this case, you might have some more detail, Kevin.

Mr Kirk: In this particular project, the commonwealth did ask us if we would expend their funds in the first instance, which suited us. To date, we have spent \$113 million of the commonwealth's funding and Brookfield have expended their contribution. As we get into the next few months, the state portion of that funding will be expended.

Hon KEN TRAVERS: Looking at that, of the \$129.648 million that you have spent to date, \$129.5 million of that came from Brookfield or the commonwealth.

Mr Kirk: \$113 million came from the commonwealth; \$16.5 million came from Brookfield.

Hon KEN TRAVERS: Which adds up to \$129.5 million, so basically to date the only people that have contributed to tier 1 and 2 lines have been the commonwealth and Brookfield, with a very, very small amount from the state government.

Mr Burgess: Most of the state's money on the solution was being spent on the roads. That was the split up; the commonwealth wanted their money on rail; the state therefore picked up the roads bill.

Hon KEN TRAVERS: And you have still got just under \$30 million to spend and that will then be all state money between now and the end of the financial year?

Mr Kirk: There is still a small—about \$4 million—amount of commonwealth money and then the balance will be state, yes.

Hon KEN TRAVERS: Right, \$4 million, but you said you spent \$113 million of the commonwealth's money, but did they not provide \$135 million?

Mr Kirk: Sorry, the approved funding to date, because we have to put submissions to the commonwealth for each of them, so what we have got approved is \$117 million of commonwealth. But you are right; there is \$135 million allocated, but we will need to go back to them for approval with other projects.

Hon KEN TRAVERS: Right, so we will need to come up with other projects to expend that.

Mr Burgess: Subject to their agreement.

Mr Waldock: Yes, subject to their agreement. They may be very circumspect on some of this.

Hon KEN TRAVERS: Yes, so there is still about another \$18 million of commonwealth money—am I right there?

Mr Burgess: Yes.

Hon KEN TRAVERS: What sort of projects do we have in trail that would meet their requirements for that expenditure? Does it have to be on rail projects or can it be on road projects?

Mr Waldock: I think they would prefer rail; that was their position at the time, although it may change with the change of government. But we have certainly looked at initiatives, so far, things like doing some trialling with concrete sleepers and timber. We may do some more trialling initiatives. But the issue for us to try and utilise low-profile concrete sleepers is that we realise we are running out of timber. Timber will not be here in years to come. If we can get a low-profile concrete sleeper that actually works with timber—often the actual properties work against each other—it will be the future, so that is what we are trying to do some more work on.

Hon KEN TRAVERS: Are you doing that with a joint venture partner?

Mr Waldock: We are doing it with Brookfield.

Mr Burgess: There is a section of line we are doing up and around Goomalling. It is about 53.5 kilometres, which is one concrete, one steel. That is happening now.

Hon KEN TRAVERS: One concrete, one steel, so —

Mr Burgess: The rest of the lines were going from one-in-four timber-steel to one in two. This is the same one in two, but the concrete is in lieu of the timber.

Hon KEN TRAVERS: Okay, I get you.

Mr Burgess: So, they are about 170-millimetre concrete sleepers.

Hon KEN TRAVERS: You are not mixing concrete with timber; it will be concrete with steel?

Mr Burgess: But obviously at some point you transition to timber.

Hon KEN TRAVERS: Yes, but where you are laying the concrete, it is alongside steel, not alongside wood.

Mr Burgess: Yes.

Hon KEN TRAVERS: All right; that makes sense because people have always told me you can never put wood with concrete, but what you are hoping to do is put concrete with steel.

Mr Waldock: Steel has got different properties again; it is lighter and it moves more. So, they all have their own challenges in terms of material characteristics.

Hon KEN TRAVERS: At the conclusion of the \$158 million, when you have spent that, which I think is what you are saying is now the estimated cost of all the works —

Mr Burgess: Correct, yes.

Hon KEN TRAVERS: — the total state government contribution would be that less \$117 million and \$16.5 million.

Mr Kirk: The split to get the \$158 million will be: \$117 million, commonwealth; \$24.9 million, state; and \$16.5 million, Brookfield. Hopefully, that adds up to \$158.8 million.

Hon KEN TRAVERS: And \$13.5 million of that would have been the money that had been previously allocated to the Greenbushes rail line?

Mr Waldock: That is it, yes; reallocated capital works.

Hon KEN TRAVERS: Are you looking at one of the options of investing any of that money then into tier 3 lines?

Mr Waldock: I think the government has made some pretty clear announcements on this that those issues needed to be resolved in the first instance between CBH and Brookfield. We will watch with interest to see how those negotiations work through.

Hon KEN TRAVERS: As the owners of the line, have you had any involvement in the discussions between Brookfield and CBH, as the PTA?

Mr Waldock: At PTA and transport —

Hon KEN TRAVERS: The representative of the owner, I should say.

[1.15 pm]

Mr Waldock: We have had numerous discussions with them and, certainly, as you know, following on from the strategic grain network review, there have been developments. CBH bought the rolling stock, of course, and the world changed potentially. We have had ongoing discussions about tier 3 lines and how they might work, but it is still a very clear government position, and we will reaffirm that today, that we expect CBH and Brookfield—we cannot say too much more about this, of course, because, as you know, Brookfield and CBH are before the Economic Regulation Authority as we talk.

Hon KEN TRAVERS: In those negotiations, has the government made an offer to make any financial contribution towards the cost of upgrading any of the tier 3 lines?

Hon JIM CHOWN: At this stage the answer is no.

Hon KEN TRAVERS: But, Mr Chown, part of your election commitments was that the government would work with those two players to identify the lines that could be upgraded and then to make the necessary investment in those lines.

Hon JIM CHOWN: I think the minister made it very clear in a press release in October last year before the actual election campaign that both entities, both Brookfield Rail and CBH, needed to resolve their differences on a commercial basis, and they had up until the end of October this year to come forward to the ministry with a proposal. That undertaking did not happen, and the consequence of that, I guess, is that CBH has put an application in to the ERA to resolve the issue. Now, in the meantime, both CBH and Brookfield have undergone significant talks, including

employing an independent facilitator, to resolve their differences. I am informed that those talks have broken down to the point where neither party is prepared to discuss the issue, and they are looking for some sort of guidance from the ERA under their rail access code, which they administer.

Hon KEN TRAVERS: Okay; fine. I understand all of that. Are you saying that the minister's media statement of October 2012 is the guidance for government policy rather than the election commitment made by the Premier on 7 March, I think it was, or 6 March, two days before the election —

Hon JIM CHOWN: Let me be —

Hon KEN TRAVERS: The minister's press release from last year is the guidance for government policy rather than the election commitment of the Liberal Party at the last election.

Hon JIM CHOWN: Okay. Let me be very clear in this statement. The key word in regard to the election commitment by the Premier was "commercial viability". Commercial viability in regard to the minister's press release was about the two entities coming forward and proving that the lines, or some of the lines, were commercially viable, and I will repeat at this stage—at the end of October this year—no such undertaking was received by the ministry.

Hon KEN TRAVERS: But the actual election commitment, with all due respect, was that the government would work with the two entities to identify the lines, and then they would invest in those lines. What you are saying to me is that the government has not done any work to try to work with the players to identify the lines that could seek government investment.

Hon JIM CHOWN: I do not see why it would be government's responsibility to do that.

Hon KEN TRAVERS: It is not the government's responsibility; it was your party's election commitment.

Hon JIM CHOWN: If you want to let me finish—let me finish here. I mean —

Hon KEN TRAVERS: That is why it is a government responsibility, because you made a commitment.

The CHAIR: Can we just take a deep breath? There is no real value gained out of us having a bit of an entertaining slanging match that does not add to the sum knowledge that we have about the public transport system in WA. So, if you could both take a deep breath, the parliamentary secretary indicated that he would like to finish his answer. Let him finish that answer, and then you can keep going, and I know for Hansard's benefit, of course, they find it impossible to take down the words of two people at the same time. Thank you.

Hon JIM CHOWN: I appreciate your comments, deputy chair. Thank you for that. I think the government's position is very clear, and my statement stands.

Hon KEN TRAVERS: Well, it is not clear to me, unless you are saying—what I am interpreting from your commitment is that the government has walked away from the commitment that the Liberal Party gave just prior to the election and are simply following the statement made by the minister in October 2012. Is that correct?

Hon JIM CHOWN: No. I will repeat what I said. The key words in regard to the statement by the Premier during the campaign were "commercial viability". Prior to that, both entities—both CBH and the lessee of the line, WestNet—understood that they needed to come to government with a proposal that substantiated the viability of whatever lines they believed were proved up to be commercially viable. I am sure that is fairly clear.

Hon KEN TRAVERS: You are saying the keywords are "commercial viability".

Hon JIM CHOWN: Yes.

Hon KEN TRAVERS: What did the words about working with the respective players and then making an investment decision mean? What did that mean in the election commitment?

Hon JIM CHOWN: I do not have the actual press statement in front of me, so I cannot verify those words that you have just stated.

Hon KEN TRAVERS: I thought you might have remembered your election commitments off the top of your head. You do not remember? I will get a copy of it and then I will quote them to you verbatim, if you like. So we might move on to another area whilst I dig that up, and then we can come back —

The CHAIR: Yes, let us move on to another area. I think that might be beneficial. Do you want to keep going, Hon Ken Travers?

Hon KEN TRAVERS: Did Hon Alanna Clohesy want to ask a question? I will just get the —

Hon ALANNA CLOHESY: Yes. I wanted to go to buses and then back a little bit to rail as well. But let us start with low-floor buses. What proportion of the bus fleet are low-floor buses?

Mr Waldock: Excellent question.

Hon ALANNA CLOHESY: While you are looking that up, the bendy buses —

Mr Waldock: Articulated, yes.

Hon ALANNA CLOHESY: Yes—are fully accessible.

Mr Waldock: Okay.

Mr Burgess: Sorry; I missed the —

Mr Waldock: The bendy buses. Let us start off with the low-floor buses.

Mr Burgess: I am sure it is in here, so —

Hon ALANNA CLOHESY: The proportion of the fleet—actually, I am not sure it is in the annual report.

Hon JIM CHOWN: Just for my information, Hon Alanna Clohesy, is a low-floor bus one of these ones that sinks down or —

Mr Waldock: Kneeling buses.

Hon JIM CHOWN: A kneeling bus; okay.

Mr Waldock: As you know, while Mark is looking for it, it is really just a matter of, as we replace the fleet, of course, all new buses from about, I think, 2004 have become the kneeling buses. So it is just really a matter of—we have got about 1 300 buses now, Mark.

Mr Burgess: There were 1 306 the other day, Reece.

Mr Waldock: Good. Thank you.

Mr Burgess: I am not sure what this report says. It might say a slightly different number because we are a few months down the track, but it is just a matter of finding buses in here.

Mr Waldock: It is just a matter of finding buses in the order of about 10 years old or less, which would be many.

Mr Burgess: Yes. It will be the bulk. I usually have that stat at the top of my head.

Hon ALANNA CLOHESY: Yes.

Mr Burgess: Seriously, I do, so —

Mr Waldock: We are pretty embarrassed about being caught out on that.

Mr Burgess: Yes, we do. It says —

Transperth's fleet of 1305 buses —

So it is one less than —

was made up of 758 diesel and 547 CNG buses ... The fleet includes 243 ...

Is that not terrible, Reece? We do not actually have the number of low-floor buses in the —

Mr Waldock: I will have to counsel my managing director, I think!

