

**STANDING COMMITTEE ON ESTIMATES AND
FINANCIAL OPERATIONS**

2013–14 AGENCY ANNUAL REPORT HEARINGS

**TRANSCRIPT OF EVIDENCE
TAKEN AT PERTH
WEDNESDAY, 10 DECEMBER 2014**

**SESSION ONE
PUBLIC TRANSPORT AUTHORITY**

Members

**Hon Ken Travers (Chair)
Hon Peter Katsambanis (Deputy Chair)
Hon Martin Aldridge
Hon Alanna Clohesy
Hon Rick Mazza**

Hearing commenced at 9.32 am

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

The Witnesses: Yes.

The DEPUTY 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 a 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.

Do any of the witnesses wish to provide an opening statement?

Hon JIM CHOWN: Not at this stage.

The DEPUTY CHAIR: I will now open it up to members of the committee for questions.

Hon KEN TRAVERS: Thank you. Can you tell us where MAX is up to?

Hon JIM CHOWN: I am sure the member is aware that it has been put back to at least 2017, with a contract to be awarded in 2019, and hopefully it will be up and running by 2022.

Hon KEN TRAVERS: That is it?

Hon JIM CHOWN: That is it, yes.

Hon KEN TRAVERS: Have we completed the investigation, planning and project development for the project yet?

Hon JIM CHOWN: The report has been done and it is under consideration by cabinet.

Hon KEN TRAVERS: Has the legislation been completed to enable the construction and operation of it?

Hon JIM CHOWN: That will be, following cabinet approval.

Hon KEN TRAVERS: Was that not due to be completed by 2014?

Hon JIM CHOWN: The legislation required is being held back until final cabinet approval comes through.

Hon KEN TRAVERS: According to the website, it says that was due to be completed by the end of 2014; so it is not going to be completed by that time?

Hon JIM CHOWN: Not at this stage, no.

Hon KEN TRAVERS: So what is the hold up?

Hon JIM CHOWN: I have already said, it depended on cabinet approval, and that process is underway. The legislation will not be drawn up until that takes place.

Hon KEN TRAVERS: Right.

Hon JIM CHOWN: Which is a fairly normal process.

Hon KEN TRAVERS: But there is all these —

Hon JIM CHOWN: Why would you be drawing up legislation prior to the cabinet approving?

Hon KEN TRAVERS: I do not know! I am just going by your website, Mr Chown. I would assume that your website would be accurate, that is all. Clearly it is not. All the Bigger Picture adverts say that the plan is coming together and includes MAX on it. That is taking a bit longer to come together, is it?

Hon JIM CHOWN: Yes, but they are still coming together.

Hon KEN TRAVERS: Right. In answer to a parliamentary question on 21 October, the department advised that route options for a railway from the CBD through the northern central suburban corridor have been considered as part of long-term future planning. Can you explain to us what that means? Mr Waldock could answer himself.

The DEPUTY CHAIR: We will leave it up to the parliamentary secretary and the director general to determine that.

Mr Waldock: It is very early days, but as part of our consideration of a city of 3.5 million people, we are looking at not just a part of wider government consideration, of course, future planning and environment; we are also putting together how we believe the city will work in terms of transport, road and rail, and some of those early considerations will be looking at the railway, as you have just raised, member.

Hon KEN TRAVERS: That is why I am asking, though: what is that railway through the north-central corridor? What are we talking about?

Mr Waldock: We have done some butcher paper-type exercises and we have done some early planning exercises, but we do not believe we will be in a position to even put it to government for at least 12 months, so it is very early consideration in terms of what routes we could look at for heavy rail to the north, to the north-east of the north, picking up such places as Morley and future growth areas, and potentially bringing it back to meet the northern line. But, again, we could talk about this, but there needs to be a lot more work done in terms of modelling and better understanding just how the urban settlement patterns are going and how we would meet those requirements.

Hon KEN TRAVERS: I am confused, though. Where does this line on butcher's paper start and conclude?

Mr Waldock: I am very nervous—and Mark Burgess has been closer to it than I have—but I am very nervous about giving any detailed information, because, as I say, it is very preliminary planning and I think that the last thing we want to do is create expectations or issues that we are just not confident at the present moment of presenting. It is early days.

Hon KEN TRAVERS: But, I mean, we have had a draft master plan now for three years, five months and, I think, we are just 25-odd days away since the draft was released. Surely, it must have been that if you are looking at a further option for a rail line into the north-central corridor, surely that would have been done as the overarching planning?

[9.40 am]

Mr Waldock: No, not at all. The “Directions 2031”, our public transport plan that—and you have seen it; you mentioned the draft that sits alongside that—that was when we had a population of 2.7 million people, so that takes us out to 2031. What we are talking about in 3.5 million people is in the order of 2046 to 2050, so we are going out a very substantially longer period, because that is what we think we need to do in planning terms, given the time it takes to put together a major structure. So we will be presenting in due course a plan for transport, not for 2.7 million, which is the 2031 plan; we will be presenting a 3.5 million city plan.

Hon KEN TRAVERS: Would a railway line coming out of the city, heading into the north-central corridor and, I think you mentioned, picking up Morley, not start to pick up from the catchment off the MAX light rail?

Mr Waldock: Again, this is what is very dangerous. We do not think so. What we are talking about is far greater regional significance, and MAX is not actually in that corridor. That is why it is very dangerous getting into these discussions. But what our work to date would show is there would be very little competition for that particular route, and it is a different type of system, and it is certainly a system that is based on bringing people in from further afield than where Mirrabooka would start and finish.

Hon KEN TRAVERS: Sorry, where —

Mr Waldock: Sorry, if I can just say that 2031 is what we are doing there, and we have already indicated—we talked about the airport, we talked about MAX previously—but there will not be any more rail capacity required to get us to 2031, we believe. So when we talk about 2031, 2.7 million people, we can do that based on the projects the government has already announced. When we talk about 3.5 million people, that is a paramount change, and that is why we were doing this significant planning work over the next 12 months, and it would be inappropriate to say any more on that at the present moment.

Hon KEN TRAVERS: So in terms of the design of the Tonkin Highway bridges, is that making provision for a rail corridor?

Mr Waldock: Yes, it does.

Hon KEN TRAVERS: At all the bridges?

Mr Waldock: Yes, it will.

Hon KEN TRAVERS: Does it make provision—at the intersection of Tonkin and Reid, what provision is it making for rail capacity?

Mr Waldock: Do you want to say anything, Mark? We have certainly been working very closely with Main Roads, but of course this is why we are making provision for all these things; the details of how it might work for rail in future are still to be determined.

Mr Burgess: Yes.

Hon KEN TRAVERS: So what is being provided for? Those designs are happening now, so what is being provided for at Tonkin and Reid?

Mr Waldock: Those designs will allow a per-way for a rail system if required. They are wide enough to allow per-way for a rail system if and when required.

Hon KEN TRAVERS: In what direction, though, at Tonkin–Reid?

Mr Waldock: Along Tonkin Highway, the work we are doing, of course, as well is looking at further, potentially going out further north along the Perth–Darwin highway. But again, what we are doing is giving reservation space for options, but I do not want to go into too much detail because the more detail I go into that will become a statement of what we are doing and I think it is too early to talk about what we are doing. What I am talking about now are our considerations for the future, but we are leaving options available for the future.

Hon KEN TRAVERS: So how will those complete—the option up Tonkin Highway—with this underground rail?

Mr Waldock: I do not wish to go any further on this because I think it is speculative, it is too early and I would rather not pursue it any further.

[9.45 am]

Hon KEN TRAVERS: All right.

Going back to MAX, when can we expect that all the things that are listed on your website for completion by 2014 will be completed?

Hon JIM CHOWN: Following consideration by the government. There is no set —

Hon KEN TRAVERS: So the government has no idea how long it is going to take them to consider it. Is the minister too distracted at the moment or something?

Hon JIM CHOWN: No, that is not correct.

Hon KEN TRAVERS: Well you know, you should be able to give us some idea about, it is one of your signature projects that was promised at the last election, a time frame for when you expect to have the legislation, the investigation planning and project development completed. It is on the website; you were able to give a date that it would be done by the end of 2014. Why cannot you give that date now?

Hon JIM CHOWN: It is anticipated that tenders will be called for 2017, and I have already stated that it will be considered by cabinet and then the required legislation will be drawn up.

Hon KEN TRAVERS: When will tenders be let?

Hon JIM CHOWN: It is anticipated that tenders will be called for by 2017.

Hon KEN TRAVERS: Do you need to have all that other work done?

Hon JIM CHOWN: What; the legislative requirements et cetera?

Hon KEN TRAVERS: Yes.

Hon JIM CHOWN: Well, I would assume so, by the time the contracts are drawn up by 2019, yes. There is plenty of time for that.

Hon KEN TRAVERS: But the work on the legislation has not commenced yet.

Hon JIM CHOWN: Not to my knowledge, no

Hon KEN TRAVERS: What about your advisers?

Mr Waldock: We have done some early drafting, but it has not been put to cabinet. It will await the decision by cabinet on the PDP.

Hon KEN TRAVERS: The work that has been completed, is that for the whole of the MAX light rail or just the northern section?

Hon JIM CHOWN: The whole of it.

Hon KEN TRAVERS: Right. Is it still the intention to complete 22 kilometres?

Hon JIM CHOWN: At this stage, yes.

Hon KEN TRAVERS: All right.

I turn to the airport rail line for a moment. Who conducted the passenger modelling for the airport rail line?

Mr Burgess: There was an amount of modelling obviously done internally and as well as external work, but I cannot remember the name of the contractor; Reece, unless you can?

Mr Waldock: It has been subject to parliamentary questions. It was done by—it was the company Graham Holden used to work for. It might have been Aurecon. There had been a significant amount of work previously, but we also had PricewaterhouseCoopers do some significant work to validate particularly the consolidated airport. I think that work, as I say, picked up on previous work and made some minor changes, but fundamentally validated the previous modelling. Do you have more information?

Mr Burgess: The name Aurecon—I mean, there are only a certain number of firms in town that do that sort of work whether it is Aurecon or Sinclair Knight Merz. There are only a few players in town that do that work. The name that comes to mind is Aurecon, but I could be wrong.

Mr Waldock: If I just pick up on the modelling though, certainly we are very comfortable with the work on the modelling we picked up for Forrestfield and Airport West. We use the strategic modelling for that. We are comfortable with the numbers and, of course, you are aware that the numbers are around about 3 000 all day boardings at Forrestfield and slightly above, slightly under 2 000 boardings a day at Airport West. Sorry, I will start again; Forrestfield is 5 000, Airport West is 2 000 and the consolidated is 3 000 under. As I say, we are very comfortable with those modelling projections.

Hon KEN TRAVERS: What by population was the catchment on which those modellings were based?

