

PUBLIC ACCOUNTS COMMITTEE

INFRASTRUCTURE PROJECT FOLLOW-UP INQUIRY

**TRANSCRIPT OF EVIDENCE
TAKEN AT PERTH
WEDNESDAY, 17 OCTOBER 2012**

SESSION TWO

Members

**Mr J.C. Kobelke (Chairman)
Mr A. Krsticevic (Deputy Chairman)
Dr E. Constable
Mr C.J. Tallentire
Ms R. Saffioti**

<006> P/4 [10:35:42 AM](#)

Hearing commenced at 10.35 am

KINSELLA, MR KIERAN GERARD
Chief Executive Officer, Metropolitan Redevelopment Authority,
12 Lindsay Street,
Perth 6000, examined:

HENRIQUES, MR SEAN MIGUEL
Executive Director Project Delivery, Metropolitan Redevelopment Authority,
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BEYER, MR STEPHEN
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The CHAIRMAN: We will start with the formalities. On behalf of the Public Accounts Committee, I would like to thank you for your appearance before the committee today. As you will be aware, the committee has previously examined the Perth Waterfront project in addition to the property development aspects of the Perth City Link. The purpose of this hearing is to assist the committee as it continues to oversee the delivery of these and other CBD property projects.

At this stage I would like to introduce myself, John Kobelke, as the Chair. We have Rita Saffioti, Chris Tallentire and Dr Elizabeth Constable as the members of the committee. The Public Accounts Committee is a committee of the Legislative Assembly of the Parliament of Western Australia. This is a formal procedure of Parliament and therefore commands the same respect given to proceedings in the house itself. Even though the committee is not asking witnesses to provide evidence on oath or affirmation, it is important that you understand that any deliberate misleading of the committee may be regarded as a contempt of Parliament.

This is a public hearing and Hansard will be making a transcript of proceedings for the public record. If you refer to any documents during your evidence, it would assist Hansard if you could provide the full title for the record. If during the course of today's hearing, you feel that information being requested by the committee breaches commercial confidentiality requirements, please let us know and then we may consider it be moved into closed session to discuss such matters.

Before we proceed to the questions we have for you today, I need to ask you a series of questions. Have you completed the "Details of Witness" form?

The Witnesses: Yes.

The CHAIRMAN: Do you understand the notes at the bottom of the form about giving evidence to a parliamentary committee?

The Witnesses: Yes.

The CHAIRMAN: Did you receive and read the information for witnesses briefing sheet provided with the "Details of Witness" form today?

The Witnesses: Yes.

The CHAIRMAN: Do you have any questions in relation to being a witness at today's hearing?

The Witnesses: No.

The CHAIRMAN: Thank you very much. Thank you for being here today to help us with information. If I can start to get a bit of a general overview of the land that will come on to the market through both the Perth City Link and Elizabeth Quay; and what are the anticipated time lines for the actual sale of the land there.

Mr Kinsella: I will ask Sean Henriques, who is our executive director of project delivery and who is looking after that for the authority.

Mr Henriques: Both projects are actually in the market at the moment in different forms and at different stages. Perth City Link was released towards the end of last year through an expression of interest process and we went through an evaluation of that and shortlisted, with the current shortlist being down to Leighton and Mirvac consortium. We are engaged in a clarification process with those proponents currently. That is for the entire release of the state land, excluding the Arena and the area around the Horseshoe Bridge for the city square.

The CHAIRMAN: What date do you hope to have a sale concluded and are there any time lines on the successful tenderer in terms of meeting guidelines for development or anything like that?

Mr Henriques: There are not as part of the evaluation process that we are currently undergoing. For that second part, that takes into account the staging of the development and the release of the land because, in effect, through these transactions, because of the size of them, I guess the successful proponent is effectively buying the right to develop the land rather than the land per se up-front. In particular with Perth City Link, the land becomes available from stages around the Arena and that ends in the next few months and the early part of 2013. Upon the sinking of the rail, about mid-2014 onwards, the second tranche, if I can call it that, becomes available. Finally, the underground bus station towards Horseshoe Bridge end becomes available mid-2016 onwards.

The CHAIRMAN: Can I come back to the expected date for completion of the contract?

Mr Henriques: The contract itself, yes. We are looking to evaluate towards the end of this year in terms of coming to a conclusion and accepting that proponent as moving forward to then draw up the contract. In terms of the writing up of that, it will be probably the middle of next year we would anticipate the actual contract being signed off.

Dr E. CONSTABLE: How much land is involved in each of those three areas that you just outlined?

Mr Henriques: Probably the overarching land parcel is 5.2 hectares. That covers the entire area that was released. That is a mix of public domain, roads and public spaces as well as development lots. It is not entirely development lots. In terms of the staging though, I would have to take on notice the exact specifics how the hectares would become available in terms of the land above, but there is probably half and half, broadly, between the area above the bus station and the final piece in mid-2016 and the remaining pieces that become available before that.

Dr E. CONSTABLE: How much, if you break it down by how much is going to be developed and how much is other spaces?

Mr Henriques: About two-thirds is developable land. I think it is about 3.7 hectares.

The CHAIRMAN: I wonder if we could have that by supplementary information. If you could actually give us a table of the time lines, the dates for those three sections, how much land is involved, how much might be public open space roads, how much would actually be developable land.

Dr E. CONSTABLE: Do we get an evaluation? What is the value of the land?

The CHAIRMAN: That may be commercial-in-confidence.

Dr E. CONSTABLE: It might be, but.

Ms R. SAFFIOTI: In relation to your estimates, because your cash flows are built into your estimates, are they not?

Mr Kinsella: That is right.

Ms R. SAFFIOTI: As in, in determining the cost of the project, you would have some anticipation in relation to anticipated revenue. Are we able to get that information?

Mr Kinsella: The revenues that are published in our annual report and midyear review would be available for each of those project lines.

Ms R. SAFFIOTI: As part of each of those stages, I think, is what we are looking at.

The CHAIRMAN: If that is commercial in-confidence and you mark it such, then that will not be released by us.

Mr Kinsella: Chairman, just to emphasise a point that these two companies as a joint venture will have the right to develop the land and they will roll that land out according to market demand. Typically, a developer would say, “We are going to build this set of apartments with 60 apartments in there.” They would need to get their finance in order and then they would need to have presales to a certain point before the finance contract came to fruition. The same thing would happen in this area, although it will be a much bigger financial package and probably different milestones. They will release the land as they release different lots of product along the way in the overall time frame. So, we could not say on 1 April 2017, lot 12 will be under development —

Ms R. SAFFIOTI: I think we are just looking at the three stages, how much land is being released under each of those stages and anticipated cash flow back to government under each of those three stages. So, that was the land around the Arena, the land around the rail line sinking and the land on top of the bus station.