Mr Burgess: Sorry, page 58 —

Hon ALANNA CLOHESY: Can we take that on notice?

Mr Burgess: No, I think we have found it. We have struggled through and found it.

Hon ALANNA CLOHESY: Can we take that on notice then and just keep moving on?

Mr Burgess: We might have an answer.

The CHAIR: We will call that B1, unless you have —

Mr Burgess: Yes; my apologies. Here it is. At balance date—so, as at the end of the financial year—out of the 1 305, as it was then, 1 076 were low-floor accessible buses.

Mr Waldock: That is nearly 80 per cent.

Mr Burgess: So 82.4 per cent.

The CHAIR: Sorry, what was that percentage?

Mr Burgess: It was 82.4.

Hon ALANNA CLOHESY: Not all low-floor buses are kneeling buses, so —

Mr Burgess: They would be, yes.

Hon ALANNA CLOHESY: In this fleet, they are.

Mr Burgess: Yes. In this fleet they are, yes.

Mr Waldock: Because the Mercedes and Volvo are all kneeling buses, yes.

Hon ALANNA CLOHESY: So they are all fully accessible.

Mr Burgess: Yes, indeed.

Hon ALANNA CLOHESY: A person who uses a wheelchair can access that —

Mr Burgess: With a ramp, yes—with a ramp that is deployed by the driver.

Hon ALANNA CLOHESY: — without the assistance of any other person.

Mr Waldock: That is it.

Mr Burgess: Yes.

Hon KEN TRAVERS: So long as the necessary modifications are done on the Volvo to allow them to move.

Mr Burgess: But they are done now; they are done.

Hon ALANNA CLOHESY: Yes. Because that was actually the point, that there were some —

Mr Burgess: There was an issue and we did not think—to be honest, our analysis said it was not too much of an issue, but we have made an adjustment, and it was to do with the airbag suspension system.

Hon ALANNA CLOHESY: Yes.

Mr Burgess: We made an adjustment so that they do kneel a bit further. To be honest, the ramp is the key thing, and one of the challenges for us is that the kerb heights are not the same all around Perth.

Hon ALANNA CLOHESY: The street furniture is not uniform; that is right.

Mr Burgess: We do not own all the kerbs. Some roads do not have a kerb, so that makes it a bit of a challenge.

Hon ALANNA CLOHESY: You are anticipating one of my questions, are you not? In terms of a street furniture audit, has there been a street furniture audit to ensure that all bus stops, not just major bus stops, are fully accessible?

Mr Burgess: Yes, there has.

Hon ALANNA CLOHESY: So where are we at in terms of implementing the rollout of —

Mr Waldock: Of the concrete pads, yes.

Hon ALANNA CLOHESY: — full access, yes.

Mr Burgess: That was a budget decision about four years ago—it might be slightly longer—where we were given a funding allocation. I am hoping Kevin is finding it quickly, how many we have done. We ramped it up very quickly, because we have got about 13 000 roughly bus stops—it is of that order—which is a lot. We ramped it up and did pretty decent numbers in the first couple of years. We have got it back to a more manageable number. To be honest, it was becoming almost impossible to manage in terms of the companies involved and also, obviously, to match it with the budget. But it was actually a challenge to match the works level we were doing. At the moment we are upgrading 650 stops to disability standards under the government's bus stop accessibility works program.

Hon ALANNA CLOHESY: Bus stop accessibility works program.

Mr Burgess: Yes. Since January 2010, which would have been when we started, more than 2 100 stops have been upgraded. Clearly, we tend to focus—we try to pick the ones where larger numbers are boarding, but it also makes some sense to do them in lumps, because you have crews mobilising in a particular area, so you do them in lumps.

Hon ALANNA CLOHESY: But also, I would imagine, in key areas—for example —

Mr Burgess: We try to do them at the stops where —

Hon ALANNA CLOHESY: — where there is a higher population of older people.

Mr Burgess: Exactly, yes. One of the advantages of SmartRiders is that we can interrogate any stop and see how many people use it and what times of day and so on. So we tend to try to focus on the ones—plus there was analysis done, obviously, of things like near Shenton Park rehab, obviously—you know, those sorts of stops where you know there are facilities, where there are wheelchairs, for example. Having said that, the accessible stops program is not just about the wheelchairs; it is about mums with prams.

Hon ALANNA CLOHESY: Everyone.

Mr Burgess: It is about anyone who might have any sort of mobility impairment.

Hon ALANNA CLOHESY: Generally, it is much more accessible.

Mr Burgess: Sure.

Hon ALANNA CLOHESY: Can we get a copy of the bus stop accessibility works program?

Mr Burgess: Yes, sure.

Hon ALANNA CLOHESY: Can we take that, Mr Deputy Chair, on —

The CHAIR: Yes, we can. That will be B1 then, since previously we intimated something would be B1 and then the answer came.

[Supplementary Information No B1.]

Mr Waldock: I would say that whilst we have actually got a long way to go, we are so far ahead of any other jurisdiction in Australia with this program—most jurisdictions talk about it but never do anything, so we are travelling well.

Hon ALANNA CLOHESY: Yes. It is the bus stop accessibility works program. I would say that that is, in part, because Western Australia actually started before most other states, so you were actually ahead of the game a long time ago.

Mr Waldock: Yes. I do not think that most states have even started, have they?

Hon ALANNA CLOHESY: There is the bus stop accessibility works program and a low-floor bus implementation plan—or is there an implementation plan in relation to the national disability transport standards?

Mr Waldock: For buses?

Hon ALANNA CLOHESY: For transport generally. Have you taken the standards, when they were finally adopted, and done an implementation plan across the —

Mr Burgess: Not at a global level. We tackle the component parts of the public transport system piece by piece. We are probably the only train system—we do not have fully accessible train stations. The ones on the modern lines, the north–south line, tend to be fully accessible, but even there, there are a couple of issues. But on the older lines—the heritage lines, if you like—Midland, Armadale and Fremantle, there are a lot of the ramp issues. You know, the ramp was at one in 12, whereas now it needs to be one in 14. So there is a liability there that will take some years to address. But things such as platform level—if you walk to any one of our train stations, more often than not you have got exactly the horizontal–vertical gap that the standards require. These other cities of Australia are light years away from that. You have got one and two-foot steps up and down and huge gaps, and of course anyone who is —

Hon ALANNA CLOHESY: We are very lucky that some government was leading the way really in terms of the construction of railway stations in a modern way.

Mr Waldock: And with good bureaucrats to support them.

Hon ALANNA CLOHESY: Good bureaucrats to support them. In fact, you have anticipated a couple more of my questions.

Hon KEN TRAVERS: Excellent bureaucrats.

Mr Burgess: The bus system is the same. The step was taken in 1998 to start buying the low-floor fleet, and we have ramped it out and, as Reece has indicated, the step to go to the bus stop accessibility works program just puts WA way ahead of the other jurisdictions.

Hon ALANNA CLOHESY: Yes. It also posts some landmark court decisions in relation to Public Transport Authority purchasing of buses, including injunctions taken out to stop the construction of buses that were no longer accessible, so, yes, that is great. Are there plans for a redevelopment of the disability access implementation plan 2007 to 2012?

[1.30 pm]

Mr Burgess: Do you mean the agency-specific one?

Hon ALANNA CLOHESY: Yes.

Mr Burgess: Each agency has to produce an access and inclusion plan.

Hon ALANNA CLOHESY: That is right. On page 76 of the annual report it states that the disability access and inclusion plan was developed in 2007 and ran through to 2012. That access plan —

Mr Waldock: Page 76?

Hon ALANNA CLOHESY: Page 76 of the PTA annual report under the compliance audits and reporting section.

Mr Waldock: We must have a different page. You might have a draft annual report.

The CHAIR: Are there two reports?

Hon ALANNA CLOHESY: No, but do you know what? This is last year's annual report.

Hon KEN TRAVERS: Often when they are printed off the internet they come out with different numbering from the printed hard copies.

The CHAIR: Adobe does all sorts of things. Yesterday they released millions of people's personal details. They do funny things when you print off Adobe.

Hon ALANNA CLOHESY: It is last year's annual report that I am referring to, but the point remains. The disability access plan concluded in 2012. What steps are being taken to develop a new plan?

Mr Burgess: I think we have done a new one.

Hon ALANNA CLOHESY: It has been developed?

Mr Burgess: Yes.

Hon ALANNA CLOHESY: Can we get a copy of that?

Mr Waldock: I think that would be on the net, too.

Mr Burgess: Yes; on our website.

The CHAIR: Is that available on your website?

Mr Burgess: I am 99 per cent sure that it is.

Hon ALANNA CLOHESY: Websites are not always accessible.

The CHAIR: Would you like that on notice or can you just take it that it is available on the website?

Hon ALANNA CLOHESY: All right; I will go to the website.

The CHAIR: If it is not, I am sure you will get a —

Mr Burgess: Mr Chairman, in this year's annual report it states —

Following consultation with key internal stakeholders, we developed a new Disability Access and Inclusion Plan ...

It is definitely there. All our key documents are on our website, but I am happy to confirm it via a supplementary.

[Supplementary Information No B2.]

Hon KEN TRAVERS: We will not have to look for a US government website to find it, will we?

Mr Burgess: I do not think so.

The CHAIR: Can I ask some questions around buses?

Hon KEN TRAVERS: I have one on disability that I want to clarify. My understanding is that part of the reason for the work is that it is also about complying with the national disability standards. Have we had to seek an exemption or are we on target to meet the target date that was previously

identified for Western Australia? As I understand it, if you are not going to meet that date, you have to go back and seek an extension.

Mr Waldock: My understanding, if I could jump in early, is that the Bus Industry Confederation, the peak body for all buses, has certainly done an audit of all private and public authorities in the bus business and it is putting up a submission to put forward different timetables. As I said earlier, I think we are leading the nation. I have got a feeling that there will be a submission put in on an industry basis through the national forums. Mr Burgess might have some more information.

Mr Burgess: To answer your question, we have never gone back to seek any exemption. There are some unusual subtleties. Reece is right; the bus industry at a national level has gone back seeking some dispensations. We are in the bus industry but we are not part of that process.

Hon KEN TRAVERS: You are not driving it.

Mr Burgess: No; we are not driving it. ARA has similarly gone back on a rail industry level and has probably much more substantively sought some dispensations. They have developed through RISSB, the Rail Industry Safety and Standards Board, their subsidiary body, if you like, which is an Australian standards-making organisation. They have developed their own compliance guidelines, if you like, and they are trying to get HREOC and others to accept those. That is less of a concern for us. We are part of the rail industry but it is less of a concern because we still meet the targets at this stage. At a point in time in the future we might fall behind those targets, based on some of the old train lines basically and some of the issues around ramps and so on, but we are a way away from that at this point.

Hon KEN TRAVERS: What is the current time line for us to be compliant?

Mr Burgess: There is a series of different dates. You have to achieve percentages of accessibility and on different fronts. They even break up the areas of the bus and of the stations and give different target dates with percentages against them.

Hon KEN TRAVERS: But at the moment, we are on track to meet the target dates?

Mr Burgess: Yes, we are. As I said, there are some weird subtleties. There is an issue for us around staff at stations and so on. If someone needs mobility assistance, we provide a number for them to ring ahead—we hope they ring at least an hour ahead—and we will have someone there to provide mobility assistance. Some of the east coast operators do not see that as an issue because they have a second person on the train; they have a guard on the train. We have all got different subtleties around our operations, which means that we all have different angles. The hour's notice is not quite in accordance with the standards, but it is where we sit.