Mr Waldock: Certainly the Forrestfield one was based on normal business as usual but, of course, what we are always looking at which we think will improve is significant change of both land uses and densities around that Forrestfield area particularly as we move out to Roe Highway. We have probably taken a conservative approach to the modelling because it was business as usual, more normal build out, but we think it will be far better.

Hon KEN TRAVERS: Sorry, when you say “we move out to Roe Highway”, what do you mean by that?

Mr Waldock: There is a fair bit of work going on now in the Department of Planning looking at opportunities for densification through that area in due course.

Hon KEN TRAVERS: So between the proposed Forrestfield station and the existing Roe Highway?

Mr Waldock: That is it.

Hon KEN TRAVERS: So are we talking about the High Wycombe area?

Mr Waldock: We are talking partly that. There has been some concept plans developed. The new Kalamunda–Belmont local government is working with the Department of Planning on that. I would rather they explain in more detail, but what I am saying is that there is certainly some positive sense that they do see real opportunities for improving some of the densities in that corridor

Hon KEN TRAVERS: Is not the land immediately to the east and south of Forrestfield station proposed to be rezoned as part of “The Economic and Employment Lands Strategy: non-heavy industrial: Perth metropolitan and Peel regions” to industrial uses over the non-heavy industry industrial commercial land over the next—well in the case of the pocket immediately south and east and the bit that goes slightly north of that, one in the next four years and the other in the next four to 10 years?

Mr Waldock: Yes. Again, the Department of Planning has had discussions with industry, including the Freight and Logistics Council and there is certainly significant opportunity especially along Roe Highway and Berkshire Road to in fact maintain a significant industrial estate. But certainly there is also an opportunity on the other side to look at some high density residential. We think we can actually bring all good things together if it is well planned and well managed.

Hon KEN TRAVERS: So you will have an area of high density housing surrounded by industrial?

Mr Waldock: Not surrounded by; on one side with good buffers—good planning with good planning outcomes.

Hon KEN TRAVERS: Looking at the map here, I am not sure I can see how you can have the areas immediately surrounding the station all proposed to be rezoned to industrial all the way out to Roe Highway. I am not sure how you get that without taking up most of the land as buffer zone.

Mr Waldock: Perhaps it is best, there is a concept plan being developed, if we could wait. I am happy to take that on notice and provide that in due course

Hon KEN TRAVERS: How is a decision made on a railway line without these things being done in advance of making the decision?

Mr Waldock: Well, if I can go back in history when we did the Mandurah railway line, I think that a lot of the urban planning issues had never been thought through. In fact, we retrofitted most of the better urban outcomes post the decision to build the rail line. In this case, I think we are doing a lot more. We are actually working both in Airport West and certainly in Forrestfield to try to make sure we get a really good long-term outcome that meets both commuter demands in the future, but also the opportunity to make those stations as best we can with the constraints we have got into TOD-type stations. We are doing pretty well in this space compared with some earlier history.

Hon KEN TRAVERS: I think there is a big difference between putting a railway line down through an area that is zoned urban and then planning how you increase the density around the station—although I note that the WAPC has withdrawn the increase of density around your Wandi North station, if you want to talk about good planning, Mr Waldock—and putting a station into an area that is proposed to be rezoned industrial.

Mr Waldock: I think we will manage those outcomes in a—I think one thing we have learnt in the throes of finalising a metropolitan freight plan for the state, and I think one thing we have learnt over the past is that we have got to protect key freight corridors, and that is very true, so your point is well made in terms of we need to make sure that whenever we do developments we protect long-term strategic freight whether it is on a freeway but more importantly on railways. In this case, we will not see any urban development within half a kilometre of that particular terminal.

Hon KEN TRAVERS: Which terminal?

Mr Waldock: The Forrestfield terminal, where Forrestfield is.

Hon KEN TRAVERS: We will not see what?

Mr Waldock: Urban development within half a kilometre.

Hon KEN TRAVERS: We will not see it?

Mr Waldock: We will not see urban development within half a kilometre.

Hon KEN TRAVERS: Within half a kilometre of the proposed Forrestfield station?

Mr Waldock: Yes, that is what I said.

Hon KEN TRAVERS: Why would you not put the station in an area where you could have urban development around it? You just talked about TODs and you now have me completely confused.

Mr Waldock: What I am suggesting is that we are planning as best we can to protect Forrestfield, which is one of the key strategic intermodal terminals we have. We do not want to see the issues we

have had in terms of vibration and noise and all the rest affecting the community. We will try to get high density, but we will get a decent buffer away from noise and that buffer is in the order of half a kilometre.

Hon KEN TRAVERS: So the nearest house to the Forrestfield station that you are staying will have a TOD around, the TOD will not start until beyond the standard pedshed for a train station.

Mr Waldock: The standard pedshed is 800 metres.

Hon KEN TRAVERS: Four hundred for walking—800 is the high density and 400 for the medium density is my recollection of every TOD that I have talked about.

Mr Waldock: We talk 800 metres —

Hon KEN TRAVERS: Yes; but at the lower densities. The high density is out to 400.

Mr Waldock: It depends on what you call low and high densities and we could talk about our factors. Let me just finish; as I say, this is a difficult station in terms of meeting all needs. It will be a catchment station for all of the hills and valley areas. It will have 2 500 car bays, so you can see it will try to do many things. It is trying to protect the industrial core and it is trying to be of enormous benefit to keep people off the congested roads leading to the city as they all take comfortable fast railway transport. At the same time, we are looking for opportunities to also invigorate the area in terms of urban development with high density. It is a balance, but I think we are pretty much managing that.

Hon KEN TRAVERS: You say that they are all travelling into the city. Are we expecting to see the people who live in that corridor sell up and swap with people who work in the city? The travel-to-work data suggest that they less likelihood of travelling to the CBD than say Ellenbrook; they travel to Canning Vale and to the City of Swan.

Mr Waldock: I have already given you the patronage estimates, which are very high—5 000—and that will grow very quickly, so by 2031 that figure will have increased significantly. You would have to say it is strong patronage.

Hon KEN TRAVERS: With all due respect, that is why I am asking about this. Is there a document in which those patronage figures are contained?

Mr Waldock: I think that that document is under consideration—it is still within the cabinet process.

Hon KEN TRAVERS: Surely if you are so proud of it, you would ask cabinet to release it so that people can see what a good job you have done on predicting these patronage figures.

Mr Waldock: I think that is a government decision, it is not my decision.

Hon KEN TRAVERS: Can we ask for that document to be provided to the committee?

The DEPUTY CHAIR: We will give that A1.

[Supplementary Information No A1.]

Hon KEN TRAVERS: What I would like you to do now is explain to me why, with a population in Ellenbrook that is significantly higher, you expect to have a lower daily patronage than the area that services the Forrestfield station.

Mr Waldock: I think that the work in Ellenbrook—Mark, would you like to respond to the work in Ellenbrook?

Hon KEN TRAVERS: I am asking for a comparative as to why the Forrestfield station has significantly higher patronage but a lower population than what you are predicting on the Ellenbrook line.

Mr Burgess: Obviously on the Ellenbrook line the PTA has found the justification within the next 20 years for a line out there. A feasibility study was carried out and —

Hon KEN TRAVERS: I am asking for someone to explain to me what underlying factors have caused you to arrive at a higher patronage level for a significant lower population figure. What are factors that cause you have to a higher patronage at Forrestfield?

[10.00 am]

Mr Waldock: Perhaps I can go first. As we explained earlier, we believe the Forrestfield–Airport Link and Forrestfield station will be a catchment area for the whole entire hills and foothills. What we are talking about with Ellenbrook, one, you are quite right, they have got various widely-spread destinations. Perhaps rather than debate it, what if we come back with what we can in terms of giving some consideration to why we believe patronage is lower in Ellenbrook on the railway line. When I say “lower”—let me just pick it up—we always said Ellenbrook, and it was early pre-feasibility, but we said it was about 10 000 boardings a day, but that is well and truly short of that line of 20 000 boardings a day.

Hon KEN TRAVERS: You actually said about eight, originally, and then you increased it by about —

Mr Waldock: No, we said eight as B18.

The DEPUTY CHAIR: Can I just hold you up there; are you offering to provide something on notice?

Mr Waldock: We will take it on notice to look at how we might respond and ease the member’s concerns regarding patronage differentials.

The DEPUTY CHAIR: We will call that A2 and, again, we will see what comes back.

[*Supplementary Information No A2.*]

Hon KEN TRAVERS: When I have asked about the catchment before, you have told me, or the parliamentary secretary has, and I am sure on your advice, that the catchment is, as outlined in the flimsy of the PDP that you produced that shows a map of that area. When you look at the population of that area, it is basically the Shire of Kalamunda, and the population of the Shire of Kalamunda is below 60 000, and will be in 2031. I think everyone accepts that Ellenbrook will be in that corridor well over 120 000.

Mr Waldock: All I can say is that we are building 2 500 car bays because we think we will fill those, and that will be for people coming from the hinterland.

Mr Burgess: One of the considerations also is the nature of the line. It is a line that will pick up a future business park—what we know as the domestic terminal now—or, shy of that, which has a chance for a residential development, and we are working with Belmont on that—I think it is called the DO6 area. So there is a residential area opportunity around that Belmont Park station or airport west, whatever name you wish to use. There is a chance for the business park, so that station has a double driver, if you like. There is then the airport station and a lot of people in Perth are clearly very excited about a train station at a consolidated airport, and then you have Forrestfield on top of that again. When we look at Ellenbrook, those same series of opportunities do not present themselves.

Hon KEN TRAVERS: Yes, and I am trying to understand why you suddenly get significantly higher figures for Forrestfield than you do for Ellenbrook.

Mr Burgess: Your questioning is more about the Ellenbrook station specifically versus Forrestfield.

Hon KEN TRAVERS: Well, how twice the population can produce half the number of boardings, and the factors that create that differential. I am talking about the Forrestfield station. I am not even

going to get into a debate about the number of boardings at Airport West or the Consolidated Airport stations.

Mr Waldock: As I say, we will take that on notice and give you some more advice.

Hon KEN TRAVERS: You have had valuations done on a range of properties in Sultana Road, Ibis Place, and I think there is a third street as well. Are you able to tell us why you got those valuations done? It is Milner Road as well.

Mr Waldock: Not at all. Can you just explain that a little more?

Hon KEN TRAVERS: My understanding is that you have had Colliers International do a valuation on a property in Sultana Road and six other properties. You have had Garmony Property Consultants do one on a property in Milner Road, and McGees do one on a couple of properties in Sultana Road and a property in Ibis Place, and you have had MMJ Real Estate do a valuation on a property in Ibis Place.

The DEPUTY CHAIR: Perhaps the member might provide the suburbs.

Hon KEN TRAVERS: They are all in High Wycombe.

Mr Burgess: Near the Forrestfield station?

Hon KEN TRAVERS: In from the Forrestfield station. Milner Road is close to the Forrestfield station—slightly north-west of Milner Road is the station. I have not named the exact addresses in the hearings, but they start to move away from the Forrestfield railway station.