Dr E. CONSTABLE: Not just the total amount of land, but broken down into what is going to be developed and the land that is not going to be developed.

Mr Kinsella: We can provide that.

Dr E. CONSTABLE: Do you anticipate there might be more than one hotel built in this —

Mr Kinsella: In the Perth City Link project?

Dr E. CONSTABLE: Yes.

Mr Kinsella: We are anticipating at least one. We are hopeful of two. They are the sorts of negotiations that are going on now, because the overall price that the developer pays will be based around the sort of yield that they can get from the land. I think it would be fair to say that we are reasonably confident that the package will include one hotel and a second serviced apartment-type hotel is also in the discussion mix at the moment.

Dr E. CONSTABLE: In other capital cities hotel developers are being given concessions in order to develop hotels. Is that part of the negotiation?

Mr Kinsella: There is not an incentive package per se in the deal, but there will be consideration of—the overall price will reflect the yield and the additional costs associated with developing a hotel. There may be on a particular lot a discount that is afforded on the basis that it is going to be for that particular use.

The CHAIRMAN: That leads me to what I want to ask. We are still dealing with Perth City Link land before we move to the foreshore. To what extent are you negotiating in the sale contract clear outcomes that the successful tender will have to fulfil? Such as, are you saying that there must be a hotel in this lot or are you saying developments must take place by a certain time? Are there any contractual requirements for particular types of construction or dates of construction?

Mr Kinsella: Chairman, the final contract document will have the time lines. It will have milestones and it will have the product mix, whether it is retail, commercial, residential and hotel. When we have a final package on the table, all of those things will be laid out and specified. Then, in the event that the market changes—because we need to be responsible and understand that the market may change—that would be done within the guidelines of the contract and negotiated accordingly. So, there will be a starting position. Bearing in mind that it is a 10 to 15-year roll out and the market may change dramatically during that time. It may in fact be that the developer wants to go quicker than first thought rather than slow down and the product mix will —

The CHAIRMAN: What, if any, mechanism will there be to enforce it? Let us take a hypothetical; a certain lot in land in here you provide that there is to be so many square metres of commercial space by 2020 and they do not deliver. Do you have any method by which you can enforce that or you will simply say that they did not meet the requirement?

<007> M/4 [10:46:27 AM](#)

[10.45 am]

Mr Kinsella: No. We have a history of putting bonds in place with developers so if they do not perform, they may have to forfeit that bond. The sales contract would allow a buyback or takeback of the land from the state if they do not perform. There are safeguards built into the sales contract. That is our best tool, if you like, in the sales contract—to lay out those delivery milestones and achievements required.

The CHAIRMAN: What you are telling the committee is that the contract will contain clear provisions that failure to meet a deadline may mean that the state has the right to buy that land back?

Mr Kinsella: That is the ultimate scenario, yes.

The CHAIRMAN: We do it in a residential development. Are you using a similar model here?

Mr Kinsella: It is very similar, Chairman. Typically, it would be a last resort that we take the land back. We would want to work our way through that. We do have issues where, if there is a lack of performance, if we made a concession we would probably say, “We’re going to bond that concession to the contract so that if you don’t now perform”—we get to a negotiated position. If we could not get that performance, we would say, “We now want a bond. We’ve taken you on trust to here and now we actually need a bond or something to make sure that you deliver.” It is an incremental, I suppose, set of circumstances but we are very, very keen to make sure the developer delivers the contract but we also need to be mindful of the prevailing market conditions that go across a 10 to 15-year window.

Mr C.J. TALLENTIRE: So you can guarantee we will not have a Brookfield plaza situation in which that site—I think it was owned by the Packer company at the time—was vacant for 15 to 20 years and the state seemed to have no power to force development there.

Mr Kinsella: We actually will own the site. We transferred the sites incrementally according to the development deed. We can keep control that way.

Ms R. SAFFIOTI: What is the anticipated finish date of all the developments on that site? When will the last tower or last brick be laid?

Mr Kinsella: I will let Sean answer that.

Mr Henriques: I will reference the other projects because they all run concurrently over the 10 to 15-year period, but for Perth City Link we are specifically looking at 2020 to 2022 plus—around that sort of time. As we mentioned, we are running through that clarification evaluation process at the moment. We do not want to get too specific, but it is in that ballpark.

The CHAIRMAN: Moving to the foreshore: can you answer similar questions in terms of when you will conclude contracts and staging et cetera?

Mr Henriques: For the Elizabeth Quay project, that is being released on a stage basis, lot by lot, or combination of lots. Again, we have released the first two lots, being lots 9 and 10, with a very clear expression of interest aimed at developing a hotel within that, and a hotel–residential package. Touching upon the incentive question earlier on, it is not an incentive per se. The rationale is to do both together to allow some of those synergies in constructing two sites together to come through and hopefully make a hotel development more feasible. The expression of interest stage closes on 25 October this year. That will then follow with a shortlisting process. We hope to conclude that by the end of the year, to then notify the successful short-listed proponents that they are moving to the second stage, which is a request for detailed proposals. That will run from the early part of 2013 into somewhere around the April-type closeout period. It is anticipated for that evaluation process to then kick in, allowing, hopefully, the preferred proponent stage to be the middle of next year, to then move to concluding contracts and the like.

The CHAIRMAN: What are you expecting from the proponents? Is it design, square metreage of retail, hotel, residential, that they bid on that, do they, and that is what you will assess?

Mr Henriques: Ultimately, yes. The first stage is more directed at the capability and capacity and credentials of the proponents to be able to articulate the vision and how they will get there, showing some awareness of market capability and so on. The second stage moves much more into the financial structure and in the design elements that you touched upon. That is the end outcome.

The CHAIRMAN: What about release of the other lots, other than 9 and 10?