Hon ALANNA CLOHESY: I come back to train stations. In last year's annual report there was a table of the number of stations where independent access was provided. For 2011–12, that was 37 stations, which was at that time 53 per cent of the total of 70 stations. The figure five years prior to that was 34. In effect, there are only three more stations that have become independently accessible in that five-year period. Is there an update on those figures of how many stations are independently accessible?

Mr Waldock: There would have been at least another three stations rolled out during the year, I would have thought, Mark, in terms of disability standards.

Mr Burgess: Sometimes we do not address everything at a station. We try to do all the key bits that we can afford within a particular budget. If it is a ramp rebuild, we may not do it, so we will not meet the full standards. On page 59 of this year's annual report it states that we have completed —

... upgrades at Meltham and Mt Lawley stations. The full platform area was resurfaced and the lighting, handrails and signage upgraded for people with disabilities. The gap between the platform and train carriage was minimised —

A couple of these stations on the old lines have got curve issues. If we are on a curve, it is very expensive to pick up the station and move it. There is a gap at the end of the train, typically, if we are on a curve. It continues —

and significant work done to the pedestrian access gates at the southern end of Meltham Station. Upgrades of Queens Park, Beckenham and Maddington stations were started.

They are all underway at the moment.

Hon ALANNA CLOHESY: Again, you have beautifully anticipated one of my next questions. I have noticed the work at Meltham and Mt Lawley. Can you tell me what is the gradient on the new ramp at Meltham?

Mr Burgess: If it is up to standard, it will be one in 14. I am happy to take that question on notice and check for you.

[Supplementary Information No B3.]

Hon KEN TRAVERS: If it is new work, you would assume it would be.

The CHAIR: You would not go ahead with work that was not compliant.

Mr Burgess: I am trying to remember whether the ramp at Meltham got replaced or whether it just got resurfaced. Did you notice?

Hon ALANNA CLOHESY: That is exactly why I am asking.

The CHAIR: If you take that on notice, you will be able to provide us with the accurate details.

Hon ALANNA CLOHESY: Thank you very much. That is pretty much what I have got for this line of questioning.

Hon KEN TRAVERS: I have got plenty.

The CHAIR: I have plenty as well; I am sure all of us have got plenty of questions. Because we were talking about buses, can I ask some questions around buses that are not directly related to accessibility? There are a lot of buses that run on roads that are the responsibility of local councils. When local councils introduce new road treatments—*islands, roundabouts and the like*—what consultation process is there with the PTA, and who gets the final say as to what happens there?

Mr Waldock: Again, a good question. By and large, we work very closely with local government. I think we have an excellent relationship. Having said that, over the years there have been some major stuff-ups. I can only think about the Broadway in Subiaco. It was part of Subiaco council at the time; I am not sure where it is now. They put roundabouts in and we had to ask them to totally revise their plans because buses could not get around. It is an ongoing issue, particularly with the movement towards roundabouts, which are very popular. It is an issue for our buses and we need to manage that. We have got, as I say, good forums for discussion. Generally, we work extraordinarily well, but there are times when it does not work so well. Would you like to make a comment, Mr Burgess?

Mr Burgess: I fully endorse your position, Reece. I guess the best evolution, and the digital age helped us, was when we digitised everything. The maps of the bus routes in the late 90s went from cut-out UBDs all glued together with bits of cotton showing where bus routes went—I know; very sophisticated—to a digital world where suddenly you could produce great maps, and as you changed bus routes, you literally changed it in the system. Once we got that, we were able to share it with all the local governments. We give them network maps for all of our bus routes in their area. I guess they could have looked at timetables and hand-drawn routes and so on, but once you have got that sort of digital information—indeed, those sheet maps are on our website and people can look at those sorts of things—which shows where bus routes go, it is very helpful, because then suddenly they could start to think of our world when playing with their world. There has been a much higher degree of cooperation since we ventured into that sort of sphere. Occasionally, they

will have local issues. A bus route will typically go through three, four, five, six local government areas. All you need is one in the middle to say that they want to traffic calm this road for their own local reasons, and understandably perhaps, and it does not do us any favours. Bus routes are fairly logical; when you look at them on a map, they tend to follow the major arterial road through a suburb. We try to make them as direct as possible where we can because people are not after circuitous bus routes; they are after a pretty quick and direct trip from one point to another. As Reece said, we have worked pretty closely with local government. Occasionally we have a hiccup. The Broadway example is one. At the end of the day, the local government came to the party and changed their minds on what they were going to do and actually had to undo some work, but there are still the odd ones that come up every so often that create a challenge.

The CHAIR: I am sure you work well with them. I am trying to get some sense of it. I will preface this by saying that I am a very regular user of your services, and 99 per cent of the time I am very satisfied with the services you provide. I am thinking of the sort of work that the City of Joondalup has done in streets like Waterford Drive and Cook Avenue in Hillarys, where they have put obstacles in the middle of the road. These are narrow roads. Traditionally, when a bus stopped, there is no pullover bay; it just stops on the road. The cars behind would navigate around the bus—they would make sure there was no-one coming the other way. Now they have stuck a four-foot tree with some posts around the tree right in the middle of the road, usually about five metres from the bus stop, so that that sort of driver behaviour changes and drivers sort of take Russian roulette by going a longer distance before pulling back in. I do not think that helps anybody. I think it makes for less safe roads rather than more safe roads. When a council decides to do that, does it send the plans to you for approval? Does it need to get approval from you? Can you lodge an objection? What is the process that you can be involved in to point out these obvious flaws to councils?

Mr Burgess: There is certainly no requirement for them to get our approval. Therefore, it is probably a bit hit-and-miss in terms of sometimes they do and sometimes they do not. On a suburban feeder network, such as the ones you are describing, I would estimate that more often than not we do not get advised until that work happens.

The CHAIR: I have got to say that it has turned both those streets that I mentioned into accidents waiting to happen. I see it daily.

Mr Waldock: It is fair to say that future reform we would be looking at is to have more control and powers over local roads where it is fundamental—whether it is for special events where we need access to road space at certain times with priority for buses, and certainly picks-up, too, and some of the major corridors—and how we need to exercise some powers over those corridors. At the present moment, it is all about love and trying to work together, but I think the future may be stronger powers within state government.

The CHAIR: Let me just clarify this. I have to say that this astounds me. Where a local government authority decides to change road treatments on a road that is a bus route, you do not have any formal power to even lodge an objection, let alone stop it from happening or alter the plans to suit both public transport and the use of the road more generally.

[1.45 pm]

Mr Burgess: There is no formal power.

The CHAIR: Is that a fair summary of what you have told me today?

Mr Burgess: Yes. I have to say that, generally, if we were to approach it fairly robustly with the powers that be at that local government, we would get a hearing—I certainly would not say we do not get a hearing—but we do not have any formal power, no.

The CHAIR: Thank you. Just staying on buses, I use buses a fair bit but I also get constituents coming to me about them. What sort of ongoing monitoring of driver standards and behaviour do you have?

Mr Waldock: I will let Mr Burgess —

The CHAIR: Again, I will throw in there that although from my experience and from what constituents who come into my office tell me the majority of your bus drivers are good drivers, I personally have experienced those auditioning for Mark Webber's place on the Formula One circuit! When constituents come in, they never come in to report good behaviour; they only come in to report poor behaviour.

Mr Waldock: Yes, and I think —

Hon KEN TRAVERS: I hope you ask him about whether or not the schedule times that have been given to them are sufficient to allow them to complete the run in the time given, as a former bus driver.

Mr Waldock: That is often an issue but, of course, we are actually being very mindful of that these days as we enter an era of more traffic congestion. I think I will let Mark respond, but certainly we do a great deal of customer satisfaction surveys. Our public transport survey work is the most detailed in Australia, and we really understand, I think at the micro level, what our customers think about different aspects of our service. We also have a Serco complaint and comments line, and they are always used. We follow up every complaint or comment and we act on those with the bus companies. Mark, do you want to give a little more detail?

Mr Burgess: Sure. To go back to the first question, each company trains their own drivers. Typically, that means that in today's climate they will front the bus company with a heavy rigid vehicle licence already. Some years ago when they were struggling with employment numbers, they would have actually helped people get a licence, but today you have to have your HR licence before you front the bus company. They then do a couple of weeks' transition course from driving whatever heavy rigid vehicles they had driven before to being a bus driver. Then they have an on-road assessment until they are comfortable that the driver is competent. You may occasionally see a guy standing with the driver on the bus.

The CHAIR: Yes.

Mr Burgess: That is someone who does not have their pen licence yet. They will drive on their own once they have been transitioned, if they are comfortable and have picked up everything. That obviously includes aspects of knowing the routes and knowing the ticketing system. Even though they have had their training, they want to make sure they are absolutely fully competent at those things. Then they have refresher training, if you like, in terms of checking them. Each of the companies—we have three contracted companies—have their own version of a mystery shopper-type experience, where someone gets on and assesses them on the road. Overlaid on that, our Transperth division has a mystery shopper program as well. Each staff member goes out, typically once a month, doing mystery shopper work within our Transperth division, and they write a formalised report.

Hon JIM CHOWN: Does that mean you hop on a bus and you have no idea where it is going to end up?

Mr Burgess: No, they actually get a shift; they have to cover the following routes and assess from here to here and write a report on their observations and so on, which is both about punctuality and performance of the driver—all the aspects. I think our best reports though, as Reece has indicated, are the day-to-day reports that we get fed back through the comment line and on an annual basis through the passenger satisfaction monitor. I would be on the record here as having said before that the passenger satisfaction monitor is Australia's most comprehensive public transport survey by far. It has been going on for 22 or 23 years. It is pretty much a case of comparing apples with apples, except for the changes you need to make when you do something fundamentally different like bringing in a smart card ticketing system and you have to change a few of the questions about ticketing. But otherwise the assessment has been the same for 22 or 23 years. About 2 500 of the

4 300 passengers surveyed are bus passengers. It is typically a 20 to 30-minute face-to-face experience with someone from an independent market research company. The person from the market research company travels with the passenger, if need be, or walks with them along the platform or along the street. To be honest, most of our passengers are more than happy to engage in that. We get the most comprehensive information each year through that process, which looks at all aspects of service from reliability and punctuality, right through to driver performance, satisfaction with call centres and timetables, and cleanliness. Every aspect of the service is drilled down into. That gives us, as Reece said, a very good feel for what the people think of our service, and specifically, in the case of this question, what they think of our drivers.

The CHAIR: I hear that you are saying this sort of survey work has been going for decades now, but has any consideration been given to a more real-time feedback system? I know you have, essentially, the customer complaint line because, unfortunately for all of us, as I said before, very few people write in to pat you on the back; most people write in when they have a complaint. I know that in other systems they use smart apps—phone apps—where people can, in real-time, not only find out timetable information, but also lodge complaints. With modern technology, people can get the GPS recording and, effectively, find out which bus they are on right at that point in time when they are saying, “This bus driver has missed three stops in the last 10”, or whatever—unfortunately that does happen. Has any thought been given to creating an application like that? I know from experience that it is not expensive to create one and it would not have to recreate the wheel and may provide you with a better customer interface than at the moment.