Mr Burgess: It could be for a range of reasons. I am not sure what the reasons were. If it was on properties immediately adjacent to the site, it would be fairly obvious why we might have the need to take some properties, and I think that the people who own those properties have been made well aware of that. In other cases, we have gone into people's properties with authority, obviously, to do geotech work—to do core drilling and so on. It could be a range of different reasons why we have done that, and generally property condition reports are done as well to make sure that if there is a claim that damage is done that we have that pre and post-condition report. It may well just be us trying to understand the movement of value in properties as the train station becomes apparent. That could be a reason as well, but we can give the exact reason—perhaps if the member can supply the addresses on the quiet to us we can tell you exactly why we would have got those valuations.

Hon KEN TRAVERS: Are you looking to purchase any properties in the vicinity of the station?

Mr Burgess: The only properties we would be looking at is where we are going to have an impact for works. The tunnel boring machines, for example, come in at that end. They would be properties immediately adjacent to the station location where we actually need to start construction. It would really only be for construction purposes.

Mr Waldock: But it will be a large area. We will be doing all our tunnelling and there will be two tunnelling machines all being fed through the Forrestfield end, so we will be taking a large area as a construction site as we move many millions of tonnes of soil. As well as that, of course, that area could potentially be a future car park.

Hon KEN TRAVERS: Just changing the subject completely, when the carbon tax came in, did you increase the standard two-zone fare by 10c to accommodate the carbon tax?

Mr Burgess: My recollection is, yes, member; that is correct.

Hon KEN TRAVERS: So why have we not reduced the standard two-zone fare by 10c now that the carbon tax has been removed?

Mr Burgess: None of this is pure science. It is complicated. At the end of the day, a few things need to be understood as the premise to start with. Most people are aware that on average we get about a 30 per cent cost recovery, so 70c in every dollar is part of the appropriation from

government to run public transport and that is on an operating cost basis. It is slightly worse if you throw in total cost in terms of paying off our mortgage. I guess at any point in time it is interesting that a government can make decisions to either increase fares at the rate of CPI, or increase the fares beyond CPI, depending on its policy setting for public transport fares and how much it seeks to recover. Having been here for 17 or 18 years, I have experienced every one of those across a broad range of governments that were there—the frozen fares, move with CPI or move beyond CPI if a particular fares policy setting was in vogue at the time.

When the carbon tax came in—I reformed myself on this just the other day; I watched some old ABC YouTube moments about the carbon tax in July 2012—it is fair to say there was still a fair degree of uncertainty, even when the carbon tax was being implemented, as to what the exact cost impost would be on the community. A range of views were expressed, and they are expressed in various media reports that you can still download, suffice to say that it applied to organisations that produced more than 25 000 tonnes of carbon a year, and the various media reports that I looked at said that it will apply to 300 to 500 businesses across Australia, mainly power producers and mining companies, at a cost of \$23 a tonne. Against all of that background, as I was saying, even when it was implemented, when you look at the facts around at the time, it was still a little bit vague as to exactly what the cost impost would be. But we had work done at the time, because Treasury asked for that work to be done across all agencies, as I recall, on the impact of the carbon tax. We were asked to do that work and we did it. We had one of the big four accounting firms—our accounting firm that is contracted to us—review the work and, at a broad level, the cost impost was assessed to be \$2 million. That was primarily related to our train business where we obviously draw a lot of power to run the trains, and a fair bit of power to also run the stations and lighting and so on. We found it quite difficult to get down into the rats and mice of the impact on our Transperth bus business and Transwa, which is largely a diesel-fuelled business. Based on that, our assessment was, and KPMG supported it, that we needed to recover an extra \$2 million from fare revenue. That was basically what needed to be recovered. When we applied that at the time—and you get into all sorts of complexities—our fare increments only go up in 10c lumps, which is to do with what you can reasonably expect a bus driver to exchange in terms of cash—we do not have 1c and 2c pieces anymore, thank goodness, but we do not want to get down to 5c because it is hard enough to do a cash transaction on a bus now. Added to that, our ticket machines typically only have the 10c increments, which is the base value. So, all our fares increases have to be by 10c. When you have particularly low fares, such as a lot of the concession fares starting around a dollar, if you apply CPI of 2.4 per cent or whatever it might be, and if you apply that purely every year, you would never get a fare increase. So what we aim to do is —

Hon KEN TRAVERS: Well if you were to accumulate it over a couple of years —

Mr Burgess: That is what we do, typically. What throws that out occasionally is a new direction which might occur from various governments at points in time of, “No, we want to increase the rate of cost recovery so it is going to be this much this year, regardless of the accumulated CPI.” So every so often the ledger gets squashed and the rolling program starts again. When we applied it at the time to try to get \$2 million extra revenue, because that was assessed to be the cost impost of the carbon tax, you got the increases in the, as you mentioned, the two-zones fare that was in there was well.

Hon KEN TRAVERS: But in that year you had an increase in the CPI of 10c on a two-zone fare, which was a rounding up —

Mr Burgess: Yes, we did.

Hon KEN TRAVERS: That is what was announced in the budget, and then you came back on 1 July and you increased it by an additional 10c, and if you had combined both the GST and the CPI as one figure, you still would have only got 10c in that year. So you put on an extra 10c. We then come to the point where the carbon tax goes and you do not reduce zone two fares by 10c, but from

what I heard you say earlier, what you are saying is that the government took the opportunity to keep that fare on as part of the balancing out of the consumer's contribution towards the cost of the system.

Mr Burgess: In fairness, the government probably had a little bit to do with it. It was us working with Treasury. Essentially, we —

Hon KEN TRAVERS: What, are you not all government?

Mr Burgess: I just assume when you say “government”, you might mean political direction.

Hon KEN TRAVERS: Surely they do not let you run amok on your own do they? Especially Treasury!

Mr Waldock: I think the PTA are difficult!

Mr Burgess: I think with things like fares, governments of all persuasions over the years—my experience has been—we put up fare proposals and often they see the logic of it. We had a \$2 million cost impost, which we applied at that point in time, and we worked out we could get the \$2 million. When we had to take the \$2 million off two years later, when we applied it, had we taken the 10c off the two-zone standard fare, we would have lost a lot more than \$2 million. Why is that? Because of changes in patronage and changes in zonal distribution and so on over a period of time, take-ups of free travel and all sorts of the other things. Many, many factors come into play but the bottom line is that it was a pure arithmetic exercise and we would not have achieved the aim, which was to balance out the carbon tax cost impost, and then remove it. We would not have on achieved that aim. We would have basically shot ourselves in the foot. Money we do not have—if we added several hundred thousand dollars more in terms of a fare reduction, at the end of the day that is just money we do not have to spend on public transport. We do not have a magic account somewhere that we can draw that \$200 000 or \$300 000 from. It is just money we do not have to spend on public transport.

[10.15 am]

Hon KEN TRAVERS: I understand government has to make a decision every year about how much it recoups in fares, but we were told that when the carbon tax came off, the fare increases would be passed back to people.

Mr Burgess: From those zonal fares they were, as you know.

Hon KEN TRAVERS: For zones 1 and 2 they were not. In terms of the standard fare almost \$28 million of your 42 million boardings are zone 1 and 2.

Mr Burgess: What is your 42 million, sorry?

Hon KEN TRAVERS: Of your standard boardings in both cash and SmartRider, about \$12 million in zone 1, \$15.8 million in zone 2 out of 42.3 million boardings in terms of the standard. The vast majority of your passengers, even though they got a fare increase because of the GST, did not get a fare reduction when the GST was taken off. All you have done is used that opportunity to increase fares.

Mr Burgess: We have not. As I say, we may have increased fares. That is a pure exercise in history. But what we have done is take the \$2 million off. When the carbon tax came in, we had to recover \$2 million because that was the assessed cost of the carbon tax. The carbon tax taken out two years later—we took off \$2 million. For a range of reasons and contributing factors that I mentioned before, the same fares—we have got nine zones, a standard and a concession rate for each one. We have got 18 fare types and then you have got students on top of that. When you mixed it across all of that mix—clearly, over the two years that changes a bit.

Hon KEN TRAVERS: When you put it up by 10c on 1 July, did you collect \$2 million or did you collect more than \$2 million?

Mr Burgess: I do not think we ever went back and checked, as I recall.

Hon KEN TRAVERS: I suspect, if you put a 10c increase on zone 2 and in some of the higher zones I think it went up to 30c, that you would have collected significantly more than \$2 million at the time of the—that might be where you did your scalping or you took the opportunity to increase fares when it was not actually due to the GST. You increased fares to collect significantly more revenue than you needed to cover the cost of the GST.

Mr Burgess: I guess what I would say is our cost recovery position has not improved. We are still hovering around exactly the same rate. I am not sure you can use terms like scalping because scalping would suggest we are making some outrageous profit.

Hon KEN TRAVERS: My view is that if you want increase your rates because you want to improve the collection that you make from fares —

Hon JIM CHOWN: Are you talking about GST or carbon tax?

Hon KEN TRAVERS: Sorry, the carbon tax. If you want to increase your fares to increase the share the passenger pays, so your cost recovery, then that is a decision you can make and you should go out there and tell the public that you are doing that. You should not try to hide behind the carbon tax and say it is going up because of the carbon tax when, in fact, you clearly were collecting more than the carbon tax required you to, but then when you take them off, all you take off is the bit that you claim was the cost of the carbon tax.

Mr Burgess: As I said, none of it is a pure science. At the end of the day, when you can only go up by 10c lumps and you have got large numbers of people in particular zones, standard 1 zone, standard 2 zone, concession 1 zone—you cannot reduce the fare by 4.2c or 6.1c. If it has got to be standard 10c lumps, you are never going to get the pure answer that you are after. What we have tried to do and what we have endeavoured to do and I think what we have done is we had a \$2 million assessed cost impost, independently verified when the carbon tax came in. We then went through the fares—how can we take that \$2 million off two years later? Again, it was independently assessed because we wanted it done fairly. I know you asked the question in the house, as I recall, as to whether the ACCC were aware of that. Yes, they were. They understood what happened.

Hon KEN TRAVERS: I am intrigued to know what you actually provided to them, though.

Mr Waldock: Perhaps I am missing something. As I understand it, the \$2 million was equal to 1.5 per cent.

Mr Burgess: Approximately.

Mr Waldock: At the time of the 2012–13, we actually put the 1.5 per cent together with the 2.8 per cent CPI.

Hon KEN TRAVERS: No, you did not. You did them as separate increases. You had an increase announced in the budget and you then did a separate increase on 1 July.

Mr Waldock: We use a standard rounding up or rounding down protocol. They are victims, if anything, of our methodology of rounding up and rounding down. We have not changed anything other than applied that protocol to all our zones. Is that correct?

Mr Burgess: Indeed, Reece.