Mr Kinsella: They will be incrementally released into the market depending upon market demand and take-up. We do have a strategy that we are preparing to put to the MRA board at the moment so they can sign that off. One of the things to remember about Elizabeth Quay is that the actual development of land is only about 3.7 hectares. Our strategy is to develop down the eastern wing first, so lots 9 and 10, to allow us to get a critical mass of development so that when people come to the quay there will be something to do. There will be restaurants and cafes sitting underneath those first two buildings to activate that space. Our plan is then to move across The Esplanade part of the quay. With so much construction going on in fairly narrow lots, in a confined space, our idea is to leave land available for set-down areas so that we do not end up causing too much traffic chaos around the construction site as we go. There is more residential on the western side of the development. We would move down the eastern flank. We would then come back to the north side of the quay, where the major commercial sites are, and then move down the western flank. We will probably leave lot 4 to last because we see that as the best commercial site. As the development grows in value, the value of that land will grow. We are trying to maximise the return to the taxpayer by that sort of strategy. A full layout of that program is still to be identified with the board and have them sign off to it.

The CHAIRMAN: Assuming it will be some years before the site is actually taken up or developed, what is your plan in the interim? If one or more of the sites are laid down for construction, it is going to make the whole inlet look pretty untidy and unattractive if you have simply got lay-down areas for construction all around the place.

Mr Kinsella: Those lay-down areas where there is construction material, a lot of them will have hoardings around them to dress them up. In the areas that are not involved in the construction at all, that have not got any works going on at the time, we intend to activate those spaces with interim uses, whether it be pop-up shops or temporary parks. It will not be a matter that there will be bare earth around the quay. We are very, very understanding. We are trying to generate a destination that all Western Australians will want to come to on a regular basis. There will be interim uses of the land until they come under construction. One of the issues for us is that we need to make that very

clear that they are interim uses, because we will be building a small park or a pop-up shop. We need to make sure people understand that they are there on a short-term basis.

The CHAIRMAN: Do you have a budget for those interim uses?

Mr Kinsella: At the moment we have a budget for what we call place management, which is the activation strategy for the project area. That is around \$10 million at the moment. That is across probably that period we are talking about. We also intend to try to work with the developers to provide a regular contribution to, if you will, our corporate body to run the place and make place management and activation activities for the quay.

Ms R. SAFFIOTI: Can I ask a few questions about the soil from the actual quay itself? How much land is likely to be moved, where is it going and what will it be used for?

Mr Kinsella: A lot of the soil that is there will be treated onsite and tried to be re-used. We are actually extending the wings of the quay. The island needs to be built as well. As much of the soil that can be won back from the site will be won back and kept, because that is the cheapest way to move. There is some contamination on the site. Some of the contaminated soils will need to be prepared as best they can onsite. Then there is provision for some of the leftover soil that can be used as class 1 landfill to go to Whiteman Park. The WAPC has a plan, in conjunction with the City of Swan, for a major set of regional playing fields at Whiteman Park. The soil would be used on that land, for fill. Car parks and road network will sit on top of that so that it is secured.

Ms R. SAFFIOTI: How much has been earmarked for Whiteman Park?

Mr Kinsella: How much soil?

Ms R. SAFFIOTI: Yes. And is it going to be cleaned beforehand and where will it be cleaned?

Mr Kinsella: As much of it as can be will be cleaned onsite. There may be some treatments required when it first arrives at Whiteman Park before it is actually used. I cannot give you the figure as to the tonnage that will be removed. We have an estimate of that. I have not got that figure to hand. I will provide that and take that on notice.

Dr E. CONSTABLE: Could we go back to lots 9 and 10 for a moment? I think you said that expressions of interest close soon. How soon is that?

Mr Henriques: 25 October.

Dr E. CONSTABLE: So it is this month?

Mr Henriques: Yes.

Dr E. CONSTABLE: Can you give us some idea of the level of interest that has been shown locally, interstate, overseas? I have no idea, with a project like this, what sort of interest there might be.

Mr Henriques: I can; but because it is due process, I will keep it fairly generic.

Dr E. CONSTABLE: I am asking a general question.

Mr Henriques: Interest has been strong in terms of interest in the project as a whole and what it is doing for Perth. The actual concept of the project in that sense is strong and it is quite high. In addition to that, from a market point of view the interest in investing in that project has been pretty strong. I say that in the context of other projects that we deal in and also other activities in the market at the moment. In that sense I am talking local, national and international.

Dr E. CONSTABLE: Of those three, where has most of the interest come from?

Mr Henriques: Probably a mix. It depends on the type of interest. Without getting too cryptic, to the extent of the capital and the likely investors in it, there has been a strong international interest from a development point of view. There is strong national and local interest, as well as some

international. If you take it from a hotel operator perspective, they tend to be international by default almost; the sort of global names.

Dr E. CONSTABLE: Do you have any current valuations on these two lots?

Mr Henriques: We do. We do not really disclose those as part of the sales process. We are looking to optimise the value part of the public process.

The CHAIRMAN: We will come back to your answer with respect to the Perth City Link. Are the contractual arrangements with the potentially successful proponents for sites 9 and 10 similar in that they potentially could actually have the land taken back off after several years if they have not proceeded and met the requirements?

<008> J/4 [10:59:09 AM](#)

[11.00 am]

Mr Henriques: That is correct, they are. It is different to the extent only of how land is released in the sense that these are released as fairly succinct packages on Elizabeth Quay, so it is simpler. With Perth City Link as a mechanism, we are not releasing the land until certain points in time so it is less about the buyback; you do not hand it over in the first place until you have a different level of commitment.

The CHAIRMAN: Can we get some rundown on the costs—what actually has been spent, what contracts are about to be let for the actual major civil works?

Ms R. SAFFIOTI: In respect of costs, can we just confirm: \$440 million is the total cost of your component. Is electricity or water a cost, too, of about \$20 million—is that right?

Mr Kinsella: Yes, I think there is an allocation of \$15 million to bring power to the site and \$9 million for water works. When I say “water works”, I am talking about water, sewerage and stormwater management.

Ms R. SAFFIOTI: So \$440 million is your budget—the MRA budget—plus there is \$15 million allocated in the Western Power budget and \$9 million in the Water Corporation for utility costs.

Mr Kinsella: I think basically the decision was that those utilities would be able to extend their borrowings to meet the needs of those works, as I think how the decision was.

Ms R. SAFFIOTI: Yes, I have seen it mentioned in the Western Power budget. Whether it has to borrow and how it sources it is up to it, but that is an additional. Are there any other additional costs being undertaken by other utilities or agencies that will be contributing to the total cost of the project?

Mr Kinsella: State government agencies?

Ms R. SAFFIOTI: Yes.