Mr Burgess: We do get a reasonable number of complaints through the comment line. I know some people perhaps do not venture down that path. You can do it either via the web or you can do it via a telephone call. I take your point that not everyone would bother to do that, but we do get a sufficient number, I think, so that if there is a trend or a particular issue, we would probably find out about it. We are getting into the world of apps, and so we will obviously give some thought to that. It is fair to say that we have given thought to all the dimensions of communication we have with passengers and that we might want to have with passengers. Our focus at the moment on apps is the sort of stuff that I guess everyone more typically wants, which is information about the timetable and then real-time information on whether the bus is late so that they can see the timetable time but also find out what time the bus or train is really going to be there.

The CHAIR: In relation to a timetable app, be it real-time or just one that sits there or that is a push notification for people who register to find out when there are delays on the Joondalup line for Hon Ken Travers and I, or on the Midland line for Hon Alanna Clohesy —

Mr Waldock: That will be part of the new app.

The CHAIR: In that respect, you are not reinventing the wheel; there have been apps that do that in many places in Australia and around the world for a long time, so what is holding us back?

Mr Waldock: I think we have been probably in front of the game, certainly in our web facilities. You are quite right: there are lot of apps around. We are actually going to be producing a transport app very shortly, which includes Main Roads. As part of that, but also separately, Transperth is putting out a new application later this year or early next year.

Mr Burgess: Probably early next year.

Mr Waldock: That will be picking up all the real-time information. It may be common, but it is not as common as you think; certainly not in my experience anyway, deputy chair. My sense is that to have real-time information, you have to enable GPSs on the buses, and that is not a small job in itself. I think we are ahead of most of Australia there, and that will be part of our app. Whilst it might be in some other countries, in Australia, I still think we are pretty much ahead. This new application, as I understand it, brings in Transperth’s Journey Planner as well.

Mr Burgess: Yes.

Mr Waldock: So it is a very powerful app, but I do take your point; I think there is an opportunity then, as we redefine our app, to look at comments and criticism.

Hon KEN TRAVERS: Could you also develop apps that allow people to report antisocial behaviour as it is occurring, so that you can then notify your transit officers to immediately respond? Is that something you could include?

Mr Waldock: We have looked at that before on the trains. One of the issues on the trains was that we cannot guarantee for things like SMS messaging in particular, but also apps, that the information will not sit in cyberspace for some time. That is an issue because there is an expectation that we can respond immediately. If people do this sort of thing, there is an expectation that we will respond. If we cannot, I think it will actually lead to a greater problem than existed initially because they could in fact be seen to be fingered as part of the so-called antisocial behaviour.

Hon KEN TRAVERS: But antisocial behaviour could also be escalating —

Mr Waldock: It could.

Hon KEN TRAVERS: — and for the ones you missed, would it not be better to get the ones you can?

Mr Waldock: We have to be very careful though of what we ensure our agreement with the community is. If we are going to give the community an expectation, we have to be able to deliver on it. It has been a real issue, but we will continue to progress those issues.

Hon KEN TRAVERS: I am sure the community would happily take the chance of at least 90 per cent of the cases getting a response, rather than having no ability to get a response.

The CHAIR: I have a couple of questions that might be going down the path of where you can probably get communication solutions that would facilitate the reduction of delays you were talking about. Some of that is around wi-fi. The City of Perth has rolled out wi-fi, so I will start off with that. Has the City of Perth rolled out wi-fi into Perth underground?

Mr Waldock: No. In fact, if anybody was to do that it would be us, and we have looked at it pretty closely. It is an interesting issue. I saw in the paper two days ago that the City of Perth has just put it in the malls and they are looking at rolling it out to the wider CBD. The issue of wi-fi has been an ongoing debate with my managing director and myself. I have been a bit of a fan of wi-fi but there has been a fair bit of push back—for good reasons, I may state. One is that it is fairly expensive, particularly depending on the actual traffic numbers, and we have very large traffic numbers.

Hon ALANNA CLOHESY: It would not be so expensive if we had an NBN.

The CHAIR: That would be more expensive, but we will not get into that—a lot more expensive.

Hon KEN TRAVERS: They have their own NBN along the rail lines.

The CHAIR: That is why we do not need to replicate what is already there. I know about the fibre optic along the railway line.

Mr Waldock: The issue, as it has been explained to me by the experts to my left—I take their counsel on this—is that the world is changing. With the world of 4G and what young people use now, wi-fi will become less of an issue. The last thing we want to do is be investing a lot of taxpayers' money in technology that, fundamentally, by the time we put it in, will probably be on the way out. Is that right?

Mr Burgess: Partly what I am saying, Reece, is get on any train or any bus and everyone is wi-fi-ing already, but they are using their own service. That is the harsh reality.

The CHAIR: Yes, they are using their own service, but there is a particular issue with Perth underground though, because it is quite hard to get even 3G reception in Perth underground. I do

not have 4G, so I do not know if you can get that. But certainly 3G reception from some of the carriers is almost impossible.

Mr Waldock: That is interesting, because when we built it, of course, we did put in communication arrangements there, so that surprises me. Even in tunnels you should be able to get 3G. We might look at that.

The CHAIR: I can tell you from experience that that is not ubiquitous, anyway. I might get the same answer, but have you looked at wi-fi on trains more generally?

Mr Waldock: We certainly have, and that is an even more complex issue because we actually have to enable the mobile trains, which would need significant new investment. The other thing is that there are some issues in terms of communications and potential for that to disrupt the train operations as well. Would anyone want to make any more comments?

Mr Burgess: No, I think that is it, Reece. Certainly it is all possible, and Queensland would indicate that they lead the way, but the last time I checked they only had it available on one train, even though they announced that quite heavily. It comes down to a question of what your priorities are and what you use X amount of taxpayers' dollars for. Our observations are that a lot of people are wi-fi-ing right now on trains and buses using their own service provider. My own experience is that I do not go to that many places and log on to wi-fi; everyone does occasionally, but it is not something you routinely do.

The CHAIR: Regular commuters probably do —

Hon KEN TRAVERS: It depends on what your age profile is. If you want to encourage the next generation, they do not have the ability to fund the plans that you and I might have that includes data.

Hon JIM CHOWN: The reality is that the PTA has an overwhelming responsibility to provide the best transport possible with the funding provided. I do not think wi-fi is a priority in regard to this matter. In fact, we have Telstra as a private enterprise company, and we would be more than happy to probably talk to them and if they want to provide the service for their customers, fine. But as has already been stated here, most people on the buses et cetera provide their own system.

[2.00 pm]

The CHAIR: I raise it because there are systems around the world that have had wi-fi installed by third parties at no cost to the system operator.

Mr Waldock: We have looked at all those. You often get these apocryphal stories, but I am yet to see one. We have spoken to many carriers and it is all about dollars.

The CHAIR: Just thinking of technology for a moment; certainly some of you were here earlier when we discussed the proposed light rail. I want to limit the discussion here to how the ticketing system will work on light rail. We know from experience from Melbourne that they have had enormous difficulty with not just their new ticketing system but the previous one as well in getting it to work on their version of light rail on their trams mostly because of the cutting on and offer of the electricity, which seems to work fine for the operation of the rolling stock but not so fine for the operation of more technical gadgets like ticketing machines. Has any work been done by the PTA around how our SmartRider technology, which works really well from my perspective, will interact with any proposed light rail?

Mr Waldock: I might start off, if I may. I would hate you to compare Melbourne and Perth on any issue to do with ticketing.

The CHAIR: Why not? We do it right here in Perth and they do it very, very wrong over there.

Mr Waldock: On that basis, we can live with that. It has often been stated —

Hon KEN TRAVERS: Contrast rather than compare.

Mr Waldock: That is better; thank you. Light rail certainly in Melbourne for decades has been pretty much a voluntary contribution, if you remember.

The CHAIR: It still is unfortunately, but it is not my problem any more

Mr Waldock: If you look at their myki smart card versus our SmartRider, one was \$35 million; one is well over \$1 billion; one works; one does not. I think the comparisons are interesting.

Hon KEN TRAVERS: Alannah still dines out on how successful that was—and gives you credit I might add.

Mr Waldock: Thank you, member. We can easily put a SmartRider system in like the buses tag on, tag off. But we are thinking a little outside the square there. The issue with light rail particularly, because it is more of a mass transport carrier for mass transit; we are looking at having, I guess, the whole idea of tag on, tag off on the stations rather than on the actual vehicle. We think on the vehicle it will just slow it down that little bit more and we really want to move maximum numbers of people. The issue for us will be having significant stations with machines at the stations. It does lead to a bit more of an issue in terms of how we manage the compliance because people can pretend to tag on of course, get on the light rail. So we will need to be very conscious of how we manage the actual non-compliance. It will probably be a whole arrangement with sometimes people on the particular light vehicle—about 300 people, hopefully—to check tickets or maybe have what we call cordon checks at set strategic centres to make sure that when people come off they can demonstrate their smart card has been activated. It leads to some issues and we are working through that as we think about how we go into the market for the actual operator. Mark, you might want to make some comments but that is certainly our position at this stage. It will not be tag on, tag off; it will be facilities at the stations.

Mr Burgess: I think your comments related to on-board ticketing. On the Melbourne trams the machines tend not to work and the only time there was a gathering around them was when the ticket inspector got on the tram.

Mr Waldock: To buy one!

Mr Burgess: Or just be in the line.

Hon KEN TRAVERS: It was people like me trying to read all the instructions. That was lot of, “Oh, after you.”

The CHAIR: I can tell you a lot about that.

Mr Burgess: It is not our intention to have on-board ticketing, as Reece said; our intention is to have it off the vehicle.

The CHAIR: In relation to what Mr Waldock said, as MPs we get a lot of gratuitous advice. Some of it is good advice. I recently received advice from a tram driver in Melbourne, my cousin, who shares the same name as me. He suggested that in any thought process around an operator to operate light rail in Perth, one of the clear fair evasion techniques that can be used would be to make the operator far more responsible for losses caused by any more voluntary system, as you rightly describe it Mr Waldock, than having that risk lie with the taxpayer. I offer that as I thought that was a very thoughtful and proper suggestion from someone who daily witnesses this charade. I think anyone who has been to Melbourne and used their system has witnessed it, unfortunately. I offer that as it was offered to me. I hope you take it on board.

Mr Waldock: Point taken.

Hon JIM CHOWN: Fare evasion on public transport is a cultural issue as well. I do not believe that in this state—certainly not in the metro—that we have a culture of fare evasion. It comes back to how you access the system to pay for your fare. I think we are diametrically opposed to what is

happening in Melbourne. We saw footage this morning of a transit guard jumping on someone under a seat for evading a fair of \$5. I cannot see our system ever going down that track.

The CHAIR: Pathetic. I agree with you.

Hon KEN TRAVERS: I understand you are in the process of going out to tender regarding automated train protection. When was it identified that you needed to look at that automatic train control system for Perth? Has it been long in the planning or is it something that you have more recently decided you need to do?

Mr Burgess: We have a project with a particularly good fellow running it. We know down the track we will have to move from our current radio system to a digital radio system. We know at a point in time we will need to move to the next generation of ATP. Clearly, they are both very significant investments and you need to maximise the current asset, but you need to plan for the future. That is pretty much what that is about. In the same process there is a control system being locked at, particularly for inside the train yard. We do not, effectively, have the same ATP system in the yard and there is discussion about trying to make sure we have some ATP operations or consideration of it in the yards.

Hon KEN TRAVERS: In the tender it was suggesting that by the end of December 2018 you will have it in operation on the lines.

Mr Burgess: That would be an ambitious time frame. In a perfect world you might seek that.

