

**PUBLIC ACCOUNTS COMMITTEE**

**WESTERN AUSTRALIAN INFRASTRUCTURE PROJECTS:  
FOLLOW-UP INQUIRIES**

**TRANSCRIPT OF EVIDENCE  
TAKEN AT PERTH  
WEDNESDAY, 23 MARCH 2011**

**Members**

**Mr J.C. Kobelke (Chairman)**  
**Mr J.M. Francis (Deputy Chairman)**  
**Mr A. Krsticevic**  
**Ms R. Saffioti**  
**Mr C.J. Tallentire**

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**Hearing commenced at 9.49 am****FINN, MR GLEN****Director, Perth Waterfront Project, Department of Planning, examined:**

**The CHAIRMAN:** Mr Finn, thank you for coming before the committee this morning. The Public Accounts Committee has nominated the Perth Waterfront development as a project for follow-up subsequent to its inquiry into the planning, delivery and funding of major infrastructure projects in Western Australia. The purpose of this hearing is to assist the committee in gathering evidence for this follow-up inquiry. As we have already introduced ourselves I will move on to some of the procedures we need to go through.

The Public Accounts Committee is a committee of the Legislative Assembly of the Parliament of Western Australia. This hearing is a formal procedure of the 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 the Parliament.

This is a public hearing and Hansard will be making a transcript of the proceedings for the public record. If you refer to any document during your evidence, it would assist Hansard if you could provide the full title for the record. 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?

**Mr Finn:** Yes, I have.

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

**Mr Finn:** I do, yes.

**The CHAIRMAN:** Thank you. Did you receive and read the “Information for Witnesses” briefing sheet provided with the “Details of Witness” form today?

**Mr Finn:** Yes, I did.

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

**Mr Finn:** No, I do not.

**The CHAIRMAN:** Before we proceed, I am just wondering if we can have the cameras leave, please.

Thank you for your letter of 7 February, which has been accepted as a submission to this inquiry. Together with the information you provide today, your submission will form part of the evidence to this inquiry and may be made public. Are there any amendments that you would like to make to that submission?

**Mr Finn:** No, there are not.

**The CHAIRMAN:** We have a series of questions. Before we do that would you like to make any opening statement or expand on the material that you have already provided to us?

**Mr Finn:** No, thank you.

**The CHAIRMAN:** Good. Thank you very much. The response that you gave to our letter was really answering questions on key issues with respect to the SAMF—strategic asset management framework. I wonder if we might just fill that out a bit. Do you see the project as really needing to meet the SAMF criteria?

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**Mr Finn:** Yes, I do. Our response to the committee specifically in relation to the strategic asset management framework and whether or not this is a project that is included on the department's strategic asset management framework, if I could add some further comments in relation to that. It is a project that we would certainly see appearing and being included on the organisation's strategic asset management framework. For clarification, the accountable authority for Perth Waterfront is the Western Australian Planning Commission. I am here, of course, representing the Department of Planning. The Department of Planning is providing services to the WA Planning Commission in its capacity as the accountable authority. It is anticipated that the Perth Waterfront project will certainly be included in the WA Planning Commission strategic asset management framework. It is not included there at present, primarily because it has been identified as a priority of government. Therefore, moving forward it will be included on the commission's strategic asset management framework.

**The CHAIRMAN:** Mr Finn, I can understand why the WA Planning Commission would be the appropriate agency for the accumulation of the land, because that is a very important first step, but the WA Planning Commission does not traditionally get involved in major construction or development projects. I am just wondering, there is some suggestion that perhaps another agency, whether it is East Perth Redevelopment Authority or LandCorp, may have some involvement. Can you indicate whether or not the control of the project will actually be in partnership or will other agencies get involved as it opens up?

**Mr Finn:** I can. In the recent decisions of government there has been a recommendation and an approval that ultimate responsibility for implementation of Perth Waterfront will reside with the proposed metropolitan redevelopment authority. That is a proposed authority; legislation is not yet before Parliament. However, it is intended that, I understand, that be presented shortly for parliamentary consideration with a view to that organisation being in place some time in 2012.