Mr Kinsella: I am not aware of any other costs to state government agencies; obviously, the City of Perth will have some of its complementary roadworks, like it has done with Perth City Link. It is our intention that Sherwood Court and Howard Street, when they extend down into the quay, will take on the same form that the City of Perth has been using in recent years for Wellington Street and St Georges Terrace, so the same quality of landscaping and streetscaping will come through to the quay.

Ms R. SAFFIOTI: In respect of expenditure up to date and contracts being entered into, do you have any information on how much has been spent to date and what contracts have been entered into?

Mr Kinsella: The forward works contract with Georgiou Group was a \$50 million contract. I do not have a figure off the top of my head, I am sorry, as to how much of that has been expended to date.

The CHAIRMAN: Just in brief, what is that contract for?

Mr Kinsella: Basically that is for forward works to relocate the stormwater pipes, to make sure that any of the preliminary roadworks are done, the removal of trees and basically making the site able to be developed. The erection of the side hoarding—all the preliminary work that we need to get underway.

The CHAIRMAN: That is \$50 million. What will be the next major contract?

Mr Kinsella: The managing contract is a \$220 million sum, for which we are in the process of procurement at the moment, so there are three groups bidding for that work. That is a high order figure basically to build the inlet and the public realm, which is due for completion in September 2015.

Ms R. SAFFIOTI: When is that contract likely to be let?

Mr Kinsella: We are hoping that it will be let in December.

The CHAIRMAN: And the contracts following that? What is the general contract of work that still has to follow that?

Mr Kinsella: Obviously some of the additional landscaping work or work revolving around the public artworks are matters, and some of the works that we are doing around Barrack Square. There is another contract that has already been let that I have missed as well, and that is the works happening at the Barrack Street Jetty. There is a \$7 million contract to reorganise the jetty configuration and to demolish jetty six to allow for the quay to be built. So they are the major areas.

The CHAIRMAN: And what about the roadworks surrounding the quay? Which budget does that come to?

Mr Kinsella: The roadworks we need to do within that \$440 million?

Mr Henriques: That is correct. The \$440 million covers the project roadworks, if you like, so the diversion of Riverside Drive and the internal road layouts within the project area.

Mr Kinsella: And the Rotary Lewis connection as well, up to William Street from the Narrows Bridge—the two-waying of that.

The CHAIRMAN: Can I just return to the land development in a more global sense and bring together both the Perth City Link and Elizabeth Quay? The total amount of area there, along with the development down near the Causeway is going to bring a lot of commercial space, residential space, onto the market. How are you planning that, how are you seeing the impact that will have and the potential take-up? I am not sure of the exact measure, but one measure that I have here suggests that potentially the increase in commercial floor space could be 25 per cent of the total space currently in the CBD.

Mr Kinsella: Yes. I suppose the first answer to that is that Perth is going through this transformational process. DOP demographic figures indicate that there is 1 000 people per week coming to Western Australia, and it looks like they will continue to do that until 2026, so Perth city's population is 2.35 million by 2026. I think that is a conservative figure from the way things are trending in those early years against that, so from our point of view we are looking to bring the three projects online in a similar time frame, but they all have this 10, 15, 20-year window associated with them. We see there is a differentiation between the products, so the product that is being developed at Riverside in the Waterbank project, with Lend Lease as our development partner is more a residential development with some public realm and the inlet that will happen down next to Trinity College and perhaps another hotel into that area as well, so from our point of view there is some commercial there to support the people who are going to live in that area and to support the public realm that is going to be created there. Perth City Link is sitting well on top of this fantastic mix, where all the public transport comes together, so the light rail, the railway station and the bus station, we see that as being reasonably high-quality commercial space, perhaps office space that the public sector would take up and smaller companies would take on board, a new specialty retail

area and all built around a very high-quality public realm with City Square, which will sit within the arms of the Horseshoe Bridge, which will be a major piazza area where we hope the city will come out to play, a bit like Fed Square in Melbourne. So that is our ambition in that area, linking to the arena into the new museum development in the cultural centre so, if you like, those two \$500 million projects are book ending and providing the activity to that area. That will also have a degree of residential development associated with it and help us meet our affordable housing targets as well. Finally, as Sean alluded to before, there is very high interest in Elizabeth Quay; we think it is a AAA product, if you like, so the sorts of people we have had discussions with are very well financed, cashed up superannuation funds that are looking for high-quality long-term investments in quality assets, looking at 50 year-type investment windows and looking to spend on iconic landmark buildings in their portfolios.

The CHAIRMAN: We have limited time. I am an optimist for Western Australia as well, but I do remember the Court years and a bit before and after when for 10 years we had nothing happening in the city, and one of the good things Richard Court did was to actually put temporary parks in. We are an economy very much locked into the international economy, and that goes in cycles, so what is plan B if we suddenly find that growth does not continue at such a high level? There are other financial and economic uncertainties in the world and I think WA will still do okay, but we may actually have a level of growth not near what we currently have, so what is your plan B for all this space?

Mr Kinsella: Just before I fall off that point, there is \$270 billion worth of economic development basically already underway or locked in, so this is a sustained period of growth for the state of Western Australia and the oil and gas industry in particular, when you look at the \$80 billion investment from Chevron and more of that to come. From our position, that is a sustained view, and —

The CHAIRMAN: So there is no plan B.

Mr Kinsella: The situation is that these projects roll out according to market demand, and what is available there, so in the interim we will have strategies where land is not taken up so that it is activated and becomes useful. In a situation like Perth City Link, for example, once the train line is sunk, you have that extra land that then becomes available and we need to have those five crossings across into Northbridge from the CBD and we need to activate the space around it.

The CHAIRMAN: I understand that, and I am hopeful that we have a very bright future, but we have a history of going through economic cycles and I do not think that will stop. The issue is that you have no plan B at the moment other than coming back to government for more money to put parks or temporary arrangements in while we perhaps have a lull of five or 10 years.

Mr Kinsella: I think we probably share the same view, then, Chairman, so I suppose we have to roll it out. We believe that the strategy is reasonably sound as it is delivered.

The CHAIRMAN: Can we move to some of their transport challenges? Veitch Lister Consulting did the traffic impact Riverside Drive closure for the Perth Waterfront project. Has there been any update on that? That was April 2012. Are you still working to that document in terms of your traffic closure?

Mr Kinsella: Chairman, you asked that we bring someone along and Steve Beyer has come from the Department of Transport to help the committee with these issues.