Hon KEN TRAVERS: What is the estimated cost of implementing that system? What are we talking about? I do not need an exact dollar figure, but in terms of magnitude. I know the tender is about the design of it, but what is the magnitude you envisage the cost would be to implement it?

Mr Waldock: We would not want to be too prescriptive on that because it is early days. Certainly 2018 is outside the estimates periods.

Hon KEN TRAVERS: Is that why you choose dates?

Mr Waldock: I think it is fair to say that our ATP, again, is ahead in Australia but it is starting to show a bit of age and getting parts and replacement is becoming not impossible but more difficult. We need to plan for that five years ahead and that is what we are doing. I do not have a number but it is certainly, as I understand it, many millions of dollars and potentially hundreds of millions of dollars.

Hon KEN TRAVERS: Can you, Mr Burgess, give us any clearer idea of the magnitude? Are we talking \$30 million, \$100 million, \$200 million, \$300 million or \$400 million?

Mr Burgess: Digital radio is upwards of \$100 million and, based on benchmarks in other places, an ATP system would be upwards of \$200 million.

Hon KEN TRAVERS: To cover the whole of the existing system. I assume any new work we put in will include the technology that this matches what you will put into the old system. I imagine for instance if you are building an airport line, and if it uses the existing Midland line, you might have to upgrade the Midland line so that that is not the same system operating on that.

Mr Burgess: They are some of the questions we will get out of this sort of work, plus other work we are getting done on this. Do you have to replace all the lines? Can you have a mixed generation? It appears that apparently you may be able to. Can you treat the north-south line, for example, differently from the rest because it has higher speeds. Can you go in a staged process? You are talking such large chunky amounts of taxpayers' money. Are there ways of transitioning through this to make the spend more sensible?

Hon KEN TRAVERS: I assume that part of that is if you do only a mixture, you might not be able to get the full operating benefits out of it until you have converted the whole system. If you have

that mixture you might not be able to get the headways down to the level you would be otherwise hopeful of.

Mr Waldock: It is a bit easier for the time being while we, shortly as us are well aware, will be running B-series on the north–south line exclusively. The more we do that, the more we can perhaps treat them slightly separately in terms of headways, frequency, speed—all the things Mark has just mentioned.

Hon KEN TRAVERS: If you build an airport rail line, you will have a mixture of rail cars on that again, I imagine, because you do not have enough rail cars currently.

Mr Waldock: It is all part of that rich equation.

Hon KEN TRAVERS: Yes. In that regard, you mentioned this morning in transport that now the logical option to service Ellenbrook is a rail line, so, as part of your airport design, are you planning that around the concept of a future Ellenbrook line coming in and sharing that same rail corridor into the city?

Mr Waldock: I think while we are on the record, certainly we have had these discussions before, member, about what the Midland line can comfortably manage. I think at the time we indicated in the order of 16 rail cars per hour is what we believe would provide a reliable service. We can discuss that, but that is still our view and, of course, as we have discussed before, the Midland rail line is working six trains an hour at 10-minute frequencies. The airport railway line will be working on 10-minute frequencies during the peak as well, which brings us up to 12 rail cars an hour. If we want to move into the new world with an Ellenbrook railway line, we would certainly have to consider the implications of the Midland line because that would be moving us up to 18 trains an hour. I think, again, we are on the record as suggesting at 18 trains an hour, we would have to look very carefully at what other improvements need to be done on the Midland line, particularly between, perhaps Bayswater and all the way through to Subiaco, perhaps, even more particularly, the city station, because it will all be about capacity, about loading times and about really getting potentially more space to run another duplicate line.

Hon KEN TRAVERS: I understand all that but my question was: as part of your planning for the airport rail line, are you making sure that you make provision for our future Ellenbrook rail line; is that part of your brief? I assume there could be decisions you take around the airport line that then may limit your capacity for a future Ellenbrook line, yet this morning you made the comment that now the government thinking is that Ellenbrook needs to be serviced by rail rather than road.

Mr Waldock: Yes. To answer your question: no.

Hon KEN TRAVERS: Would it not be prudent to make sure you are including provision for an Ellenbrook line as part of that design project for the airport line?

Mr Waldock: No; because it is very much standalone. It will have to stand on its own business case. At this stage, we do not believe we can do much within the budget. We have certainly not scoped the budget for that.

Hon KEN TRAVERS: I am not so much arguing that you need to spend the money on the Ellenbrook line. I am asking whether you will be making sure you do not take decisions that may make a future Ellenbrook line more expensive or more difficult. You are making provision for it, not necessarily implementing it; you are at least having consideration for that future line as part of your planning of the airport line.

Mr Waldock: I cannot think of anything that would change. Do you have any views on that? I do not quite understand.

Hon KEN TRAVERS: No; if you are saying there will not be any impact between the airport line and the Ellenbrook line—that the interaction between the two will not impact on each other—I welcome your assurance on that basis?

Mr Waldock: Thank you.

Hon KEN TRAVERS: Are you saying you do not see them in any way impacting on each other except on that total capacity on the line. So, how you design where the line comes on at Bayswater will not restrict your capacity to also have a line heading off to Ellenbrook at Tonkin Highway?

Mr Waldock: Thank you for your confidence in my views.

Hon KEN TRAVERS: No; I am glad to hear you are of that view.

In September last year we were advised that the route for the airport rail line had been finalised. Is that still the case or is there a review occurring on the airport rail line route?

[2.15 pm]

Mr Waldock: Certainly the route through the airport is fairly much locked in. As part of the business case, we look at all options, but I think the area we are spending more time on is the issue as it moves off the airport line on the way to Bayswater station —

Mr Burgess: Off the Midland line.

Mr Waldock: Yes; it depends which way you go. From Bayswater station until we hit the airport land, the issue of Tonkin Highway has become a real issue and we are certainly doing some work on that because we still have not made a decision whether we go under or alongside the current bridges there, particularly across the Swan River. There is a lot of work going on now as to whether we continue the underground railway line and keep it in tunnel pretty much all the way to Bayswater, or do we bring it up at the airport and build bridges? Even if we build bridges, which side of the current Tonkin Highway will it go, because we need to plan for Tonkin Highway in the future to be certainly another two lanes—it should be four lanes in each direction. There are a number of things that are occupying our minds in that project, and we will continue to look at those and what is the best value.

Hon KEN TRAVERS: What is the time line for completing that? What is the estimated time line for when a final route will be determined?

Mr Waldock: I said earlier in the previous session that we would be putting a business case to government about late March, so we will be aiming to get some advice —

Hon KEN TRAVERS: But you will need to have finalised the route well before that so you can complete your business case.

Mr Waldock: We are doing an enormous amount of work now, and it is happening very quickly. I think I said earlier that we are playing a little bit of catch-up compared with the MAX project because we started a lot later, but we are confident that we will actually be able to provide it.

Hon KEN TRAVERS: But my question is: when do you need to have the route finalised? I understand that the business case is March next year, but I assume that to allow you to complete the business case you need to have completed the route.

Mr Waldock: We are costing in parallel, but I would say early in the New Year we should have locked in something.

Mr Burgess: But all the routes get developed; that is part of the requirement, particularly if we have to put this to IA, and that is the intention. They want to see all the routes and pros and cons and costings.

Hon KEN TRAVERS: Why would you put it to IA?

Mr Waldock: Why? A number of reasons, but particularly IA takes projects over \$100 million, and our understanding is that projects that have been endorsed by IA do, in fact, get the benefits of some tax concessions, so it will be in the future private sector's interest to be able to avail themselves of that, so it would be very good to get that signed off at the federal level.

Hon KEN TRAVERS: It is only about the tax benefits.

Mr Waldock: That is it.

Hon KEN TRAVERS: You said that the route on airport land is now finalised, so the Perth airport station at the consolidated terminal will be in that car park between the control tower and the current international terminal. That is where the station will be located—in that sort of forecourt area; that is correct, is it?

Mr Waldock: In a general sense, yes, although Mr Burgess has had far more discussion with Perth airport. We are pretty much narrowing it down as to where it would best fit, both for their purposes and, of course, in terms of maximising patronage and allowing some park and ride.

Mr Burgess: That broad description is about right. There is not a pinpoint you would put it on right now, but broadly, you are right in that area.

Hon KEN TRAVERS: It is not a pinpoint anyway, for a railway station, but the general area is between the control tower and the front entrance of the international terminal.

Mr Burgess: I would just say in the general area of the control tower is probably the easiest way to describe it, because there are a couple of options that have been worked out with the airport. It is not locked down.

Hon KEN TRAVERS: But nothing on the other side of the control tower and the international terminal, surely. You want it close to the international terminal, do you not?

Mr Burgess: The aim is to have it very close to the international terminal.

Hon JIM CHOWN: In consideration of future developments out there by the Perth airport. The location of the station will take into consideration the future developments at the airport. By the time the station is established, it should be in very close proximity to both terminals.

Hon KEN TRAVERS: Yes, that is why I am just confirming that it will be between the control tower and the current international terminal, because if it was on the other side of the control tower it would be a long walk to get to that station, would it not? You might have to use an internal movement system.

Mr Waldock: You are quite right, but it is fair to say that the master planning for the Perth airport is still being finalised now we are part of those discussions, and as Mr Chown said, we will all have to make sure that we actually all feel we are getting benefits, but within geography that is quite right.

Hon KEN TRAVERS: If that is the case, if it is between the control tower and the current international terminal, will that not require you to enter into some arrangement with Perth airport early in 2014? Does it not intend to start developing its multistorey car park on that land? If you want to have the station there, you would need to be developing the station as part of that multistorey car park development—is that not correct?

Mr Burgess: The sites that have been looked at, and there have been a number of them at the exact pinpoint location near the control tower, the airport having considered any impediment. In fact, the key issue is to work with them next year on their master plan because they have to produce five-yearly master plans, and they just want it wrapped into that because they have a requirement as the lessee to produce five-yearly master plans and they want to understand exactly how it fits in.

Hon KEN TRAVERS: But their proposal to start developing a multistorey car park will occur before that master planning process.

Mr Waldock: I think that has slipped a little bit because of the consolidation of Qantas coming over, so I think the timing has moved a little bit on that.

Mr Burgess: I cannot comment, but I know the discussions are frequent and thorough and there is no impediment, if you like, to what we want to do.

Hon KEN TRAVERS: Just out of interest, has there been any work either by you or Perth airport around identifying what is the optimum location for a future rail station at that consolidated terminal? Rather than just having this discussion, have there been any formal studies or consultancies undertaken to actually identify where is the optimum location in terms of the future development of that airport?

Mr Waldock: We have got a team under Peter Martinovich's group that has been working with Perth airport. They have looked at both the domestic terminal and the international terminal and they are working through those issues with Perth airport. In fact, we have some meetings coming up next month, so we will certainly be a lot clearer and that is why I do not want to say too much until we have got these plans a little bit clearer. But there is no question that the process is alive and well; in fact, Brad Geatches wrote to me last week wanting to continue those discussions, so they are happening, I can assure you.

Hon KEN TRAVERS: Again, that was not exactly my question. I am not trying to pin you down to the exact precise details; I understand that they are subject to ongoing negotiations. What I asked was: has there been a study or are we going to get a study that will seek to identify, in terms of the total planning of that consolidated terminal, where is an optimum location for a station that meets the future requirements of that area as it grows over the next 20, 30 years. The other day Perth airport was talking about 76 million passengers going through there. To help inform us, is either PTA or Perth airport doing any studies or getting consultants to identify that optimum location?