Hon KEN TRAVERS: I have asked it in the house and maybe we can have another go through the estimates committee. Maybe you can provide on notice to the committee the increases that were implemented that were separate to the budget decisions. It was very clear at the time that you did an increase based on about a 2.8 per cent increase with rounding up on those at the time of the budget. Then you did a separate increase to cover for the carbon tax, which in most cases was either 10c, rising to 30c in the case of some of the outer metropolitan areas. I want to know how much revenue

you collected as a result of that increase specifically related to the carbon tax—not what it was costing you, but the additional revenue you collected as a result of those rounded-up increases.

Mr Burgess: It would be relatively straightforward in terms of 1.5 per cent times the fare take for the next year —

Hon KEN TRAVERS: No, with the rounding. You did 1.5 per cent and rounded everyone's fare up. I want to know how much additional revenue did that generate for you?

Mr Burgess: Just to check something, member, as I recall, those fare increases occurred at exactly the same time. They were both 1 July.

Hon KEN TRAVERS: They did. But in the budget papers, if you go back, it was a 10c increase based on a 2.5 per cent CPI and there was an announcement at the time that there would be a further increase, and we did not find that out until basically 1 July what the additional increase was for the carbon tax.

Mr Waldock: We did our numbers, as I understood them—correct me if I am wrong—on a 4.3 per cent increase, did we not?

Mr Burgess: That is correct.

Mr Waldock: It is a 4.3 per cent increase accounts and we used the same rounding protocol. If somebody missed out, it was purely because of the methodology we used.

The DEPUTY CHAIR: The member has requested some information on notice. I think you are pretty clear on what is being asked. There are percentages and they will translate into dollar terms. I will allocate that A3. Again, when the usual correspondence takes place after the hearing, we will see what comes back and follow it up after that.

[Supplementary Information No A3.]

Hon RICK MAZZA: I have got a couple of questions. On page 40 and 41 there is some commentary on the fact that the patronage on the system had decreased for the first times in many years. Are there any initiatives in place to increase patronage?

Hon JIM CHOWN: The question was what?

Hon RICK MAZZA: Are there any initiatives in place to increase patronage?

Hon JIM CHOWN: Yes, there are. Patronage has declined probably over the last two years. Part of that result is a downturn in employment in the CBD under the current commercial conditions that we are facing in this state and probably across the nation. There are some initiatives in place and Mark will probably speak to that.

Mr Burgess: Let us focus on the Transperth system, rather than Transwa because I think that is where your question centres. The Transperth system, at the end of the day, you know, what gets people on to public transport is a combination of reliable services, frequent services and have you got the capacity—that sort of mix of things and some others as well. On the capacity side we are buying more trains to get more capacity. Out of the 22 three-car sets that are currently on order between now and 2016, we have eight of those delivered. We are putting more capacity into the train system. Obviously, that is backed up with additional train drivers and additional security and so on.

On the bus side of the business, for a number of years now—since 2011–12, I think it started—we have been doing the bus service expansion program. That was a substantial program probably in the order of—I think originally it was 15 million service kilometres. With some of the economic constraint that is now occurring, we are probably winding that back to 13 million service kilometres or thereabouts over six years starting in 2012. So, that sees us probably with, even though we have had to wind it back a bit, our biggest injection into the bus system in history in terms of a condensed program. We are doing a lot of bus service expansion, a lot of new routes. We have got 158 new

buses as part of that order. We are not just doing the growth program in the bus network; we are actually buying in addition and growing the fleet by 158. In a capacity and frequency sense we are putting more trips on and more bus and rail rolling stock.

Then you get into customer satisfaction in a quality sense. We are very pleased to say that we have again this year won the Canstar award for the best—it has only been awarded three times in Australia. Canstar got into the idea about five years ago, I think, of testing, as they do, best home loan, best credit card, whatever it may be—they decided to get into the market of testing the public about best urban train systems in Australia. The only three times it has been assessed, we have won it hands down each time with many five-star ratings. That is not us saying that. That is Canstar quite independently asking the public in Perth what they think of it, just as they ask the public in Sydney and Melbourne and so on. In terms of customer quality, we are very pleased to have won that again.

Our PSM, our passenger satisfaction monitor, about 23 years. Independent market research across a whole spectrum of questions on our services, and security, reliability and so on, we are still getting very good results. The train system bounced back quite nicely. It had a dip and it is back up to 89 per cent and I think bus is travelling at 83 per cent of people very satisfied or satisfied, which are ratings that other cities would dream to have.

In a capacity sense, frequency and customer service, we are doing pretty well. In terms of are we trying to get patronage to bounce back, we are doing a lot of things we can do on our side of the fence. The thing is people do not travel if they do not have a reason to travel, and I think some of that economic downturn that Mr Chown spoke about is certainly part of it. The train system in particular is hit by that. Between 55, 60 per cent of the train business—it is the main spine, if you want to think of it that way. It is the skeleton. The buses do lots of other things. Take kids to schools, take people to unis and local shopping centres —

Hon JIM CHOWN: You do have initiatives like the 950, the super route, which has a two to three-minute lag time during peak hour and something like 18 000 people use it a day and it goes from Morley right through to the CBD to QEII to UWA. These sorts of initiatives are enhancing —

Hon RICK MAZZA: Which is all good. Anecdotally, though, from some people I speak to, parking at train stations is a major issue and one of the main reasons why they do not catch the train. It is just too much of a hassle to get a car park or the cost. Is any work being done around that?

Hon JIM CHOWN: One of the interesting things about train stations—you will find that we have charged \$2 a day and there was certainly concerns before that charge was introduced that train stations were filling up very early in the morning. In reality there are a percentage of people parking there who will just walk off to work locally or in the area and make use of the free parking. Since the introduction of the \$2 fee the majority of train stations are not full to capacity between 8.00 am and 9.00 am. In effect, the patrons that are using the trains are now utilising those particular parking areas and there is about 20 000 in the system. In effect, people can, apart from a few that are actually full by —

Hon KEN TRAVERS: Is that the survey you were going to table in the house a couple of weeks ago?

Hon JIM CHOWN: For example, Joondalup has 100 per cent capacity at 10.00 am; Edgewater at 10.00 am; Glendalough at 8.25; Fremantle, 9.45; Shenton Park, 9.25; Bull Creek, 5 past 9; Murdoch, 9.20; Cockburn Central, 9.00; Warnbro, eight o'clock; Maddington is at 100 per cent capacity at 12 past 9; Thornlie at 8.30; and Welshpool at 8.45. In reality, most of the other train stations would be —

The DEPUTY CHAIR: Are we to be able to have that information tabled? That would be useful.

Hon JIM CHOWN: Certainly; more than happy to. We will get you that.

Hon RICK MAZZA: Specifically Mandurah. I am interested in Mandurah because I know that station, personally, is full quite early.

Mr Waldock: It is 85 per cent full at eight o'clock.

Hon JIM CHOWN: At 8.50.

Mr Burgess: Bear in mind, that is an average taken on various days.

[10.30 am]

The DEPUTY CHAIR: If you could table that and we could have that circulated to members, that would be useful.

Hon JIM CHOWN: Chair, I have got some other notes with it, so I would prefer to actually have this current status capacity tabled at a later date.

The DEPUTY CHAIR: Then perhaps provide it on notice.

Hon JIM CHOWN: Yes, absolutely.

[*Supplementary Information No A4.*]

Hon JIM CHOWN: I think it is a very interesting outcome.

Hon RICK MAZZA: It is, because it is an important part of people using the train system.

Hon KEN TRAVERS: Maybe you could tell us where at the Greenwood station or the Whitfords station or the Warwick station people were parking and walking off to work at.

Hon JIM CHOWN: Greenwood station is at 95 per cent capacity at 9.45 am.

Hon KEN TRAVERS: Have you looked at how many cars are now parked at the park across the road from the Greenwood station?

Mr Burgess: I do not personally, member. I know the local governments —

The DEPUTY CHAIR: I do every morning.

Hon JIM CHOWN: Are they parking illegally?

The DEPUTY CHAIR: There are very few now; there were initially.

Hon KEN TRAVERS: I think you will find if you go and check around the park in Greenwood closest to the railway station, there are about 70 or 80 cars.

The DEPUTY CHAIR: There were initially.

Hon JIM CHOWN: That is a local government issue, I would assume.

Mr Burgess: And we did communicate with local governments. Bear in mind that the \$2 parking fee might have started this year, but it was actually announced a budget before, so none of it was news to local government; they actually had a long period of time to think about the issues.

Hon RICK MAZZA: On page 143—I am not sure whether Hon Ken Travers actually touched on this or not—I see that the appropriation received through the year has jumped by nearly \$60 million. What were some of the main reasons behind that?

Mr Kirk: If you bear with me, I will try and find that for you.

Hon RICK MAZZA: It is page 143, "Income from State Government".

Mr Kirk: I would probably have to go back to give you that on notice, if I can, in detail, but it was things like our revenue predictions reduced so we had to increase our operating subsidy. There were a number of new projects. The bus service rollout, for instance, that Mark talked about as well had some additional appropriation. There was some appropriation for the railcars as they were coming on track—pardon the pun—but as they were being commissioned and brought into service, the operating costs with those were increasing. There were a number of other projects as well. The PCL

rail project, as that was commissioned, had extra operating costs associated with that. But I could provide that on notice. I have got it somewhere here in my notes. There are a number of reasons for that.

Hon RICK MAZZA: That would be good, thanks, Chair.

[Supplementary Information No A5.]

Hon RICK MAZZA: Like other government trading enterprises, does the PTA intend in the future to actually provide revenue to the government?

Mr Burgess: Again, that gets to that issue of subsidy that we have provided.

Hon JIM CHOWN: It needs to be stated, I think, that it is 29 per cent or 31 per cent—somewhere in between there—that is actually gained in regard to fares on the public transport system, so it is heavily subsidised by the public purse.

Mr Burgess: Because we do not want to be seen as some sort of basket case, if I can, member, just use a few examples. Without, for example, the north–south line, without the Mandurah line to the city, without the Joondalup line to the city, broadbrush, if you did not have that line in the peak direction with the peak passengers on it, you are up for six more freeway lanes.

Hon RICK MAZZA: I accept that, but surely we are trying to work towards reducing the burden on the public purse.

Mr Waldock: If I can respond to that, there are two parts to the equation—both revenue one part, but costs the other part. We do a lot of benchmarking in terms of our costs and, as Mark suggested, we lead the nation in terms of customer satisfaction. We are certainly the cheapest in terms of our rail in terms of cost per service kilometres. In terms of buses, we have had the contracting out before anybody in terms of how we manage a bus system, and we are the model for Australia in terms of how we achieve, again, service kilometres at a very competitive price. Then you go to the revenue side of the equation. We do know that fares have a fairly strong elasticity of the man factor. If we want to push fares up, we know that we will, one, lose patrons, but also, I think, we will have probably missed out on the community service obligation that we are here for. We do try and run very commercially, but at the same time, I think everybody recognises that nowhere in the world, other than Hong Kong and Singapore, is public transport—it works in a —

Mr Burgess: Commercial.