Mr Beyer: The Veitch Lister report was only one of about three pieces of modelling done. Typically, for any major transport changes and transport demand forecasting we actually rely on several models to get some independent verification, which the Veitch Lister job did. We used the Main Roads regional operations model or the ROM model, which is the established model we have in Perth for traffic and transport. We used the Department of Planning's strategic transport model, which gives us a more multi-modal model, and at a more micro-detailed level we use the City of

Perth's model, which gives you much more granular detail for the CBD, and the Veitch Lister report then became the independent assessment that we used for comparing the results.

The CHAIRMAN: So you are saying that the Veitch Lister Consulting report was based on those other reporting mechanisms or other models?

Mr Beyer: No it was not based, it was a purely independent assessment. Veitch Lister is based in the eastern states and it has its own model. We commissioned that independent assessment just to get some confidence that the results we were getting out of the other models were good and reasonable.

The CHAIRMAN: Do you have summary reports of those other three models?

Mr Beyer: Typically we have summarised the results; outputs out of transport models give select link plots of traffic details and volume capacity ratios; there is a whole series of outputs that we get out of those models. They have not pulled together in a neat summary report like we have with the Veitch Lister report, but essentially we have consolidated all of that in terms of advice to our minister and the government.

The CHAIRMAN: Can we get copies of that?

Mr Beyer: I can get copies if you like; it will be lots and lots of reams of information, but I can get you that information.

The CHAIRMAN: We can certainly go through and make our own summary if that can be made available as supplementary information.

Mr Beyer: Can do.

The CHAIRMAN: Thank you. Obviously, I have had a chance to read this, but not the other reports that you talk about. My concern is that this is based on traffic plan numbers and modelling that do not assume any increase in the level of activity in the city. How do you then ramp this up to look at what the traffic flows will be when you have all this development at three different sites in the city, which people need to get to and from, and then the flow between them? Has any work been done to say what is actually going to happen to traffic flow? This causes concerns that there will be more congestion, greater delays and extra time on a model that says this is just based on the traffic flows of 2010, without any of this extra development. What account have you taken of the fact that you are now going to have thousands of extra people working and living in these three centres in the city, which will need to use city streets to get around as well as public transport?

Mr Beyer: The Veitch Lister work was done deliberately. It would be a very complex and expensive exercise to pay them to do a long-term traffic model. They based their work on census data and other existing information. We used the Main Roads regional operations model to give us that medium and longer-term forecast of traffic. Two points on that: all the transport models that essentially rely on traffic outputs do not work realistically with congestion; they do not understand saturated transport networks. It is up to us as motorists where we choose to drive to make choices about whether we travel in the core of the peak or start to do the peak spreading. That is a simple reality of almost every transport model.

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[11.15 am]

Mr Beyer: The other key point is that I think there is a general acceptance that we have no solution to handle an increase in traffic in the CBD to the extent that all the transport demand was going to be based on people driving to and through the CBD. The whole focus and the very substantial focus of the CBD transport plan the government released early this year and which has been continued for the past decade of investment in public transport is to try to it achieve a balance of transport and that involves significant investment in public transport, investment in the local domain for walking and cycling activity, management of car parking in the CBD and supply of car parking and some

judicious increase in investment in traffic capacity. But that is, really, with the investment going into the Graham Farmer Freeway; it is essentially to enable people to get around the CBD, not to come to the CBD.

Ms R. SAFFIOTI: Can I just clarify some of the number? How many cars will be taken?

The CHAIRMAN: Can we just do the number first? What is the investment in the Graham Farmer Freeway—the widening through to Hutton Street—to take account of diversion of traffic north of the city that may currently use Riverside Drive?

Mr Beyer: Sorry; I do not know the exact number. The package the government announced was \$104.6 million. Of that \$47.6 million was from the Perth Parking Fund for initiatives within the CBD; the balance is for the Graham Farmer Freeway, which I think looks like it is around \$57 million thereabouts.

The CHAIRMAN: That is \$57million for just the extra lane of the Graham Farmer tunnel, or will it be for going right through to Hutton Street with the widening?

Mr Beyer: That is correct. It is for widening Graham Farmer Freeway to take up the full six-lane capacity of the freeway. It will widen the north-bound lanes on Mitchell Freeway to Hutton and it is also to provide for traffic that has to get off at Powis Street and Vincent Street instead of trying to merge from the right-hand lanes right across, which causes most of those freeway problems. There will be a new ramp to get people out of the tunnel and under Loftus Street so they will basically, have effectively a left lane to get directly off at Powis and Vincent.

The CHAIRMAN: Can I quickly go through the bridge construction or widening? When you come out of the Graham Farmer Freeway heading west, the current ramp that takes you off onto the Mitchell Freeway I understand has the capacity to take two lanes, so there will be no additional expenditure on that bridge structure?

Mr Beyer: That is the structure to get you off.

The CHAIRMAN: No; to get you off onto the Mitchell Freeway north.

Mr Beyer: Yes.

The CHAIRMAN: You are saying the one that goes to Loftus Street needs to be enhanced or modified?

Mr Beyer: That is part of the package. With the ramps there will be changes at the intersection where the off-ramp actually joins Loftus Street, so there will be more capacity for left-turning vehicles on to Loftus Street and a new ramp will be built as part of that which will take you under as a direct ramp onto Mitchell Freeway north so that you do not have to merge right across basically —

The CHAIRMAN: I want to quickly go to what will be the additional areas of expenditure for bridge enhancement. You were saying the Loftus Street bridge requires some widening-additional work.

Mr Beyer: That is part of that package.

The CHAIRMAN: Okay. Does the Powis Street bridge have capacity for an extra lane or does that need to be widened?

Mr Beyer: That is part of the package.

The CHAIRMAN: What I am coming to is whether the current structure is adequate for the extra lane or are we paying for a bridge widening enhancement to take the extra lane?

Mr Beyer: I need to take that on notice but my understanding is that there is some small widening of the bridges on the Mitchell Freeway.

The CHAIRMAN: The same as the bridge at Scarborough Beach Road?

Mr Beyer: Yes, I can take it on notice to provide that design detail but I understand there is some small widening involved, which has been built into that package.

Ms R. SAFFIOTI: How many thousands of cars will be taken off Riverside Drive?