Mr Waldock: That was part of the reason for writing to Brad Geatches and him coming back. We are in fact working together on defining those issues.

Hon KEN TRAVERS: So that will be an internal exercise? We will not try to get outside consultancies to provide advice on that?

Mr Burgess: There is a very broad amount of work getting done; it is very syndicated. It is a pretty substantial piece of work that will be put to government for a decision, and as part of that, there are considerations of what the value of the station is in a passenger sense to the airport; all of that. There are, without doubt, externals being brought in, but that is ongoing work; I am not aware of anything we have already completed on that. There is ongoing work on it, which will form part of the submission to the government.

Hon KEN TRAVERS: So the location of the station on the old domestic terminal site, the future commercial area, is that fixed now or is it subject to further discussion?

Mr Waldock: No, as I said, that is part of the future discussion. We have pretty much fixed it, but I think we just need to lock it in. We did a number of options including closer to Great Eastern Highway off airport land, but at the end of the day it needs to be on airport land and it needs to be in the right place, so we are still working on that.

Hon KEN TRAVERS: Why does it need to be on airport land?

Mr Waldock: Just for the catchment area; for the catchment area to work, it needs to be on airport land.

Hon KEN TRAVERS: So the catchment is solely commercial rather than any residential?

Mr Waldock: It will be a combination, but it is solely patronage; that is what we are chasing.

Hon KEN TRAVERS: All right. Moving on, the intermodal rail terminal in the Kewdale–Forrestfield area—why has that project been dropped? Was there a technical reason for it to be dropped?

Mr Waldock: We are talking about the shuttle service now, because T1 is the real intermodal terminal.

Hon KEN TRAVERS: As part of the whole Perth urban freight network corridor.

Mr Waldock: The reason that happened is because, as you would be aware, Fremantle Port Authority went out about 12 months ago seeking a shuttle service operator, and as part of those documents we offered up the T2 site as the basis for the shuttle service, plus whatever options they came back with in terms of the preferred site for moving shuttle service product between Forrestfield, Kewdale and the ports. It is fair to say that we did not have any interest from anybody seeking the T2 site; in fact—it is on the record now, of course—the ILS group won the shuttle service and the ILS group already had its own siding in Forrestfield, so that is what is being used. It suited the purposes at the time, and we are very confident of moving freight railway product up from around 13-14 per cent to 30 per cent, so that is what we are pursuing.

Hon KEN TRAVERS: Does that ILS site have the capacity for growth to meet that 30 per cent target?

Mr Waldock: Certainly their view in the early years is yes, and of course we had some area across the road for container storage on our area C site, so we believe that would meet the medium-term needs, yes. The contract only went to 2017–18 anyway.

Hon KEN TRAVERS: Right. So after that we will still need to look at another terminal out there.

Mr Waldock: In some form, yes, but things are changing all the time, as you are probably well aware.

Hon KEN TRAVERS: What work has been done on the connection of the line between Thornlie and the Mandurah line.

Mr Waldock: I think that was a question came up in the earlier session.

Hon KEN TRAVERS: We did not really get into any detail on it and I thought it was more appropriate here.

Mr Waldock: We put it up as part of our future planning; we think that it has got validity, that particular project, in the future. Not necessarily for patronage reasons, although you certainly will get a significant patronage in that Nicholson Road area, but more particularly we think it would be a very good strategic opportunity to close the loop, which means that if there were any issues in terms of Mandurah, particularly between the city and Cockburn Central, we would have another line we could move people in and out of, so it had some attraction for that. Plus it was not an insignificant patronage. The final thing, of course, was that we thought it would have real benefits, potentially in the future, for the stadium project, because it means that people moving on the Mandurah line from the stadium, when the new stadium is built, would be able to go east rather than west. If you think of the new stadium now, it is going to be 83 per cent public transport, and all the people using it will be able to go directly by train without transfer, except the people going south will transfer at Perth.

Hon KEN TRAVERS: I think that first day of operation will be the day that turns us all grey!

Mr Waldock: I do not think I will be in this job at that stage! We are very confident; we have done a lot of work on that and we are very confident that it will work very successfully. Certainly, again, that would have been one of the benefits, but like most things, as we said earlier, it is all about priorities and dollars. It is certainly not an early priority for the government, but it is something that we have done some planning on and I think in years to come it will be closed.

Hon KEN TRAVERS: I am intrigued that you said it is not based on patronage, because I thought there was now a recognition that there is a bit of a hole in the Southern River area immediately

south that is caught between the Mandurah and Armadale lines, and that there is quite a large patronage issue there that could be serviced very well.

Mr Waldock: I suppose we are talking about patronage per dollar, and on patronage per dollar there are probably better projects.

Hon KEN TRAVERS: Like what? What would be the better projects on a patronage per dollar basis?

Mr Waldock: I think MAX; we just talked about the MAX being 75 000 boardings per day in 2020–21.

Hon KEN TRAVERS: Can we go back to the issue we were talking about a bit earlier with the tier 3 rail line? I have the advert here in front of me.

The Liberals have already committed to keeping all Tier 3 lines open until October this year and by that time, there will be a clear picture of the state of the tracks, the volume of grain carried on those lines and the condition of the roads in the area.

The Liberals can then decide which lines need to stay open and will commit to adequate funding to maintain them.

What work has the PTA done to get that clear picture regarding the rail, and what work has the government done to identify the funding that is required to maintain them?

[2.30 pm]

Hon JIM CHOWN: I think our policy was pretty clear at the election. It stated that, once re-elected, a Liberal government would establish which lines were viable and what funding was required to maintain them. As I said previously, both CBH and Brookfield need to get their house in order on that particular matter and to come forward to government with a list, or one or two lines that are deemed commercially viable by them, and then it would be pursued by the government.

Hon KEN TRAVERS: How do they determine what is commercially viable if they do not know what the government's financial contribution will be?

Hon JIM CHOWN: That is a very good question, member, but in reality, at this stage, neither CBA nor Brookfield can decide between themselves which is commercially viable or have put a proposal forward to government.

Hon KEN TRAVERS: How do they put a proposal to government if they do not know the quantum of investment the government will make? Commercial viability will very much depend on money. If you say they have to completely fund the upgrade and maintenance of those tracks out of user fees, that will be a very different commercial question from the government saying it will invest the same money it invested on tier 1 and 2 lines and then it is a question of commercial viability with that investment. I cannot see how Brookfield and CBH will ever be able to reach a conclusion unless they have a clear indication from government on the commitment. Is the government prepared to commit to a similar level of investment on tier 3 lines as it invested in tier 1 and 2 lines and then keep those lines commercially viable after they open?

Hon JIM CHOWN: Obviously, as I said previously, CBH has put an application to the ERA on this matter and some guidance will be taken of those recommendations by the independent authority.

Hon KEN TRAVERS: Fair enough; I am happy to move on.

With PTA's contracts with bus operators who operate on its behalf, is there a requirement regarding the wages they should pay to their drivers in those contracts?

Mr Waldock: There certainly has been. Mark will go into detail on this.

Mr Burgess: Basically, they are required to meet a current industrial relations instrument. I am a little distant from it now, but two of them have always followed a particular award and Swan Transit has its own award.

Hon KEN TRAVERS: I am talking more generally about school bus contractors. My expectation is they still all operate on a fairly similar contractual basis with respect to the passing through of wages.

Mr Burgess: The Perth ones are much more clear, because two of the companies—the member may remember the awards better than I do—are under the Perth bus drivers' award, I think it is called

Hon KEN TRAVERS: It is an EBA in the case of two of them.

Mr Waldock: The issue was that we went to the national indexation many years ago, but now we are back to state indexation.

Mr Burgess: That is right. We have an agreed indexation rate in the contracts and the companies obviously strike their own EBAs with the staff. In the case of Perth, it is fairly straightforward. In the case of school bus contractors and regional town bus contractors, my recollection would be—I could be wrong—it would be typical of what is, I guess, in most normal government contracts, which state, "You must comply with all relevant industrial instruments relative to that profession."

Hon KEN TRAVERS: I thought that in those contracts, often in determining the amount they would get paid, there is a rate that is referred to in a number of the contracts as the R-rate. It is obviously one of those calculations with R being effectively what you are going to give the contractor, and they are able to calculate that and then pass that through to the drivers and not be profiteering out of that component of the contract.

Mr Burgess: The description you have given would certainly fit around the Perth stuff. My recollection is more vague in terms of both school buses and regional town buses.

Mr Waldock: It is less prescriptive, I think.

Hon KEN TRAVERS: I will ask a couple of other questions and then maybe at the end we can take it as a question on notice for you to confirm. The next element is: what work do you do as an agency to ensure that the bus contractors are complying with that requirement of their contracts?

Mr Burgess: In the case of the companies in Perth, we have a pretty close understanding of what they pay their staff. We see those rates and so on. In the case of the regional contractors and the school bus contractors, I think it is probably less rigorous and we would expect if there was an issue surrounding it and someone was being paid below an award arrangement or outside of an award, we would hear something about it. I think we may have had some audits in the past. I am not aware of any recent audits.

Hon KEN TRAVERS: Maybe you can clarify for us and could take on notice the process: first, whether there are clauses in your contracts regarding the pass-through of wages; and, if there is, if you could provide us with that section of the contracts. Second, have you had complaints in the past around compliance with that element and what audits have you then conducted as a result of those complaints? A number of these contractors will have more than one contract, so the third element would be if you get a complaint about bus operator A regarding contract A, do you then go through and say, "Hang on, if they are doing it in contract A, they might be doing it in B, C, D and E", and do you then vet those other contracts? If that is the case, could you give us details of the further investigations you have done. If that is not the case, can you tell us what you have done, and maybe I can suggest to you that where you have had complaints in the past, it would be worth looking at whether they are complying in some other locations. Rather than do it in here, I am happy to talk to you outside about some of those companies rather than naming them on the record today, but if they do not lift their game, I might have to name them at a future date.

The CHAIR: We will record those as B4. Do you have an understanding of what you are being asked?

The Witnesses: Yes.

[Supplementary Information No B4.]

Hon KEN TRAVERS: I wanted to go to question 2 of the questions on notice for today's hearing that related to patronage on all of your lines during that infamous peak of the peak. I note you indicated that the peak of the peak on each of the lines was between 7.30 and 8.00 am, whereas in the past that half-hour peak of the peak, in terms of your planning and everything, will shift from time to time. Is it that you have now consolidated that and you have a standard half-hour peak of the peak, or is it still the case that each line will have its own peak of the peak?

Mr Waldock: I must say, member, that we did not handle this question as well as we did in the previous year. We suspect it was because the question was a little confusing to us, and perhaps we take some responsibility for not being clear in our response.

Hon KEN TRAVERS: Was it your response or was the response you provided changed at some point?

Mr Waldock: No, no.

Hon KEN TRAVERS: We understand some changes were made to answers to some of the questions you provided.

Mr Waldock: I can certainly say no on that. However, Mark wanted to go into some detail on this, if he could.

Mr Burgess: We do not want to share the blame, but your question was much clearer last year!

Hon KEN TRAVERS: In fact, all I did was go through a document you provided and I asked you to go through and provide exactly the same information that was in that document.

Mr Waldock: The questions were different.

Hon KEN TRAVERS: Maybe I should have asked you to give me an identical copy of the document! If I do that in the future, you will give it to me!