Mr Waldock: Not a commercial —

Mr Burgess: It washes its face.

Mr Waldock: It washes its face in terms of costs.

Hon RICK MAZZA: If I can just drill down into a couple of line items below the income from the state, there is a cost there from Landgate. These are free services that are provided from other state government agencies. I see in 2013 there is \$595 000 from Landgate as opposed to the 2014 year of only \$71 000. I just wondered why there was such a disparity between the two years.

Mr Kirk: What we use Landgate for is to—remember this is services received free of charge—do all of our land revaluations every year for the purpose of our balance sheet. That \$71 000 would be about the normal figure for that; I am just not sure why it was so high in 2013.

Mr Burgess: They do operate spatial platforms across government, which could well be a contribution as well. We use those spatial platforms for GIS data and so on for a lot of mapping of our services. Obviously, all our zonal system is based on spatial data and Landgate manage what used to be called SLIP—the state land information platform—across government for a whole range of agencies, so it could all be related to those services as well.

Hon RICK MAZZA: The last item on that was the State Solicitor's Office, which was zero in 2013 and nearly a quarter of a million dollars in 2014.

Mr Kirk: The reason for that is we have had a lot more activity from the State Solicitor's Office in 2014 in putting together various legislation, particularly the tender documents and whatever. Essentially, it is just a significant ramp-up in those additional duties that the State Solicitor's Office provide us. I have also got in the back of my mind that there might have been a changing in the State Solicitor's Office policy in terms of costing, but I would need to confirm that.

Mr Waldock: We were a big user of their services for the Forrestfield–Airport Link.

Mr Kirk: We certainly had much more draw on their services. As I said, in the back of my mind I have just got a feeling as well that the State Solicitor's Office had some change in their charging policy.

The DEPUTY CHAIR: Perhaps, again, could we receive that as supplementary information rather than something that is in the back of your mind? Perhaps go away and provide a more detailed explanation.

[Supplementary Information No A6.]

Hon RICK MAZZA: If I could just move on to page 115 of the annual report. It is to do with the grain freight rail network. In the report that was done on the grain freight rail network, finding 26 stated the PTA had a light touch in its approach to managing that lease. Is the PTA planning on taking a more proactive approach in managing that leased network?

Hon JIM CHOWN: I appreciate the question, member, but until the minister and the government respond to that report, I believe it would be inappropriate to make any comment here.

Mr Waldock: And that response will be due in February, I think.

Hon RICK MAZZA: I will leave that there until we hear from the government on it.

Hon ALANNA CLOHESY: Can I just go back to parking for a minute? Are there accessible parking bays in every PTA car park that is provided?

Mr Waldock: We work to the Australian standards. I think in all, other than where we have got five car bays, Mark, they meet or actually exceed Australian standards. Have you got more detail on that?

Mr Burgess: I think Reece is spot on. We can give you an exact answer if you like.

Hon ALANNA CLOHESY: Thank you.

Mr Burgess: I think we have an accessible bay in virtually every one of the parking areas.

Hon ALANNA CLOHESY: You think?

Mr Waldock: I think there might be one in Swanbourne with only five bays or something where we might not have —

Hon ALANNA CLOHESY: Maybe I can take as supplementary for the years 2012–13 and 2013–14 the total number of car parking bays owned by the PTA by station, and then the total number of accessible bays by station for 2012–13 and 2013–14 and also expressed as a percentage of the total car parking bays.

Mr Burgess: We will pick a point in time, because, clearly, both those years had car park builds on, so that would have changed over the course of the year.

Hon ALANNA CLOHESY: At the end of each financial year, how many car parking bays were there by station and expressed as a percentage of accessible parking bays?

[Supplementary Information No A7.]

Hon ALANNA CLOHESY: In the construction of the new ticket meters —

Mr Waldock: Smart parking.

Hon ALANNA CLOHESY: —smart parking meters—how many accessible parking bays were lost at train stations?

Mr Burgess: I think there may have been one bay lost. Again, I am happy to clarify that and give it to you as supplementary information. Just to perhaps put that into perspective—not everyone thinks we are clever in this, but we think we are—with the idea of SmartParker, we had paid parking across our system already, as Mr Chairman indicated. We were heading to 20 000 bays; we are now beyond 20 000 bays, and clearly that number of bays changes on a month-to-month basis as more are constructed at various places. Probably for some years now, we have been around a quarter were already paid. I think paid parking started maybe 15 years ago—something like that—and it has slightly grown over time. Originally, in fact, it was done with a contractor. People literally put a couple of dollars into a guy who was sitting in a booth at selected stations on the northern line.

Hon ALANNA CLOHESY: I am specifically talking about the recent changes.

Mr Burgess: Yes. I just wanted to put it in perspective, though, as to why there might have been some accessible bays that got built on, if I can put it that way. When the decision was taken to put paid parking at all of the stations, we were after a way we could do it without messing people around, because what a lot of us had observed is that cash ticket machines out in the open are not great. A quarter we already had. We knew that on a busy day you saw a line of 10 and 15 people at those machines. They had parked, they had walked to the centralised machine, which was only in the paid area obviously, they put their couple of dollars in, they waited in the queue, got their paid ticket, walked back to their car, put it on the dash and then got to probably the third train that had passed since they first parked in the station.

Hon ALANNA CLOHESY: I understand the need to make it accessible for as many people as possible, but I do not understand the need to make it where people with disability park, so that is why it would be good to get that supplementary information. So, everyone else was not disadvantaged, just the people with disability.

[Supplementary Information No A8.]

Mr Burgess: I do not think they were, though.

Hon ALANNA CLOHESY: I can tell you some of them that I know already were.

Mr Burgess: We are keeping a very close eye on it.

The DEPUTY CHAIR: We cannot have two people speaking over each other. Thinking and knowing are slightly different things.

Mr Burgess: I do know, Chairman.

The DEPUTY CHAIR: We are taking it on notice as supplementary information, so if you can provide that, that would be useful.

Mr Burgess: Sure. I was just trying to put it into context. Sorry, Chairman.

Hon ALANNA CLOHESY: I have got the context. Can I go on to buses? What was the target in 2012–13 and 2013–14 for the percentage of peak-hour buses that were accessible and the percentage of non-peak hour buses that were accessible? What were the targets in both those financial years?

Mr Burgess: Is there a particular page you are referring to or just a question?

Hon ALANNA CLOHESY: I know what was achieved in terms of the percentage last financial year in the annual report. What was the target?

[10.45 am]

Mr Burgess: I will need to come back to it, because I am sure we had a target.

Mr Waldock: I think the targets, if I am correct, are made over a period of time to meet the national standards. I do not think we have, although we have been improving considerably space —

Hon ALANNA CLOHESY: The national standards have not changed in the last two financial year as part of that in relation to peak hour buses that are accessible. Did you have a target?

Mr Waldock: I think we are above the national standards. I think we would lead the country in accessible buses. But we will come back with that.

Hon ALANNA CLOHESY: Did you have a target for those two financial years of percentage of buses in peak hour that were accessible?

Mr Waldock: We will respond to that.

[Supplementary Information No A9.]

Hon ALANNA CLOHESY: Still on buses, I have heard you say before that you are growing the bus fleet by 158 buses; is that correct?

Mr Burgess: That was as part of the bus service expansion program.

Hon ALANNA CLOHESY: Over what period of time was that?

Mr Burgess: Originally, it was over five years and I think we have extended it now to over six years.

Hon ALANNA CLOHESY: So, 158 buses over six years?

Mr Burgess: Yes. Clearly, what happened before, if you look at annual reports from year to year, you can see the bus fleet has been growing, but it has been growing by not retiring buses. Still, to take Mr Waldock's point, we have been meeting the national standard. Even though we have been keeping some buses longer than perhaps ideal—they are very serviceable buses and certainly inspected very frequently—they are not accessible and I guess that is the main feature.

Hon ALANNA CLOHESY: But they are not the local buses, are they?

Mr Burgess: We are still above the national requirement, but the only way we were able to grow the fleet was to hold buses a bit longer if we were going to do fleet extensions. If you are doing additional service kilometres and more trips in the off-peak periods between the morning and afternoon peak or at night that is no problem because you have buses that are available. But if you want to add a trip into the peak, you actually have to grow the bus fleet. The only way we have been able to do that in the past was by extending the life of some buses. With this program there was actually a conscious decision made to buy 158 new local accessible buses to allow more peak services with accessible buses.

Hon ALANNA CLOHESY: They are still going to take a longer period of time.

Hon JIM CHOWN: Of the 158 anticipated you buses in the system, approximately 95 have already arrived, so we are well over half way in accumulating that amount of buses.

Hon ALANNA CLOHESY: My point is that it was still extended, was it not?

Hon JIM CHOWN: But my point is that more than half have already been purchased, regardless of the 12-month extension.

Hon ALANNA CLOHESY: Can I go onto the rail station program? What is the total cost to the upgrade of the Kenwick station?

Mr Burgess: It is still not entirely finished and all the bills would not have been paid. Can I take it as a question on notice?

Hon ALANNA CLOHESY: Okay. What is the total cost of the Maddington station?

Mr Burgess: It is not there.

Hon ALANNA CLOHESY: If I have to take it as supplementary, I may as well add Beckenham and Queens Park to that—the total to individual costs of all of those upgrades. I also want the cost of the accessibility components of the upgrade as a percentage of the total cost of the upgrades.

The DEPUTY CHAIR: We will include all of that in supplementary information A10. We will add all four of those stations.

[Supplementary Information No A10.]

The DEPUTY CHAIR: The Butler train station opened in September, slightly ahead of time. How are we going as far as patronage is concerned—user numbers per day? Has that station been meeting expectations?

Hon JIM CHOWN: Yes, it is around 1 500 to 1 800 per day. I understand about 750 on Sundays. I do not know whether that is on target. The master plan set it at about 2 000 daily boardings, so it is slightly below that, but as the place develops and people become used to having a station there with its car parks et cetera, we expect that to rise.

The DEPUTY CHAIR: As far as the car parks are concerned, what is the usage rate of car parking?

Mr Waldock: Despite the criticism we have had, the car parks are well and truly less than full. In fact, on that other sheet we had before it will have Butler.

Hon KEN TRAVERS: That is good, because the Department of Housing wanted their land back yesterday! They want to build houses on it!

Mr Waldock: It is 55 per cent.

The DEPUTY CHAIR: It is 55 per cent, yes. As you pointed out, there have been significant grumblings about the car parking being inadequate.