In the meantime, of course, there is a need for an appropriate agency to be in place to have governance of and accountability for the project until such time as it is transferred to the metropolitan redevelopment authority. Government has identified the WA Planning Commission as that agency. The WA Planning Commission has powers under the Planning and Development Act to plan major projects, like the Perth Waterfront project, but also has powers to construct if necessary and also has, I should say, access to the metropolitan region improvement fund for those purposes.

In the WA Planning Commission's capacity as accountable authority for the Perth Waterfront project both the Department of Planning and East Perth Redevelopment Authority have been requested to provide professional services to the WAPC during this interim period. That is to ensure that at such time as the metropolitan regional development authority is in place, there is a relatively seamless transfer of responsibility from the WA Planning Commission to that new authority.

**The CHAIRMAN:** It is maybe going a bit beyond the scope of your responsibility, but do you have a rough time line as to when that transition might take place?

**Mr Finn:** Look, I do not. That is obviously subject to parliamentary process and passage of legislation through Parliament.

**Ms R. SAFFIOTI:** Can I just ask how big the team in WAPC is heading this project?

**Mr Finn:** The team internally is a team of four people. We have also a team of consultants that we are using to provide professional advice in relation to this project. We also have officers of the East Perth Redevelopment Authority providing advice and support to us in this current period.

**The CHAIRMAN:** If I could come to an area that is a key expertise of the commission, what is the time line for the statutory changes that will be necessary to allow that reserve to be actually opened up with commercial buildings on parts of it?

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**Mr Finn:** There are a series of statutory approvals that will obviously need to be obtained in the same way that they would need to be obtained for any major development project. We have planning approvals at both the metropolitan region scheme level and also at the local planning scheme level. The metropolitan region scheme amendment has been initiated by the WA Planning Commission and we expect that that will be finalised by the end of the year. We have to obtain, of course, environmental approvals through the Environmental Protection Authority and we expect that those approvals will be at least considered by the EPA by the fourth quarter of this calendar year. So we expect by around September or October to have material before the EPA for their consideration. Of course, the timing for their approval is subject to their statutory process and so I cannot comment on that.

We also have to obtain approvals under the Aboriginal Heritage Act—section 18 clearances under that act for disturbing ground in relation to the Swan River. We also have to obtain approvals under the Swan and Canning Rivers Management Act, from the Swan River Trust and approvals also from the Heritage Council of WA.

**The CHAIRMAN:** Just coming back on an a couple of those issues, will the MRS amendment be a major amendment that will come to the Parliament, or a minor amendment?

**Mr Finn:** That will be a matter for the WAPC to determine. I cannot comment on that.

**The CHAIRMAN:** So that has not been determined yet?

**Mr Finn:** No, it has not.

**The CHAIRMAN:** Then with the environmental approvals, what level of assessment has the EPA actually set, or are you envisaging, if they have not got to that stage?

[10.00 am]

**Mr Finn:** They have not got to the stage yet, so that will be part of the formal EPA consideration.

**The CHAIRMAN:** So, the submission by the WA Planning Commission is for what level of assessment?

**Mr Finn:** We would be submitting a proposal on the merits of the proposal. We will not be recommending a level of assessment; that is not the role of the WAPC.

**The CHAIRMAN:** With respect to your response to us—which again, I thank you for—in paragraph three, which I just want to speak to, you have outlined the six major phases, and material on your website would indicate that phase 1; that is, the planning and due diligence, was completed in March 2010. Would that be correct?

**Mr Finn:** That is correct, yes.

**The CHAIRMAN:** Phase two—preliminary design, development, technical and site investigations and preparations of capital cost estimates—was completed in December last year?

**Mr Finn:** That is correct.

**The CHAIRMAN:** So, you are now in phase three, which is design documentation, statutory approvals, procurement and mobilisation of contractors; or, is that phase three yet to start?

**Mr Finn:** We are now in that phase, so that is correct.

**The CHAIRMAN:** And that will run through until the middle of 2014, if I am correct.

**Mr Finn:** That will run through to the commencement of construction of public works, which we anticipate some time in early 2012, depending of course, on the obtaining of the necessary statutory approval.