Mr Burgess: There is certain mea culpa on us here. As Reece said, because the question was farmed to a couple of different parts of the agency people have interpreted things differently. The 7.30 to 8.30 am period is mentioned in some parts of the question, and some of the alightings relate to that period, which is D, I think; whereas in C and E our train area interpreted it as "When is the highest half hour of capacity going through the station?" As you experienced last year, that was a bit different. It is a bit different this year than it was last year.

Hon KEN TRAVERS: It was 2011.

Mr Burgess: I compliment you on your 2011 question.

Hon KEN TRAVERS: I think the credit is all yours; you produced that for us.

Mr Burgess: As I say, the capacity question varies. Fremantle is a bit earlier in terms of when the most capacity goes through; Joondalup and Mandurah are much closer; and Midland is a little later. Therefore, I have to say you have a gobbledygook answer; in other words. I do not think it is the best answer.

Hon KEN TRAVERS: Can you provide us with a better or corrected answer?

Mr Burgess: I think we can provide you with a better answer.

Hon KEN TRAVERS: Are you able to provide it in the same formula as the document you tabled on 17 October 2011?

Mr Burgess: We think the question you asked on 3 July 2012 was the best one!

Hon KEN TRAVERS: You can give me both.

Mr Burgess: I will have to check the 2011 question, because it might be a duplication.

Hon KEN TRAVERS: We will have to agree to a set standard of question.

Mr Burgess: There are a few tricky bits with this. If we can suggest that the half hour should be an hour. The problem with half-hour data is that a train can come in two minutes before, so an hour will give you a better brush of the capacity issue rather than a half hour. One of the struggles we have is we have this fantastic ticketing system which allows us to do a really great interrogation, but if a train arrived two and three minutes before, people are still coming upstairs and tagging off. So when we interrogate the data, we are getting people off a train that came in just shy of the period. If we can agree to an hour, if that is possible.

Hon KEN TRAVERS: In a sense, it was the PTA that first suggested it did a lot of its modelling on that half-hour peak —

Mr Burgess: We do.

Hon KEN TRAVERS: — because that is what you have to try to manage. If we can continue to get it on that half hour, well and good, but if it gives it better context to then provide it for an hour, I would more than welcome that so it is put into the context of what that means.

Mr Burgess: We might go for one hour, or a half hour and one hour, even though the lines experience slightly different highs and lows —

Hon KEN TRAVERS: I would not mind it for that half hour. It is a bit like your tracking surveys; it is always good to have the figures as they track through to see what is happening in that busiest half hour.

Mr Waldock: One of the issues for us in our assessment of patronage and capacity to 2031 was we realised that in Perth we have the most peaky peak of the peak of most jurisdictions and certainly of most large cities. The future will certainly be for us when we try to manage the constraints in terms of capacity. We are seeing it on the freeway now, so we will see it in public transport. We are getting a broadening of the peaks as people change behaviours to meet capacity. That is smart public transport, because nobody can afford to have all that rolling stock and drivers and all the costs for that very peaky peak.

Hon KEN TRAVERS: It will be interesting to see what introducing paid parking will do to your peak of the peak, when there is no incentive to get there early.

Mr Waldock: It will be interesting, because we have pushed that parking back to 7.00 to 7.15 am.

Hon KEN TRAVERS: One of the incentives is to get a spot but also to get into the free bays.

Mr Waldock: I suspect, with the rates we are charging, we will still see a lot of demand early.

Hon KEN TRAVERS: At the moment there is an incentive to get there early for the free bays but if that suddenly disappears, you might find it is all compacted. If at the moment they all fill up between 7.00 and 7.15, it may change to a peak before 6.30 am.

Mr Waldock: It will be a question for next year.

Hon KEN TRAVERS: I will be interested to see how you manage it. Will you be able to provide us with those as updated tables?

Mr Burgess: Yes. I would not use the data that was given, because it is distorted in that it talks about two different time periods. We will give you much better data.

Hon KEN TRAVERS: I note your caution. The other element of that I found particularly interesting, and almost concerning, was the suggestion you are unable to provide modelling beyond 2016. I would have thought that you would definitely be able to provide it up to 2016 and because we are now getting into that period where the orders for trains beyond 2016 will need to be

submitted fairly soon to get them in time. We would need to know—maybe not to 2031 but for a reasonable period of time beyond 2017 what that modelling is. Why is that not able to be done when, again, in 2011 you were able to provide us with modelling to 2016?

[2.45 pm]

Mr Burgess: I think the issue is that modelling suggests it is a science and the numbers have a degree of absolutism to them and so on. At the moment we are actually going through a lot of refinement of those numbers. There was an article in *The West Australian* not long ago, because we obviously publish our patronage data regularly on our website, indicating that in the first quarter of this financial year we had had some dips in our patronage. That is quite cloudy because we have had two significant shuts from 12 to 17 July and 31 July to 4 August—the two biggest shuts of our train system. We have had a number of other closures associated with PCL. It is quite murky to understand whether we are really in a patronage dip or whether this is associated with all the work we have had on the rail side of the business. The bus side has had some challenges as well in terms of some roadworks issues and so on, but we are watching other indicators and we have met with both WATC and Treasury in terms of trying to understand whether there are, I guess, more general business indicators as to what is happening in the economy and in the community. At the moment we are really doing some catch-up work and trying to refine some of that patronage estimate. You do not want to be putting guesstimates out there in the public domain, because guesstimates do not help anyone, quite frankly; they create concern and alarm about how many buses you might or might not need and when you need infrastructure investment versus a bit more science and rigour, in terms of trying to get the patronage modelling assessments right.

Hon KEN TRAVERS: Maybe the terminology, again, I used was wrong in terms of modelling. I assume you must have figures you are basing your planning on in the same way as that 2011 table we were talking about. At that stage you were using a growth figure of three per cent on the heritage lines and 4.5 per cent growth for certain capital works that would be occurring. Do you have that sort of figure that you are planning and working on for 2016; and do you have a figure beyond 2016 you are using for the purposes of your planning?

Mr Waldock: We have done some growth figures. I guess the reason we have come back, as Mark has just suggested, is there is certainly a softening at the present moment. It is the first softening we have seen for some time. There are lots of reasons. One of the issues with our modelling, and you would be aware, is that we tend to use historical growth data. We then look at all the other public transport measures such as services, frequency, travel times and all the rest, and we know the elasticities of demand on those issues. Historically it has put us in pretty good stead about what sort of patronage we are going to get. What we are not that good at, and we have just picked this up in our licensing area—we are actually now using a very sophisticated economic model, to understand all the inputs as well. What we are using now is just public transport information to drive our patronage estimates and modelling estimates. What we are now trying to understand is what those external factors are bearing on public transport in terms of the economy. So, it is going to be a whole raft of inputs now as well as to what we have done to better understand how we actually pick patronage and clearly model what we need to do in the future. I suppose if we are showing not too much information, because we are actually now reviewing all this and we are slightly concerned that there are economic factors that we need to better understand the future.

Hon KEN TRAVERS: But you still must have a figure that you currently use for planning purposes. Are we able to get that figure?

Mr Waldock: We actually gave you that before, did we not, in terms of general numbers? I thought it was that.

Hon KEN TRAVERS: So they have not changed since that?

Mr Waldock: No.

Mr Burgess: Except subject to the reviews Reece was talking about. They may have been too bullish, because we are now having a softening.

Mr Waldock: It seems like CBD vacancy rates, it is unemployment rates and it is all of those issues.

Hon KEN TRAVERS: So you would be confident that the figures you provided in 2011 for 2016 will not be any higher than that at this point?

Mr Waldock: Yes, that is right. If anything, I think we are bit more nervous that maybe we are a bit bullish.

Hon KEN TRAVERS: Time will tell. The final thing I want to know is why performance standards of the Westnet rail contract, the lease contract for the rail operations, are confidential? Why can they not be made public?

Mr Waldock: Because it is part of the agreement.

Hon KEN TRAVERS: But the agreement clearly says that they can be provided to Parliament.

Mr Waldock: Yes, the minister—you have got that bit of advice.

Hon JIM CHOWN: The minister took legal advice in regard to that particular matter and his legal advice was that due to commercial confidentiality, it would be unwise to table the content of that particular lease agreement. In saying that, the agreement, to a large extent, is available in the public arena and I am sure we can provide the IT address for anybody to look at it.

Hon KEN TRAVERS: I have to say that you have provided a web link to a United States government website. I find it quite extraordinary that you are saying to a parliamentary committee, “We are not going to give you a copy of the contract, but you can go and look on a United States government website”, rather than even provide it to us as a state or put up on your own website the information you are prepared to provide. I must say I was flabbergasted. It surprised me that the PTA would have done that.

Hon JIM CHOWN: I am sure anybody can google a website nowadays; it is no great impost on them to download anything.

Hon KEN TRAVERS: This is a state government lease and you are saying “Go to the US government website; we will not provide a copy to a parliamentary committee.” Think about that. Pretty strange behaviour.

The CHAIR: Just on a broader issue in relation to the sorts of contracts, they always raise consternation in the balance between commercial confidentiality and the public’s desire or right to know these things. Has there been any thought given, when those contracts are renewed, to changing the offending clauses that the minister has received legal advice on, to make sure that this sort of information, that appears both innocuous and relatively non-controversial—if the information itself or the targets are removed from the incentives? Has there been any thought given to changing the contracts?

Mr Burgess: Is a very long-term one, it has 36 years to go.

Mr Waldock: This is 2049.

Hon JIM CHOWN: Might I say, when Labor was in power under various Premiers and when Alannah MacTiernan was the Minister for Transport, they had ample opportunity to table this in Parliament, but that did not happen either. So the Labor minister, I assume, and Hon Ken Travers was her parliamentary secretary, must have contemplated this and decided for the same reason that due to commercial confidentiality it was not appropriate.

The CHAIR: Hon Jim Chown, I accept that executive government has an interest in protecting executive government, but we are a parliamentary committee and that is why we are raising these matters.

Hon KEN TRAVERS: Can I make the point that I was never asked to table it, and if it was, I would have suggested to the minister that we needed to look at that—if I was, I am happy to be corrected. The issue now is that, regarding legal advice about tabling the contract, the real question here is: what is the public interest? I would have thought that the public being able to know what the performance standards are and changes that are being made to those performance standards since the original contract, there is a clear public interest. That is not about legal opinions, that is about a value judgement of the minister, and that is what I am asking. I think there is now a clear public interest. Has consideration been given, not to the legal aspect, but to the public interest test about whether or not those performance standards should now be made public?

Hon JIM CHOWN: That is your opinion and obviously you are allowed to have that.

Hon KEN TRAVERS: I am asking whether or not consideration has been given to that question by the government. I have expressed my opinion, but the question to you is —

Hon JIM CHOWN: The minister considers a lot of things, and it is obvious at this stage in his consideration that he is not prepared to table that in the Parliament, for the reasons already outlined. We can bat this all day, but that is the reality of the situation.

The CHAIR: I have some questions I need to get some answers to; unfortunately we seem to be at an impasse here.

Hon KEN TRAVERS: No, that is fine. I think what we have been invited to do is to use the powers of the committee if we consider that appropriate to secure that contract, if we want it and we finish at that. Is that fair?

The CHAIR: I think we can leave it at that. We will look at the transcript with great interest.

Hon KEN TRAVERS: One final question if that is all right.

The CHAIR: You have been going for one hour and five minutes without interruption.

Hon KEN TRAVERS: I do not know whether it is quite that long, but anyway. The final question I had was relating to airport rail. I understanding from recent question I asked is that you are intending to store the rolling stock for the airport rail at the existing Claisebrook depot—is that correct?