Mr Waldock: Can I just explain, we are often pilloried for some of our decisions, but the reason we are seeing the ability to give some car space back for better urban outcome developments in the future is that at the present moment Butler station is the end-of-line station and so, in fact, there are already buses moving in from Alkimos et cetera and certainly people coming from Yanchep. As we continue to go with stations further north, of course, it will not be an end-of-line station, it will just be an intermediate station, so we believe that our policies were right in that respect. We think we have certainly picked the market pretty well in patronage. We said 1 800 and it will mature, I think the exciting thing about Butler is that it is interesting that 1 500 people and 750 people respectively on Saturday and Sunday take the family and go on an excursion. What better way of using the rail system when it is the lazy asset on the weekends than to take the kids and the family to enjoy the wider Perth.

The DEPUTY CHAIR: In future I will probably start asking you about where those people end up, because I dare say many of them are getting to Joondalup rather than to Perth. If you have those figures, obviously not today, but as supplementary information, I would be interested in that.

Mr Waldock: If they use SmartRider, we have got it all there and we can tell you exactly what the destinations were.

[Supplementary Information A11.]

The DEPUTY CHAIR: Just on the buses, not just the buses servicing the station itself, but with all of those buses and that growing northern corridor up and down Marmion Avenue in particular, there has been some consternation recently about the lack of bus stop shelters. We are adding more buses and probably sticking up a little sign saying “bus stop is here”, but shelters are not catching up with that. Is there a program to increase the number of bus shelters along Marmion Avenue and the associated routes? I am talking specifically about that upper northern corridor—Mindarie onwards into Butler, Alkimos and Yanchep.

Mr Waldock: It is a program we would like to see the local government working with the state government on. We have got a fund. I do not think at this stage they have actually come to us —

Mr Burgess: We are very close, Reece. It started quite some years ago with a \$500 000-a-year fund that is intended to be a dollar-for-dollar scheme. Bus shelters, depending on the design, cost somewhere around the \$10 000 to \$12 000 mark or possibly a bit more depending on the site conditions—if there are any slopes or retaining requirements. We have a dollar-for-dollar scheme and local governments across the state can bid in that. It is generally well subscribed, so it is subscribed each year at about the right number. Most local governments are very appreciative of that scheme and so it is well taken up. In this case the City of Wanneroo could apply for it on a case-by-case basis where they see the need is most. Typically it is only the inbound—you do not really want bus shelters if it is clearly an outbound stop and people are getting off and not sitting there for a period of time. It is really where you are waiting for the bus to come in, not where you get off it. Some arterial roads have two-way flows and you might see bus shelters on both sides of the road. In this case what Reece is referring to is that some of the local governments had a bit of grief for a while on who should maintain those shelters into the future. A couple of local governments had issue with that and—that is what I was saying—we think we are very close to resolution with local governments on working in partnership with them on that.

The DEPUTY CHAIR: Just to clarify for my purposes, the primary way of obtaining bus shelters is that local governments apply to this fund on an effectively dollar-for-dollar basis and they build them to specifications that you specify—they build them and own them.

Mr Burgess: There are quite a few bus shelters in Perth where you also see some branding on them—Adshel is the main company—where they put them at some prime locations in an advertising sense on major roads. Adshel put the shelter in, are responsible for maintaining it and some of the local governments, particularly those who signed with Adshel early, actually get a share of the revenue. We are not privy to all of that, we just know it happens. So, some local governments actually might make a bit of money out of bus shelters and get them for free. We do not have anything to do with those ones.

Mr Waldock: Just in terms of demarcation, this has had a long history, but there is a clear demarcation now. We are working with local government on bus shelters, but we have spent many millions of dollars meeting the other needs in terms of accessible pads and accessibility to each bus station. We have had a program being rolled out now for, what, five years now, Mark? As I say, numbers of millions of dollars to lay pads for accessibility for paths. We do all that—the state government—but in terms of the shelters, that is primarily their responsibility but we do assist through this.

The DEPUTY CHAIR: That is important, because some local residents, particularly those who are moving into that area, need to know this. There has been a bit of consternation about it. It is always a problem in winter and sometimes a problem in summer because of the heat.

Mr Burgess: I think it is fair to say we have a very good relationship with City of Wanneroo and we seek them to put those —

Mr Waldock: Of course, the great future in our online and social networking is that people will actually have an application very shortly that will demonstrate where buses are up to in real time. They can just see them coming towards them at any time.

The DEPUTY CHAIR: You have seamlessly gone to my next set of questions, which will be my last set, around, let us call it interactive services, services you can use on the go—mobile. How far away is this app?

Mr Burgess: The app is going well. It is well and truly launched. Are you talking about the Transperth app?

The DEPUTY CHAIR: No the other one giving us real-time information on buses.

Mr Burgess: We have had different trials; that is how far advanced this is. We have trialled various aspects of it. It still has a little way to go, but the Transperth app itself is the platform it will be on and that Transperth app is performing very well.

The DEPUTY CHAIR: Why has it been so hard to get real-time bus information on an app? Right here on my phone right now I can check trains in Melbourne and buses in Sydney, but I cannot check buses in Perth.

Mr Waldock: They would not be as good as ours!

The DEPUTY CHAIR: I have actually used them in real time and they work.

Mr Waldock: We have got GPS in all our buses, but what we need is to have it linked in the form we need it. You can do it cheaply, but we are trying to do it properly. We are trying to make it part of the underground bus station and do you just want to talk about what we are doing there as well, Mark?

Mr Burgess: Yes, there are a couple of dimensions to the contract that exist around it. There is the real-time tracking system, which is knowing where all the buses are at a point in time. We are working with Main Roads and we have been doing trials in the sort of Karrinyup–Scarborough Beach Road corridor for some time about things like traffic light pre-emption. The algorithms get played with a bit depending on the traffic conditions at the time and the load on the intersection. If it is a reasonable proposition, the bus will actually get bus priority; it will actually get a light phase earlier than it might have otherwise.

Mr Waldock: Or it will hold the green light for longer, so that is the first priority.

Mr Burgess: There is that dimension to it, so that is one reason you need the real-time tracking. In the new underground bus station, the new Perth busport as it is called, down on Wellington Street, we will actually have a system called dynamic stand allocation. That is about reducing the footprint of that underground facility, because it is an expensive facility and it will be much more like an airport. There will be zones within where buses may go to one of a number of stands and the information systems inside the busport will tell you which particular stand to go to for your bus. You will know roughly what quadrant it will be in because it will typically be a particular quadrant—one of the quarters of the busport—but that real-time information will allow us to move more buses through that facility in the smaller footprint by allocating out the stands on a clever basis. All that, as Mr Waldock is saying, means that you need to know exactly where every bus is. I am sure you are correct, member, that there are some Sydney buses being tracked, but I would be very surprised if all buses in Sydney are being tracked.

[11.00 am]

The DEPUTY CHAIR: I can track an Uber car coming to my door.

And the other thing I have asked before, and I will ask again: wi-fi in the Perth city train stations and bus stations. Have we had any progress on that, because Perth City Council have done pretty well with their wi-fi, and I notice Telstra are spinning out some as well. It is one area where, particularly if you want to encourage tourists and young people to utilise public transport, it could be a selling point. Have we got any further?

Mr Waldock: I have been a bit of a champion on this, but I have often been pushed back by the business case, and the business case is fairly soft for my colleagues sitting on the right. Look, it is soft and the dollars are quite significant; you might say City of Perth do it, but they do not have the loadings we would have. But more importantly, I guess, we do see—I think it is pretty clear now—that the world of 4G and beyond means that I think people are seeing wi-fi not as the future, and that wi-fi is moving through. We are just watching that space very closely. Do you want to make any comments on that, Mark?

Mr Burgess: No. At the end of the day it does cost money both in a set up sense and then in a capacity sense.

The DEPUTY CHAIR: So what are those two costs?

Mr Waldock: We did a business case. I am guessing, but I thought it was over \$8 million. Can you remember that, Kevin?

Mr Burgess: I think that was just to do the stations, as I recall, Reece.

Mr Waldock: Oh, that was the stations?

The DEPUTY CHAIR: Is that to do all stations across the network?

Mr Waldock: No, this was the two Perth stations.

Mr Burgess: I do not remember the number; it was probably in the order of —

Mr Kirk: It was two; I thought it was about two.

Mr Waldock: And there were significant ongoing operational costs.

Mr Kirk: Significant, yes.

Mr Burgess: At the end of the day, from the agency's perspective we have a list of things we would like to do and that we need to do—a significant list of priorities—and this is a nice-to-have rather than a must-have from our point of view. I guess what we do watch is the trends as well, and what Reece is alluding to is that most of us, and I believe most of the members of the audience behind us, will walk outside and use our existing provider. We cannot be bothered actually logging on to some local account at the Dome cafe or the City of Perth; most of us just use our existing account because a lot of the plans nowadays have pretty reasonable limits on what you can download on your own account, so a lot of people are not that focused on wi-fi anymore. I am just saying that this is some of the analysis we have seen.

Hon KEN TRAVERS: It is still getting pretty good use on the Brisbane trains.

Mr Burgess: I am not sure it is across all the trains, member, in Brisbane; I think it was only trialled on some trains, as I recall.

Mr Waldock: It is very expensive on trains.

Mr Burgess: Yes, very.

The DEPUTY CHAIR: Okay, I will finish up there and hand back over to Hon Ken Travers.

Hon KEN TRAVERS: Can you take on notice all the property valuations that you have had undertaken between the east–west rail line in that Forrestfield–High Wycombe area and the Roe Highway, and the reason for the valuation? I know you could not tell us the time line for completing the planning for MAX, but can you tell us what the time line for completing all the planning and legislation for the Yanchep rail line is?

[Supplementary Information No A12.]

Hon JIM CHOWN: Are you taking that on notice?

Hon KEN TRAVERS: That was the valuations. So, Yanchep?

Hon JIM CHOWN: Yanchep has not been given any serious consideration by government at this stage; it is a project that we will consider probably —

Hon KEN TRAVERS: You completed a real potential business case: what do you mean it has given no consideration?

Mr Waldock: We have done a draft master plan, and it is a draft master plan mainly for internal use. The government will not be considering that for the time being.

Hon KEN TRAVERS: So, are you saying you did not provide to the Minister for Transport before the last election a real potential business case for the Yanchep extension?

Mr Waldock: Yes, but it was never one of the government-considered projects.

Hon KEN TRAVERS: No, that is not what I asked. Did you provide to the Minister for Transport before the last election a real potential business case for the Yanchep extension—“real potential” being the terminology used under Infrastructure Australia?

Mr Waldock: Certainly we did give a preliminary, as you say, to IA because they were looking at long-term potential projects. But I do not actually remember certainly giving any significant submission to the minister. It would have gone through the minister, that particular preliminary work. But the key work we have been doing in-house is what we class as a draft master plan, and that is, I think what you are talking about. The draft master plan has not seen the light of day.

Hon KEN TRAVERS: Do we have a time frame for when the Yanchep extension will be constructed?

Hon JIM CHOWN: No; not within the next decade. There is no significant time frame, no.