Mr Beyer: I will give you a sense of context. We have worked off an average annual daily traffic on Riverside Drive, currently around 35 000 vehicles a day. You might reference in Veitch Lister report that they used the number of 40 000 because that was based on a survey they did in February. February and March are always the busiest times on the transport network when people come back from holidays and university students come back to university and everyone thinks they can drive wherever they like and all of a sudden people realise the roads are a bit busier than that, so they start to make other choices, so there is a bit of a variation in the numbers. We have worked off 35 000 vehicles a day. Our numbers are that of that, about 20 000 will come off Riverside Drive, about 14 500 using Graham Farmer Freeway and the other 5 000 will choose other parts of the network, including through the CBD.

Ms R. SAFFIOTI: So, 14 500 of those 35 000 will go to the Graham Farmer Freeway?

Mr Beyer: That is right.

Dr E. CONSTABLE: What will be the total on Graham Farmer Freeway?

Ms R. SAFFIOTI: What is the current daily usage of Graham Farmer and how will that impact the total?

Mr Beyer: I think Graham Farmer Freeway is up around 100 000 vehicles a day. Off the top of my head that is with a four-lane tunnel, which obviously has significant merging problems at the start and at either end of the tunnel, not because of the tunnel but because of the design of the freeway either side. The initiatives I mentioned earlier on will resolve those freeway merging problems for west-bound traffic on the Mitchell. About 100 000 will be going to six lanes, which will give that capacity to absorb that 14 000 to 15 000 vehicles quite easily.

Ms R. SAFFIOTI: So 14 500 go to Graham Farmer; 5 000 will not drive anymore?

Mr Beyer: No 5 500 will use other parts of the network. People will choose not to go through the CBD or they will divert through the eastern or western parts of the CBD.

The CHAIRMAN: Through South Perth?

Mr Beyer: No. As the Veitch Lister report shows, some traffic will use Manning Road; other traffic from the north will come down Charles Street and Walcott Street, which is a major four-lane road. There has been a little bit of contention about traffic using Mill Point Road. The simple reality is Mill Point is a two-lane and is basically at capacity at the moment and does not have capacity to take any more traffic.

Mr C.J. TALLENTIRE: Manning Road is at capacity as well is it not?

Mr Beyer: Manning Road is a four-lane road and has got some pressures in the morning getting onto the freeway, but it has more capacity because it is a four-lane road. It is a classic arterial road.

Mr C.J. TALLENTIRE: It will all choke up on the freeway, which is already choked from those points and no widening is going on there.

Mr Beyer: As I mentioned, Mr Tallentire, the traffic models that produce these forecasts are not realistically taking into account congestion. That is up to you and I as motorists when we choose to drive to make those decisions. Every point on the freeway gets congested in peak period and that is why peak spreading occurs; people realise that if they want to continue travelling at eight o'clock in the morning and compete with the peak at the peak they will get stuck in traffic so they choose to —

Dr E. CONSTABLE: They have to get to work.

Ms R. SAFFIOTI: To finish off the 35 000 vehicles, there are 14 500 using Graham Farmer Freeway, another 5 000 are using other entrances to the city such as Charles, Walcott and Manning Road. What was the rest of it?

Mr Beyer: Or entrants to the city and through the city and the remaining traffic uses Riverside Drive. Our numbers are that Riverside Drive will reduce from 34 000 or 35 000 to 14 000 or 15 000 a day.

Ms R. SAFFIOTI: Do you have estimates of how much longer it will take someone currently using Riverside Drive compared to travel the same distance in five years' time?

Mr Beyer: I have estimates ranging from 30 seconds to a number of minutes, as the Veitch Lister report indicates. I do not think anyone realistically knows how long that will take. Clearly the design of the diversion of Riverside Drive to around the Elizabeth Quay project will have additional traffic lights. It will also have additional road capacity where currently you can come into the city only from the west, one way on Mounts Bay Roads and you can only go out to the west one way under the Narrows Bridge. Both those roads will become two-way, so will you have new entry points into the city. Yes, you will have to navigate more traffic lights, but how this settles down is actually a matter for time. Our advice to the government is the last time there was a very significant change to the road network in the city was when Graham Farmer Freeway was built. Basically what was modelled and what we thought might happen was different from actually did happen and it took motorists at least six months to choose how they would adjust to the changes to the network. The benefit with Elizabeth Quay is also that we have a longer time frame. The additional traffic lights which Kieran mentioned at, for instance, the bottom of Howard Street and Sherwood Court yes, when they are fully operational, and you will have a lot of pedestrians streaming up and down into the CBD on Howard and Sherwood Court, they will have pedestrian phases. That is when the Elizabeth Quay development is at full-scale development. As it is incrementally developed, in reality, most of those traffic lights will operate at green phase for east-west traffic on the current esplanade. There will be a reasonably good flow of traffic as time adjusts. As the Elizabeth Quay project fully develops, 10 years into the future or whatever the MRA time frame is, we will all make changes over that period.

The CHAIRMAN: Do you have any figures for the number of vehicles going to and from Elizabeth Quay when it is 50 per cent or 100 per cent developed?

Mr Beyer: No; the detailed traffic modelling for the Elizabeth Quay project was done for the MRA, not by the Department of Transport. As a land developer, a subdivider actually has to do that traffic to actually design the local road network, so I do not have those specific numbers, Chairman.

The CHAIRMAN: No, but has that work been done?

Mr Beyer: It would have been done for the MRA; I cannot recall the numbers. But it would have been done as part of the Worley Parsons assessment for the local traffic modelling.

The CHAIRMAN: Clearly, people will not invest hundreds of millions of dollars in a hotel if they cannot get their service vehicles in because they have to wait half an hour in traffic to get there and if potential patrons coming from the airport cannot get there in a reasonable time. Surely developers would want to have some assurance of the times taken and the traffic flows. Are you envisaging that there will be some on-site parking for a hotel or other facilities built there, and how many bays?

Mr Kinsella: The bays for each of the buildings will be in line with the City of Perth car parking strategy. They are reasonably limited. Car parking will be built into the podiums that each of those buildings have.

Ms R. SAFFIOTI: Do you have an estimate of how many car bays will be built as part of the project?

Mr Kinsella: I do not have that of the top of my head, I am afraid, but we can provide that as supplementary information. It will depend on the final mix of each of those projects. City hotels in the main are not big users of car parking bays.

Ms R. SAFFIOTI: Sure, but there will be plenty of residential and commercial that will bring more cars.

Mr Kinsella: That is right. There will be a range of that. That early traffic modelling Steve was talking about was done by the planning committee and that is not at the top of my mind at the moment, Chairman, but we will bring that to the committee as part of supplementary information.