**Ms R. SAFFIOTI:** So, just confirming, early 2012 is when you expect to start construction?

**Mr Finn:** Correct.

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**The CHAIRMAN:** Have any other members got any questions in that area? If you have them on the site investigation and preparation of capital cost estimates, I would appreciate if you could give us some detail on those cost estimates. What has been publicly released is, I think, a net cost of \$270 million. Can you actually give us the gross capital cost to government of the construction? I believe that that will be rebated by the sale of some land and other assets?

**Mr Finn:** Correct, yes. The cost to government for the public works elements is estimated at \$440 million, the revenue from sales is estimated at \$170 million, which leaves a net cost to government of \$270 million.

**Ms R. SAFFIOTI:** Can I just ask, with the timing of those payments, I would expect the \$440 million would have to be up front, in a sense, and then you are recovering the revenue later on?

**Mr Finn:** That is correct, yes.

**Ms R. SAFFIOTI:** So, the impact on the budget and the forward estimates is likely to be \$440 million in the short term?

**Mr Finn:** The impact on the budget estimates is certainly loaded in the front end of the program and, as you correctly suggest, revenue from sales will flow through after that, so we expect that in the years from 2012 through 2014 that there will be the major expenditure on public infrastructure, and revenue from sales will flow from there over an estimated program extending from 2014 through to 2022.

**Ms R. SAFFIOTI:** So, the land sales will be from 2014 to 2022?

**Mr Finn:** That is right.

**Ms R. SAFFIOTI:** And that is made basically from the main larger buildings around the river bank, in a sense?

**Mr Finn:** That is correct, so, the model that is intended to be utilised in relation to Perth Waterfront is the government master development model. That model will see government taking responsibility for delivery of the key public infrastructure; that is, the creation of the inlet, the construction of the public realm elements, the construction of services and infrastructure, changes to the road network and also the creation of development sites that will then be sold on to the private sector for private development.

**Ms R. SAFFIOTI:** So, those development sites, are they going to be like a freehold sort of sale title, or is it going to be a 99-year lease as has happened in some cases like the Perth Convention Centre, I think, and also 140 William Street?

**Mr Finn:** Yet to be finally determined. There is a possibility that it may be a combination of both. We do see some of the sites being made available freehold to the market. But there may be other sites, and particularly sites such as the Indigenous centre, for example, that we would see being on a long-term lease, and possibly other sites. So, the final tenure arrangements are yet to be finalised, but we anticipate that, yes, that some of them will be made freehold.

**Ms R. SAFFIOTI:** That would impact the revenue of course; the freehold would have a greater value than the 99-year lease?

**Mr Finn:** Certainly the advice that we have is that longer term leases, such as the 99-year lease, have a very limited impact on revenues. With shorter term leases like the 30 to 40 years that we do see some in other cases around the state, the tendency is that, yes, there is a material impact on revenue, but the advice that we have is that there is not such a material impact on the longer term leases.

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**The CHAIRMAN:** I was going to ask you about the \$440 million construction price. Can you give us a break down of the major elements of that? For instance, the \$21.5 million already committed for planning, is that then rolled into the capital cost or is that set aside from the \$440 million?

**Mr Finn:** No, that is included in the \$440 million. The breakdown of those costs is not something that has been made public, and I guess I would be concerned to make that public at this stage, unless it was made available to the committee in confidence.

**The CHAIRMAN:** Can we ask you to provide that as supplementary information in terms of the breakdown of costs? Are members happy with that? That will be reflected in the in *Hansard*. If you could provide us with that it would be most appreciated.

Is there any estimate of recurrent costs, whether there is extra cleaning because of the inlet? Are those sorts of costs being estimated?

**Mr Finn:** There are, yes, and I have to say, that they are ongoing and they will be ongoing until we have completed our detailed design phase. The recurrent costs will include not only management and maintenance, but are also likely to include a place management component. It is a very public place; it will be very active place and will need, for a period of time, we believe, some dedicated management to ensure that it is the vibrant place that we all hope it can be.