Hon KEN TRAVERS: Because under the draft public transport master plan it was due to be completed by 2020, so that is no longer the timetable we are working to?

Mr Waldock: I do not think that it was due; we were talking in —

Hon KEN TRAVERS: It was a stage 1 project by 2020, so I am assuming that that is what it meant—that you would have it completed by then?

Mr Waldock: That was what our plans were; that was not what government considered or agreed to. The reality is that clearly the government has made some very significant decisions in terms of public transport projects, and those projects will take us out to 2022.

Hon KEN TRAVERS: And it is not within that time frame?

Mr Waldock: No.

Hon KEN TRAVERS: So it will be beyond 2022?

Mr Waldock: Yes.

Hon KEN TRAVERS: Thank you.

I just want to turn back briefly to the Collier Road intersection with Tonkin Highway, and the bridge that has been built there as part of the road upgrade. My advice is that that is not getting built with provision for a rail line over it. Is that correct?

Mr Waldock: My understanding is—I will come back and check, because I think it is worthwhile putting in—and I have been assured, that we have not cut out any options for to future railways. I will check that —

Hon KEN TRAVERS: There is a difference between cutting out and making provision for it as part of the construction, because it would be a lot cheaper to build it now as part of the construction.

Mr Waldock: No; clearly the federal government are pretty clear on what we have that \$285 million for, and it is not to build potential things in the future, but we will be making provision in terms of fairway space.

Hon KEN TRAVERS: The airport rail line: for that to function do you need to order new railcars?

Mr Waldock: Those new railcars will be required. I say “will”, but as you would be well aware our fleet management is cascading. What we will be doing in due course is putting out A-series three-cars on that particular service.

Hon KEN TRAVERS: B-series three-car.

Mr Waldock: Yes, sorry, B-series; the north–south series. So there is no doubt that we will need new railcars by 2020.

Hon KEN TRAVERS: So you will need to purchase new railcars to create capacity?

Mr Waldock: To cascade them down.

Hon KEN TRAVERS: Will those new railcars require a depot?

Mr Waldock: Yes, they will.

Hon KEN TRAVERS: So why is that not part of the costing of the airport rail line?

Mr Waldock: As I understand, the depot —

Mr Burgess: If I can answer, member. It is fair to say that there is not a huge number of railcars required for airport; I think our assessment is eight three-car sets, as I recall. At the moment they sit in Nowergup or Mandurah; that is where they are housed at the moment. As to the issue of the rolling stock, therefore, in an absolutely blunt world and let us say the train industry stopped manufacturing trains all of a sudden, you could still run the airport line with some of the existing rolling stock. Clearly that would be a terrible outcome for the north–south line because we need the capacity replaced. I guess the agency's view is that while the funding for the rolling stock is in the FAL package and the funding package, they are really housed at the moment; the issue of more depot space is really driven by the new order of the C-series rolling stock.

Mr Waldock: Which is equal to 56 car sets versus four equivalent car sets, so it is 50 versus four.

Hon KEN TRAVERS: But you need to have a new depot to be able to get the airport rail line up and running.

Mr Waldock: Yes, so —

Hon KEN TRAVERS: What I am saying is that you will need to have, at some point before 2020, a new depot.

Mr Waldock: Yes; before 2020 we will need a new depot, not just for that but for the C —

Mr Burgess: Yes, it is more for the C-series; that is the real driver.

Mr Waldock: That is the real driver.

Hon KEN TRAVERS: So we should be able to see that money now finally put into next year's budget, I would imagine then?

Mr Waldock: That will be subject to discussions.

Hon KEN TRAVERS: Yes. If you do not get it into next year's budget, you are going to be pushing a very tight time frame to have it completed by 2020, Mr Waldock, even with your expertise! Is it correct that the depot to store those C-series railcars will be on the PTA land out at Midland?

Mr Waldock: That is certainly our first priority, yes.

Hon KEN TRAVERS: So why is that not shown in the latest master plan that has just been released by the Midland Redevelopment Authority for that area?

Mr Waldock: Because we are still going through negotiations. It is certainly not cast in stone. That is one of our preferences, and we continue to work with Brookfield to see how that might happen.

Hon KEN TRAVERS: So Brookfield have control of that site at the moment?

Mr Waldock: Yes.

Mr Burgess: It is in the leased land.

Hon KEN TRAVERS: How many of the six-car sets would you be able to store out on that site? The full 50 that you are proposing to order, or would you have to get another depot somewhere else as well?

Mr Waldock: Look, it is quite complex this; we are actually re-conferring in Nowergup. Nowergup will be the site of the C-series. We are actually also looking for another depot to the south, and of course we are looking at Midland at other options. So I just think that while we have some very good plans in place, it is a bit early to call anything definite. But Midland certainly will be part of our plans, and in Midland it will depend on how much land we can get. While some of that land, as you correctly point out, will revert back to PTA, some of the other part of that site will stay with Brookfield so we need to negotiate some issues there.

Hon KEN TRAVERS: Because the interesting thing is that the master plan talks about how they are going to get the freight traffic out, and then you are going to replace it with all the new railcars going through that area. You might get a surprise if you bought the land expecting to see the freight go and suddenly get all the C-series railcars rolling in and out through there.

Mr Waldock: But as we know, electric cars are very friendly and good neighbours and —

Hon KEN TRAVERS: Well, if you put the matting down first.

Mr Burgess: Where we would like to put that depot, even in the MRA's plan that is industrial-commercial around that site.

Hon KEN TRAVERS: That brings me to the issue of the matting at Butler. Why, in light of the fact that your first report recommended matting to be laid over a longer distance than you ultimately laid it over, did you not put the matting the whole distance to minimise the impact on surrounding residents in Butler?

Mr Burgess: My recollection is, member, that it is the opposite as in it is the other way around. We actually put more matting in than the original report recommended.

Hon KEN TRAVERS: No, the very original report recommended that you put in a lot more matting than the one you then got; you then got a subsequent report that recommended less matting, and you have put in a little bit more than that, but it is still not as much as was recommended in the initial report you got.

Mr Waldock: Could we put that question on notice? That is certainly a surprise to both the managing director and the CEO, and certainly as the managing director pointed out, we in fact believe that we had actually increased matting about and beyond what we were advised to do. Of course we are still comfortable that the vibration is being managed, but we are still going through that process, as you are well aware.

[Supplementary Information No A13.]

Hon ALANNA CLOHESY: Bus services operating to Bullsbrook. I am happy to take as supplementary what the current bus service operating timetables are for Bullsbrook. What are the plans to improve that service to Bullsbrook in the next two financial years?

Mr Burgess: We will take it on notice, Reece, but I do not think it will be substantial, put it that way.

[Supplementary Information No A14.]

Mr Waldock: I am aware, in the WA Planning Commission work we have done in terms of some of the development opportunities at Bullsbrook, that part of the considerations and certainly assurances are that the developers would be funding future developments and funding some of the public transport. So I think there have been some good developments in that space, but it is longer term than the next two years.

Hon ALANNA CLOHESY: The scheme amendment for 5 000 additional went through earlier this year, hence my question.

Mr Waldock: Yes.

Hon ALANNA CLOHESY: And certainly the residents have been asking questions of the minister and other questions, hence my question —

Mr Waldock: No, I think it is very valid.

Hon ALANNA CLOHESY: — so that is why I have asked for the next two financial years. But if you would like to go further than that, then I would be really happy with that.

Mr Waldock: Thank you.

[11.15 am]

Hon ALANNA CLOHESY: Similarly Gidgegannup; what the current timetable is for public transport services to Gidgegannup and the projected future. Again, I think we are looking at a population increase of at least 5 000 in Gidgegannup in the very near future, in the near future anyway.

Mr Waldock: We can certainly respond to that.

The DEPUTY CHAIR: I think we can include all that as A14 then, and get some clarity around that.

Hon ALANNA CLOHESY: The third one is around Mundaring, the same question basically: what the current operating services are and what the planned are for the next two financial years.

Hon KEN TRAVERS: In answer to one of the questions we put on notice, you indicate, dealing with the issues of the Moore Street level crossing in Perth, it was not part of the business case or scope of the airport rail line. Why is that the case? Why was it not?

Mr Waldock: Because it was never part of the scope of the project.

Hon KEN TRAVERS: But does the airport line have no impact on that level crossing?

Mr Waldock: The frequencies will increase slightly through that crossing, as you would expect, but that crossing, of course, for railway commuters will still be given full priority. So the issues you are talking about are potentially road issues and that Moore Street crossing is being considered by Main Roads in a wider sense in terms of their future program. I mean, we have both got a grade separation program for roads, we have got a grade separation strategic program for rail, and we will continue to look at those in terms of how government funding becomes available, but it is quite a separate issue in the project.

Hon KEN TRAVERS: But surely if you put additional railcars, I mean that is already a point where it is virtually blocked at peak times anyway because of the amount of time the boom gates are down. You add an additional six or probably 12 services in fact when you put in and out, surely that then has a significant impact on that crossing. In any other project you would normally take into account and consider how you treat that intersection or that crossing as part of the project development, and surely in terms of developing your benefit–cost ratio, if it has a negative impact, that would have to be factored into what the final benefit–costs are.

Mr Waldock: All I would say, member, is certainly those issues have been factored into the Main Roads and PTA combined grade separation program, and so those issues you have raised will then reflect in them being a high priority in the future.

Hon KEN TRAVERS: It is funny you should say that, because it does not seem to be identified as one of the priority grade separations in terms of the work that PTA and Main Roads have done. It is not listed as a priority, not even by 2031.

Mr Waldock: My sense is—I do not know how old that is—but that is a dynamic program that is worked on regularly, so I am sure that when you see the next one, that will be reflected in the changes.

Hon KEN TRAVERS: Good; maybe my questions have had some impact after all!

Mr Waldock: We always listen!

Hon KEN TRAVERS: But how does that Moore Street operate once the airport rail line opens?

Mr Waldock: Once the airport rail line opens?

Hon KEN TRAVERS: Yes.

Mr Waldock: I will put that on notice.

Hon KEN TRAVERS: It will effectively block Moore Street, will it not?

Mr Waldock: No, it will not effectively, but it will have implications; you are quite right. So let us come back and perhaps give you more detail.

Mr Burgess: I think really in a pure sense the railway always has right of way, so it does not really affect the railway. In terms of operating the Midland line or the airport line, the rail has priority and the boom gates come down and people wait and get frustrated.

Hon KEN TRAVERS: So when we were building the Mandurah line we should have just built it with level crossings and said, “That’s Main Roads’ problem”!

Mr Burgess: The advantage is there were not too many at-grade crossings on the freeway. That was the advantage!

Hon KEN TRAVERS: But, I mean, I cannot see how you build a project that is actually going to have a significant impact on the capacity of the road network to operate and not include that in the scope of the project as to (a) how you treat that and (b) in terms of developing a benefit–cost on what the impact that has on the functioning of the system.