The CHAIRMAN: If you could, please.

Mr Beyer: Can I add to Kieran's point? There have been changes made to the Perth parking policy to effectively add the Elizabeth Quay project area to the Perth parking management area. The decision taken with agreement with the City of Perth and the MRA is that that area will be called the pedestrian zone. That means there will be no long-stay or short-stay car parking. There will be tenant car parking as part of the commercial development. Residential parking is exempt from Perth parking, and there will be commercial bays and things like that. That will be managed according to the stipulations and requirements of the Perth parking policy. In other words, there will be minimal parking there. Where there is parking, access will not be largely off the main roads—Barrack Street, William Street and the Esplanade—it will be off the Esplanade promenade, I think you call them, and the side streets Howard Street and Sherwood Court. Traffic that comes out from the airport, for instance, will come down Riverside Drive. We expect that to be fairly unimpeded east of Barrack Street as it is at the moment and then you sweep around Barrack Street and directly into the development. It is through traffic and especially traffic trying to navigate on the western sides past where the bus port comes out and that area will be more impeded but there will be choices for the traffic. Again, a lot of that is like—most service vehicles now choose to avoid the peak period as we all do. Every big city has to make those choices.

Mr Kinsella: Chairman, in the strategy we will also emphasise that people could be making their journey to work on push bikes. An example is that the BHP Billiton building has some 585 bicycle lockers and facilities for cyclists so out of a population in that building of 2 500 to 3 000, which is a significant number —

The CHAIRMAN: We need to move on; we are running out of time.

Mr C.J. TALLENTIRE: I keep hearing this suggestion that people will find alternative means, but the fact is that the development of Elizabeth Quay at the moment will disrupt what once a perfect flow-through for, say, cyclists from the Narrows Bridge to the Barrack Street jetty area. You had an uninterrupted flow and now you have gone and put this huge obstacle in the way, where there will traffic lights and all sorts. Perhaps you can clarify for me: is there an intention, using the bridge and the island, to have that as an uninterrupted flow for, say, cyclists or pedestrians coming from the Narrows Bridge going through to the Barrack Street jetty area?

Mr Kinsella: The answer is that there will be a bridge across the quay. The design of the bridge is taking into account the requirements of commuting cyclists. From speaking to the bicycle lobby, they have a term they call the “roadies” which are the guys who get into the lycra and go flat out and want to go for a ride somewhere. People commuting to and from work will be accommodated in the design of the bridge and we will be working on those designs to maximise that. That is a requirement in the design from the Department of Transport that we have been working through.

Mr C.J. TALLENTIRE: The maps as they stand at the moment indicate that by the time you hit site 10, if you have come in from the south or west you have got nowhere to go.

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[11.30 am]

Mr Beyer: Chairman, there is a bit of detail that we are working through with the Metropolitan Redevelopment Authority, as part of one of their development applications that was held back, to resolve the design detail for that bridge across the cove to allow for continuity of the recreational shared path. We already have agreement and approval that a new bus lane will be built on William Street north to get buses out of the Busport, and we have agreement with MRA, City of Perth and our transport agencies to put bike lanes on Barrack Street between Riverside Drive and the Esplanade. It will be basically the best multimodal development that we will have in town—ferries, buses, bikes, broader public transport, a train station, and obviously some traffic activity.

Dr E. CONSTABLE: Can you confirm for me that when you increase the number of lanes in the tunnel, there will be no breakdown lane?

Mr Beyer: That is correct.

Dr E. CONSTABLE: Can you tell me how many breakdowns a day there are in the tunnel now?

Mr Beyer: That is operational detail that I would have to get from Main Roads. I do not have that information on me.

Dr E. CONSTABLE: If there is no breakdown lane, how are you going to cope with breakdowns? Is there a plan for that, because it is obviously really important in terms of time and traffic flow and so on to make sure that you can deal with that. Can you tell me how you are going to deal with that, and the cost of it?

Mr Beyer: Absolutely. There is an incident response package that has been put together as part of this CBD transport plan. Essentially, that means that we will have breakdown vehicles that are subcontracted from Main Roads to an organisation and that will basically sit at either end of the tunnel to deal with breakdowns.

Dr E. CONSTABLE: Like on the Sydney Harbour Bridge?

Mr Beyer: I am not familiar with that one, but I take that point.

Dr E. CONSTABLE: There are tow trucks permanently at one end of Sydney Harbour Bridge so that vehicles can be moved on quickly.

Mr Beyer: These will not be tow trucks as such. They will be vehicles that have a shunting and some tow-away capability to get vehicles directly out of the incident zone, whether it be by accident or breakdown or whatever. They will be within the tunnel, and that incident response service will apply more broadly to the inner parts of the freeway system and the CBD network. Our observations are that breakdowns and incidents, and illegal parking, in the CBD particularly, have a bigger impact on traffic flows in the peak periods than some of the changes to the road network.

Dr E. CONSTABLE: If there is a breakdown in the middle of the tunnel, how long will it take from the time the vehicle breaks down to clear that out of the tunnel and get the traffic flows back to normal?

Mr Beyer: I have got here our target time for response in the peak period, bearing in mind that part of the whole approach to this is that the tunnel operator will have variable message signs that will tell people where there is a breakdown and that can slow traffic down and get people to divert across by lane. The response time at the maximum will be 10 minutes, and generally five to six minutes where police are on site first off, and then for the remaining part of the freeway system and CBD, it is about 30 minutes.

Ms R. SAFFIOTI: Just to clarify, there will be one of these vehicles at the end of the tunnel, and it will have to come against traffic to pick up a car that has broken down, because it could not come from behind, because there will be too much traffic?

Mr Beyer: Exactly, and that is why the variable message signs that are already built into the tunnel will give the tunnel operator the flexibility to tell people that there has been an incident, to mandate

certain speeds in the tunnel, and to in fact close down tunnel lanes and get people to travel in the lane where the incident has occurred, whichever way it might be.

Dr E. CONSTABLE: So we are looking at 30 minutes all up?

Mr Beyer: No. That is on the freeway system. The tunnel is about 10 minutes, and that is a target time.

Dr E. CONSTABLE: So to get in there, hook it up, find out what is going on, and get it out, 10 minutes?

Mr Beyer: Bearing in mind that we do not have an incident response system now.

Dr E. CONSTABLE: I hope it does not happen to me, but it sounds very, very quick to me.