Mr Burgess: No, I am not sure. I cannot remember the parliamentary question, but that would not be the case.

Hon KEN TRAVERS: So where is it your intention to store the rolling stock necessary for the airport rail line?

Mr Waldock: It is a bit of a separate project, but we are looking at a new series of rolling stock in the future. As part of that we are considering multiple options for depots and I am not in a position to talk about those just yet.

Hon KEN TRAVERS: That is fine, but it is not as the Claisebrook depot?

Mr Burgess: That is not the current view, I would have thought, but as Reece said, it is early days and how we would run that operation is still being established.

Mr Waldock: The Claisebrook depot at the present moment, especially when we cascade all the A-series off the north–south line will be, as you know, pretty much full capacity.

Hon KEN TRAVERS: As it was prior to the building of the Nowergup depot when it had the 48 rail cars there.

Mr Waldock: It will be even be more—pretty much full capacity.

Hon KEN TRAVERS: How will it be more? You are still are only going to store the A-series there.

Mr Waldock: Yes, but some of the A-series are stored elsewhere, up north.

Hon KEN TRAVERS: Yes, but prior to the opening of the Nowergup depot, all of the A-series were stored at Claisebrook.

Mr Waldock: Yes.

Mr Burgess: I think you point it out yourself, member, that the rolling stock we will have to procure for the airport line clearly are going to be new trains, and there is a whole range of considerations there. The workshop, the jacks and the lifting jacks are all set up for the A-series, basically. There is a lot of thought to be done about what the trains you will buy and where they would be stored.

Hon KEN TRAVERS: I agree, it is just that I got an answer that suggested that it was going to be at the Claisebrook depot, which I found odd.

The CHAIR: I would like to some questions about an area of interest that I am sure is also an area interest for Hon Ken Travers.

Hon KEN TRAVERS: If it is about public transport, yes!

The CHAIR: It is in relation to the North Metropolitan Region. The proposed multistorey car park at Edgewater, how far away are we from that; and at what stage are we at in the process? Right now short answers would be good.

Mr Waldock: Yes. It is a government priority. Certainly we are very keen see it progress. It is going to be what we call one of our design and construct projects, so we make sure at present moment that we have actually got all the details of our land services and the like—so anybody we award it to. It is on page 32, if you want to have a look at it, Jim.

Hon JIM CHOWN: The completion date for that particular project is towards the end of 2016. It is underway.

The CHAIR: At that proposed car park, I am not sure how far you into the planning stage, obviously, but will there be short-term as well is all-day bays?

Mr Waldock: There may be. It is a really significant conundrum for us how many short-term we put in, because the demands on Park 'n' Ride are so great; it is a balance of what the public policy position is on this. I know people would like to see more short-term, but certainly in terms of the wider —

The CHAIR: I think the term might be “some”!

Mr Waldock: Yes, “some”! I think “some” is the issue, because —

The CHAIR: Some places do not have any.

Mr Waldock: That is true. And of course it is difficult for us because if you look at the externality cost of public transport, we want to keep people off the roads when the peaks are their greatest, which is in the morning peak and the afternoon peak, so we really want to accommodate as much as we can the people who use that, who are often the day riders rather than short-termers who come in off-peak. But we understand that we have to give people choice and we have to give them as much amenity as possible. We will certainly be looking for some short-term, but it is a very difficult policy issue for us.

The CHAIR: Will it include a bike facility?

Mr Waldock: Of course. In fact we have bike facilities being rolled out everywhere at present moment and they are proving popular. I think they are running at about 52 per cent utilisation in shelters and they will be even more popular in times to come.

The CHAIR: Will they always have that public art like at Greenwood with a big bike on top of the shed?

[3.00 pm]

Mr Waldock: Sometimes our public art is not very well appreciated. Cockburn station: nobody appreciates the public art there.

The CHAIR: Maybe you need to provide better quality public art!

Hon KEN TRAVERS: Have you sorted out the technology issues about accessing more than one shelter?

Mr Waldock: The new ones; we are bringing out a whole new SmartRider on that to allow it to happen.

Hon KEN TRAVERS: But the old ones you will not be able to?

Mr Burgess: No, we are. We have done Bull Creek and Fremantle.

Mr Waldock: So we are rolling out.

Mr Burgess: So we will slowly roll it out for the rest.

Mr Waldock: We tried a cheap answer and it did not work.

Hon KEN TRAVERS: Okay. On the issue of Edgewater Station, have you worked out what the annual operating cost of that will be? Does it break even or require a subsidy or make a profit?

Mr Waldock: The annual operating cost? I do not have the figures on that. I think guessing—no, I have not done the numbers. A thousand car bays at \$2, that is \$2 000 a day, six days a week. I do not know. I would have to do my numbers.

Hon KEN TRAVERS: I assume you have done a business case on it, so could we get whether or not it requires an annual ongoing subsidy?

Mr Burgess: We can look at that.

Hon KEN TRAVERS: As supplementary?

The CHAIR: At this late stage we will have to take that on notice. We will take that as a supplementary question.

[*Supplementary Information No B6.*]

The CHAIR: I want to ask a couple of other questions. Butler rail extension, when is that due for completion?

Mr Waldock: It is due at the end of next year but we think it might be a little bit early the way we are going.

The CHAIR: That would be good. I notice that it has hit some milestones recently, which is good. That will include 900-odd car parking bays, is that right?

Mr Waldock: I think that is about right.

Mr Burgess: Yes, 920 or something like that.

The CHAIR: Will they all be \$2 bays or will they be that combination of the free and the \$2 fee?

Mr Burgess: From 1 July next year, in theory, everything is \$2.

The CHAIR: Excellent!

Mr Waldock: So the new rule will be \$2. It will be very equitable for everybody.

The CHAIR: Yes; good!

Hon KEN TRAVERS: Can I quote you on saying “excellent” that they are going to be \$2?

The CHAIR: It is excellent that there is going to be equity. My “excellent” was in relation to the equity issue and the associated timing issues that that creates for people. Will it have any short-term bays?

Mr Waldock: What we have typically done with those short-term bays is we have used the Kiss ‘n’ Ride bays. I think we are allowed to use “Kiss ‘n’ Ride” now, are we not? It was a previous minister who said we were not allowed to use the term “Kiss ‘n’ Ride”. She had a particular —

The CHAIR: All right, yes; we all know what they mean.

Mr Waldock: It was drop-off.

Mr Burgess: It was drop-off. We had to recoin them “drop-off”. So those drop-off bays, if you like, that is where we have the short-term bays. We have those as drop-off for the morning peak. Then they become short-term bays for the middle of the day, if you like, because most of the short-term bays are often used by mature-age people who want to come in and get to a doctor’s appointment and come back by about two o’clock and so on. So, we re-use those bays because, as Reece said, there is a bit of an equity issue there. If someone says, “I want to Park ‘n’ Ride all day”, it is very hard for us to have cordoned off an area saying, “You’re not allowed to Park ‘n’ Ride here all day, mate. This is just for people who want to come later and park in the middle of the day.” So we re-use what are the Kiss ‘n’ Ride bays for the peak; we use them in the middle of the day for short-term parking for people who have middle of the day appointments; and then in the afternoon peak they become Kiss ‘n’ Ride again. So that is the formula we have come up with, and it is probably the one we carry through.

The CHAIR: The input I have had, I have to say, is beyond from people who need medical appointments. Butler in particular is going to be a critical clearing house, if you like, of people who may not consider the Perth CBD as their centre; they consider Joondalup in particular as their centre. So a lot of people may want to park for a few hours and go to Joondalup, do their shopping, entertainment, go to cinemas or whatever and then go back. So it is beyond just people who might want to access the city for a short term, and I hope you take that into account in your planning.

Hon KEN TRAVERS: And there will be an even bigger problem when the lease runs out.

The CHAIR: I am sorry?

Hon KEN TRAVERS: Half the bays at Butler are leased, so we do not actually own them.

The CHAIR: We will deal with that in good time no doubt. Obviously with the extension to Butler, we need rolling stock. How are we going with that?

Mr Waldock: Very well. We have 22 railcars. Two have come through and we are rolling them out until about April 2016. So, every six weeks you will see a brand-new B-series set on the line.

The CHAIR: Are they six-car sets?

Mr Waldock: They are three-car sets but they will move into six.

The CHAIR: With a capacity to become six?

Mr Waldock: They will move into six.

The CHAIR: Okay; excellent.

Mr Waldock: They will all be six-car sets in terms of how we use them.

The CHAIR: Thank you. I do not want to monopolise the time. We are eating into break time now.

Hon ALANNA CLOHESY: I might put most of my questions on notice because of the time. The reason I want to explore this issue further is because I think that the answer to question 5, asked by Hon Ken Travers on notice, is extraordinarily brief and to my mind disrespectful to this process. That is why I will be asking more detailed questions about the Mercedes-Benz OC500LE CNG buses. I would have expected a little bit more detail about that process, which is an incredibly

important process that I think this question requires. So the kinds of things I will be asking about the spontaneous combustion of those buses are about the causes; the number of buses affected; the total fleet; whether they have been taken out of services; what routes were affected; what was the total cost to the PTA; whether that cost is going to be recovered through contract or through legal action; the anticipated cost of any legal action; the cost to passengers and any attempt to rectify that; when was the potential problem known; and when did the first combustion happen and action taken around all of that. As I said, I think this is an inadequate response.

Hon JIM CHOWN: In response, a great deal of this information is not in the annual report.

Hon ALANNA CLOHESY: I actually do have the annual report here and it is not, which is why I am asking.

Hon JIM CHOWN: Yes, and we are more than happy to take that on notice.

Hon KEN TRAVERS: Are you still trying to identify further works to be done on those buses?

Mr Burgess: No. I think, as the answer suggests, we know what the work is that is required.

The CHAIR: Just to clarify, Hon Alanna Clohesy, did you foreshadow questions you will be putting on notice at the end of this hearing?

Hon ALANNA CLOHESY: Correct.

The CHAIR: Or did you want that as supplementary information?

Hon ALANNA CLOHESY: I foreshadowed questions that I will be putting on notice.

The CHAIR: All right. I will allow you to put those on notice at the conclusion of the hearing, as we ordinarily do. I just wanted to check on that.

Hon ALANNA CLOHESY: Thank you.

The CHAIR: Can I just say that we cannot speak for the whole committee because two members are missing, but I also think that the answers to this question may well be accurate and complete, for want of a better word. Even when you flick through the series of answers we receive, I just think the briefness is extraordinary. Someone has gone to extraordinary lengths to be brief when they could have been significantly more cordial. We have had a couple of discussions about the way questions have been answered, so if you could take that feedback on board and communicate it to the officers who in the first instance write the answers, that would be helpful for the committee and for our ongoing cooperation.

Mr Waldock: That is noted.

The CHAIR: Okay, thank you. The committee will forward any additional questions it has to you via the minister in writing in the next couple of days together with the transcript of evidence, which includes the questions that you have taken on notice. The responses to these questions will be requested within 10 working days of receipt of the questions. Should you be unable to meet this due date, please advise the committee in writing as soon as possible before the due date. 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 to the committee clerk at the close of this hearing, and one member has already foreshadowed that they will be doing so. On behalf of the committee, I thank you for your attendance today, and especially those of you who have been here for a significant portion of the day. We will now take a break until 3.30 pm when we will resume with the Department of Training and Workforce Development.

Hearing concluded at 3.07 pm