Mr Burgess: I think the issue for us is there are about 31, as I recall, crossings on the urban network—that is in the metro area—and there is another string of crossings on the freight network in the metro area. I say the metro area, because that is where you tend to have the higher volumes of road traffic where the conflict exists at the at-grade crossings. For us, we have had that program identified as to the importance of trying to get grade separation, and there is a mix of things there. There is the potential perhaps to close some of them; there is the potential to put either subways in or bridges in. Everyone is familiar with the Moore Street site; it is a difficult site on a range of those fronts to try to get a subway in there or to try to get a bridge in there. There are options as to how you could do it.

Hon KEN TRAVERS: There are plenty of plans there for it; you just continue Roe Street through the government-owned land and across the top of Moore Street.

Mr Burgess: I think we are pointing out, member, that it is a much bigger issue than perhaps if you bogged the airport project down with something as complicated as that on what might be a very substantial piece of expenditure, we might never get another railway built.

Hon KEN TRAVERS: Except that I do not think you can build infrastructure like that and not incorporate all of the impacts of it. I mean, I remember a past Minister for Transport trying to point out every conceivable problem with different options in terms of rail into the city at one point. You know, he wanted to expand it out to anything that he could think of and make sure it was included in the considerations.

Mr Waldock: I do not think we were around in those days, member!

Hon KEN TRAVERS: No; I think you were, but it might have been in caretaker mode! So who is responsible for the grade separation program, which agency?

Mr Waldock: Main Roads have a roads program which is purely roads in terms of grade separations; PTA have a freight one, which is PTA; and there is a combined one for road–rail, but it is urban rail.

Hon KEN TRAVERS: And urban rail?

Mr Waldock: That is what I am saying.

Hon KEN TRAVERS: You said “freight”, that is why I am asking about that.

Mr Waldock: No, no. Freight is PTA, sorry.

Hon KEN TRAVERS: Yes.

Mr Burgess: It is very much a portfolio response.

Hon KEN TRAVERS: This is what I am trying to work out. So in terms of the grade separation program, where it relates to rail, that is PTA.

Mr Burgess: No.

Mr Waldock: No, I did not say that. I said for freight it is PTA; where it is urban rail and roads it is a combined effort in that.

Mr Burgess: And of course Main Roads actually run the level crossing protection committee, so they are intimately involved in all of that.

Mr Waldock: There are no surprises—but both agencies.

Hon KEN TRAVERS: That is what I am trying to work out. Who ultimately then develops the priority list?

Mr Waldock: The priority list has been an agreed list between both agencies, with transport signing off to it as well.

Hon KEN TRAVERS: So is there now a priority list for grade separations?

Mr Waldock: Yes, there is a priority list and I think you are actually reading something from there, from a priority list as I understand it.

Hon KEN TRAVERS: But when I raised Moore Street, Moore Street was not on there and you told me that Moore Street might be on the next list, so I am trying to work out where we are up to in terms of the development of a priority list.

Mr Waldock: No, no; we can tell you.

Mr Burgess: As Reece said, it is dynamic, because people do more work on it. Typically the way the grade separation programs work, whether it is road to road or rail to road, is that, as you know, a whole bunch of factors are considered in terms of loss of productivity for passenger vehicles, for freight vehicles, have there been incidents, have there been fatalities? All of those things are put into the pot and then various formulas are used to come out with priorities. It is dynamic. As people build those cases and get more information, then the priority list would change. And I think the other thing that would change it is: how doable is it, you know, is it actually achievable to put a level crossing in at the site?

Mr Waldock: I think the third dimension, and this is what we are facing, I think, is that freight will be given the priority. We have got \$285 million for the key three grade separations, plus there are more grade separations for Malaga Drive et cetera. They are —

Hon KEN TRAVERS: I am sorry, for what?

Mr Waldock: Malaga Drive.

Hon KEN TRAVERS: You still have that one; you have not lost it yet?

Mr Waldock: No, we have not lost it yet. We have just come back to the sum of \$285 million, which is I think very exciting. That is heavily funded, as you would be well aware, by the federal government. So, I think freight will continue to be given high priority, as it should be, as particularly on the sort of Roe and Tonkin Highways to grade separate —

Hon KEN TRAVERS: As you know, we always recognise that you needed to do those three grade separations. You could not do the Swan Valley bypass without them. Some missed that point before the last election but we never did!

Mr Waldock: I think I have finished!

Hon KEN TRAVERS: What grade separations on the rail network, what benefit–cost ratios or assessments have been undertaken on the rail network in the Perth metropolitan area?

Mr Waldock: We do not get any benefit–costs; we look at the conflict situation and the time lines. Now that is the start of a benefit–cost, but we do not need detailed benefit–costs. But certainly I think in the urban rail system, as I remember marketing it, it would always be things like Welshpool Road, Oak Street, first of all; but certainly Moore Street. I mean, I think Moore Street is not just a grade separation, as it has been put out; it is a whole look at how we are going with the road issues in and around there. So it is wider than that.

Hon KEN TRAVERS: Are we able to get a list of the rail crossings that you have looked at and what the issues are at each one of them?

Mr Burgess: Yes, we will have looked at all 31, I think it is.

Hon KEN TRAVERS: But we can get a list of all of those as supplementary, and what are the issues and how you have ranked them in terms of their importance or having the issues addressed?

The DEPUTY CHAIR: We will call that A15.

Hon Ken Travers, as there are five minutes to go, I will just check that the other members do not have questions and we will let you take it to the end.

[Supplementary Information No A15.]

Hon KEN TRAVERS: I just want to double-check if you could also in that list show those that you have identified for possible closure; because I note that in one of your answers you said that it has got to be subject to consultation. But I am not sure with local government how local government can consult if people do not know that that is a possibility.

Mr Burgess: Conversations have certainly occurred around Moore Street with the City of Perth at various levels.

Hon KEN TRAVERS: About closing it?

Mr Burgess: No, no, about what the options are for Moore Street rather than necessarily closing it.

Hon KEN TRAVERS: But I am asking of those rail crossings, which ones have been considered as possible closures, because I actually think it is important to let the public have a say in that well before you get too far down the track. I know, for instance, as an agency you are not that big fans of the Caledonian Avenue one in Maylands. I mean, I am sure that is on the list.

Mr Burgess: There is a risk associated with that.

Hon KEN TRAVERS: Yes, I am sure if you had your way, you would close it tomorrow, so I assume that is probably on the list of potential closures.

Mr Burgess: Yes.

Hon KEN TRAVERS: But I think that is a conversation that should be had with the broader community.

Mr Burgess: Yes. I would only add to say, member, that we can provide that information but it is a living document and things can influence it over time.

The DEPUTY CHAIR: Did the member want that information separately?

Hon KEN TRAVERS: Yes.

[Supplementary Information No A16.]

Hon KEN TRAVERS: There has been a range of concerns raised about the tunnel into the underground bus station and its impact on the neighbours. How are you seeking to address those impacts?

Mr Waldock: MRA are the responsible planning authority for that. We have been clearly working very closely with MRA. We have discussed the issues with City of Perth at great length and continuing to discuss the issues with City of Perth. We have spoken to some of the affected stakeholders. We will continue to work as best we can in order that MRA can make an informed and considered decision.

Hon KEN TRAVERS: But are you trying to address the concerns that have been raised?

Mr Waldock: Without question.

KEN TRAVERS: And how are you doing that?

Mr Waldock: It depends what the issues are, but certainly we have done a lot of work that demonstrates the modelling, particularly the intersection. I mean, it depends what aspects you are raising but in terms of some of the issues, of course, how the intersection would work and how the congestion levels would be compared to both now and in the future based on different scenarios including a light-rail scenario and all the rest of it. So we have done an enormous amount of work on that. We have done a lot of work in terms of the aesthetics of the second entrance in terms of making sure. We are working with the government architect and others to make sure that we minimise any sense of barrier system. We have actually done a lot of work with, again, planners and City of Perth in terms of the width of the pedestrian walkway through, so people feel it is very wide and very open. And of course we continue to look at the engineering aspects, particularly with buses and the grades to try to minimise the effect. So I think we have really done a lot of work in, first, trying to understand issues, and certainly responding to as many issues as we can. And we will continue to do that until —

Hon KEN TRAVERS: So is there any of that work that you are able to share with the committee?

Mr Waldock: I think it is all confidential to MRA, but again City of Perth —

Hon KEN TRAVERS: The work that you have done, though?

Mr Waldock: We have done it for MRA and so that kicks heavily into MRA as they go through a deliberative process. And, again, City of Perth, we have spent numerous meetings with them at every level, and I think we are making very good progress.

Hon KEN TRAVERS: And how would the light rail interact with it?

Mr Waldock: Our sense is that the light rail will interact with it to such an extent that I think the congestion ratings are either a C or a D, so it is better than it is now. So we think we can manage that incredibly well, and particularly if we actually look at the light rail in the future with a transit hall through part of William Street as well.

[11.30 am]

Hon KEN TRAVERS: By closing William Street to traffic other than public transport?

Mr Waldock: Not closing all of I, just closing between Hay and Murray Streets.

Hon KEN TRAVERS: None of the animations that you produced had light rail in it and I am trying to work out how pedestrians will cross at that intersection and have the buses coming in and light rail all operating at the same point.

Mr Waldock: Again, if you would like to raise an issue, we will respond to it. The pedestrian width has been increased twofold, so even with the light rail system there will be enormous width.

Hon KEN TRAVERS: Who will get priority?

Mr Waldock: In terms of the traffic lights?

Hon KEN TRAVERS: Yes.

Mr Waldock: It will be, I guess, a combination, but certainly pedestrians will get strong phasing. We are working these days, of course, with parallel traffic lights, so pedestrians get strong phasing. You know, I think our modelling has demonstrated —

Hon KEN TRAVERS: But you will not get that parallel phasing with the light rail because that is going to be cutting in across the pedestrian walkway, is it not?

Mr Waldock: What I am happy to do, because the modelling is pretty clear and we have actually done that—we are more than happy to respond on those issues.

The DEPUTY CHAIR: Is that by supplementary information? I am going to have to wind it up. We have reached the end and we have to get on to the next segment.

Hon KEN TRAVERS: Just to finish off on that, have you finalised the route for MAX through the city there?

Mr Waldock: That will be considered in due course.

Hon KEN TRAVERS: So, no finalisation. I have one last question.

The DEPUTY CHAIR: That was the last question, so I am going to close. I want to clarify whether you were going to take information as supplementary information in relation to the interaction between traffic, light rail and pedestrians.

Mr Waldock: Yes.

[Supplementary Information No A17.]

The DEPUTY CHAIR: 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. Responses for these questions will be requested by 15 January 2015. 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 email them to the committee as soon as possible after the hearing. On behalf of the committee, I thank you for your attendance today. We will reconvene at 11.45 am.

Hearing concluded at 11.32 am