Mr Beyer: We do not have an incident response system at all at the moment, so I do not know what the target response times will be.

Dr E. CONSTABLE: What will be the cost of having this incident response?

Mr Beyer: There is a detailed cost, and I do not have the numbers, sorry. I can provide those to you.

Dr E. CONSTABLE: Can we get those, because that is an added cost to the running of all of this?

Mr Beyer: Yes. Again, the cost of the incident response, to buy the vehicles, set up the contracts and operate the system, will be part funded out of the Perth parking management fund and part funded out of recurrent funding and Main Roads.

Dr E. CONSTABLE: Could we get a breakdown of that? The recurrent cost is important, too.

Mr Beyer: Sure.

The CHAIRMAN: I am trying to wrap up on the transport and then we can move onto our last point. From what you are saying, Mr Beyer, it sounds as though there will be a very large incentive for people to get out of their cars rather than sit in their cars in a street that will become a car park on occasions in peak traffic. You have alluded to the fact that more people will move to public transport. What work has been done to quantify the cost of providing the additional public transport?

Mr Beyer: Chairman, specifically for the Elizabeth Quay project or any part of the CBD development, there has been no quantification of that cost as part of understanding the growth of the CBD, of which Elizabeth Quay and Perth City Link and Riverside are a key part. The public transport plan that was put out by the government last year is based on growth over the next 10 or 20 years, and there is a range of initiatives in there, including a significant investment in additional railcars.

The CHAIRMAN: Did that plan specifically look at the increased usage in the area around Elizabeth Quay; that is, increased residential development and increased commercial hotels? Were those numbers built into that model in terms of what would be the need for public transport to service this area?

Mr Beyer: Yes, they were.

The CHAIRMAN: But no amount of money has been allocated to try to make sure that this area is serviced?

Mr Beyer: In the sense that the government has already made commitments for railcar purchases and for additional bus acquisition, and it has made an early commitment to the planning for a light rail system —

The CHAIRMAN: But we know that that does not even meet current growth projections. What I am talking about is that in this specific area you are going to be bringing in thousands of people to

work here and to live here, and those people will have to get there and get out of there, and people who want to visit them will have to get there and get out of there. It sounds from what you said earlier that for people to use their own vehicle is not going to be a viable choice in many cases. Is that correct?

Mr Beyer: Yes.

The CHAIRMAN: Therefore, people will have to use public transport. I am trying to get some idea of what has been put aside or what amount of money will need to be allocated to make sure that we have a more efficient transport service into this area if people cannot use their private cars.

Mr Beyer: Chairman, the government's commitment for funding is in the forward estimates. Most of the Elizabeth Quay development will be developed outside of the forward estimates period. So it is a matter for the government to make future investment decisions. The public transport plan put out in the middle of last year gives a 10 or 20-year picture about the sort of investment that is required in railways, in busways, in light rail and in fleet requirements, and those other matters that the government will need to consider in each budget as it deals with the forward estimates investment. But in terms of trying to allocate and decide which part of the future investment in public transport is specifically attributable to this project or any other project, that is not realistic.

The CHAIRMAN: So some future government will have to solve that problem?

Mr Beyer: It is the job of all governments to make those investment decisions, year by year, and that is the challenge for government. We provide the advice as to what we think the demand will be and what the best way to meet that demand is, and what the cost will be, and the government then determines whether it can afford that across a range of other commitments and requirements.

Ms R. SAFFIOTI: The last question is about The Bigger Picture campaign. I understand, Mr Kinsella, that it was your agency that commissioned that campaign?

Mr Kinsella: We are the agency that has taken the lead on that, yes.

Ms R. SAFFIOTI: What is the total cost of that campaign?

Mr Kinsella: An amount of \$1.5 million has been allocated to that campaign.

Ms R. SAFFIOTI: Does that include any market research that was done as part of that campaign, which I understand occurred?

Mr Kinsella: Yes. An amount of \$70 000 has been allocated to market research. So far, \$28 000 has been spent of that budget.

Ms R. SAFFIOTI: Does that include the \$500 000 from the PTA?

Mr Kinsella: That \$1.5 million does, yes.

Ms R. SAFFIOTI: Could we have a copy of that market research?

Mr Kinsella: Yes; I do not have it on me, but we can table that.

Ms R. SAFFIOTI: That would be great. Does that \$1.5 million include all the television costs—the advertising placements ?

Mr Kinsella: Yes, it does.

Ms R. SAFFIOTI: That is scheduled to go until 9 March; is that right?

Mr Kinsella: No. The television campaign will close in early to mid-December. There is a very deliberate ploy there, that we wanted to take it out of the market by then. So all of the billboards and signage will close in December, and the Get the Bigger Picture website will continue on.

Ms R. SAFFIOTI: So the website will continue, but the billboards, signage and TV advertising will go?

Mr Kinsella: Yes—will cease.

Ms R. SAFFIOTI: Will all the people who want to know traffic information still be diverted to the Get the Bigger Picture website?

Mr Kinsella: They can access that information from that site.

Ms R. SAFFIOTI: So that will continue to be the main access point for understanding traffic conditions in the metropolitan area?

Mr Beyer: It is a portal to information on the Main Roads website. So you can go directly to the Main Roads website, you can go to the Get the Bigger Picture website, or you can go through the MRA directly. Main Roads provides that information, and it is working in conjunction with the City of Perth to provide advice about traffic conditions, when there will be works, when there will be closure of a lane for the pouring of concrete, or whatever the type of work may be, and whether there is some sort of incident.

Ms R. SAFFIOTI: Sure. So the electronic campaign will finish in mid-December?

Mr Kinsella: Yes.

The CHAIRMAN: I just have some formalities to close the hearing. Thank you again very much for your evidence before the committee today. A transcript of this hearing will be forwarded to you for correction of minor errors. Any such corrections must be made and the transcript returned within 10 days from the date of the letter attached to the transcript. If the transcript is not returned within this period, it will be deemed to be correct. New material cannot be added via these corrections and the sense of your evidence cannot be altered. Should you wish to provide additional information or elaborate on particular points, please include a supplementary submission for the committee's consideration when you return your corrected transcript of evidence. We would also appreciate if you could include the supplementary information that you have indicated you will be providing to us. Could you also indicate to us whether any part of that is commercial-in-confidence so that we are aware of what we need to treat as commercial-in-confidence and what can be made public.

Hearing concluded at 11.40 am