**The CHAIRMAN:** For the current understanding of the committee, the question I asked you on the major costs which make up the \$440 million, can you just give us a description of what the elements are without mentioning the dollars in this open hearing?

**Mr Finn:** Yes, certainly I can. I will refer to a document in front of me, which is the preliminary design estimate for Perth Waterfront, provided to the Department of Planning on 22 December 2010. The main elements of the public work costs include some demolition of existing infrastructure; major civil engineering works; marine engineering works; some relocation works of existing structure; structural engineering; services and infrastructure; the creation of a major feature in the inlet itself—that is, a public art feature; hard landscaping; soft landscaping; wetlands; some upgrades to the Supreme Court Gardens; authority costs and approvals; and also ongoing environmental management costs.

**The CHAIRMAN:** The major roadworks surrounding the development, are they part of those costs or is that something that Main Roads or other agencies would need to meet?

**Mr Finn:** No, they are part of those costs.

**Ms R. SAFFIOTI:** So, the \$440 million includes the new Riverside Drive, which is going to be a rectangle around the waterfront?

**Mr Finn:** It does, correct.

**The CHAIRMAN:** Can I ask whether you could provide the preliminary design estimates that you have got as closed evidence to the committee?

**Mr Finn:** The preliminary design estimate is an input to material that has been provided to cabinet, so I would need to take some advice on that.

**The CHAIRMAN:** I make the request, if you could, if that could be cleared through your seniors to be provided as closed evidence.

**Mr Finn:** Sure.

**Ms R. SAFFIOTI:** Before, you mentioned the metropolitan regional improvement fund. Given that WAPC controls that fund, would that be a possible source of funding for the \$440 million? Not entirely, but could it contribute to it?

**Mr Finn:** The \$21.5 million that has been allocated to the project to date for planning of Perth Waterfront has been allocated for the metropolitan region improvement fund. There has been no

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suggestion that the metropolitan region improvement fund would be a likely source for construction of Perth Waterfront—it is not the typical use for that fund. That fund is generally used for acquisition of parks and reserves under the metropolitan region scheme, and also for planning initiatives undertaken by the Western Australian Planning Commission.

**The CHAIRMAN:** What is your current estimate of land which will be provided to the public sector for development? How many hundreds of thousands of square metres are likely to be available?

**Mr Finn:** To the private sector, sorry?

**The CHAIRMAN:** Yes, on which you are hoping to recoup the \$170 million.

**Mr Finn:** I can give you a figure on that. Total area of the 11 sites that have been identified is a little over 35 000 square metres.

**Ms R. SAFFIOTI:** Can I discuss a question about the technique by which you are going to build the inlet? Will it be similar to the technique used for the station at the Esplanade, given that it is reclaimed land with significant problems digging into that area, as we saw, with a significant cost and techniques used to build the Esplanade station? Is that the type of technique that will be used in creating the wall for the inlet?

**Mr Finn:** Certainly, some of those techniques will be applied at Perth Waterfront. The construction of the inlet will require stabilisation on the edges. That will include sheet piling around the edge prior to excavation. The Esplanade station also required fairly significant footing foundations; it had to be tied down at the same time as being held up, because it is submerged, essentially. There will be a requirement for the buildings that are constructed to also have deep footings. The work that we have done, in terms of geotechnical investigations, has shown that the depth to bedrock varies from around 25 metres to around 40 metres. So, is consistent with any development that would happen around the river. In Perth, deep piling of buildings will be required and also the sheet piling of the inlet walls.

**Ms R. SAFFIOTI:** Can I just ask about the order of events? In Parliament it was mentioned that the Riverside Drive realignment would be done last. I am not sure how that could happen, because Riverside Drive would remain an island while you are digging out. My expectation would be the Riverside Drive would have to be done first?

**Mr Finn:** No, it will not need to be done first, but it will not be done last either. The order of events is that we will begin construction in the Esplanade Reserve itself. That will include some major services that need to be realigned, as well as commencement of construction of the northern part of the inlet. And so, the construction model, although yet to be completely finalised, we expect will be, if you like, a construction of the inlet without releasing that to the river—so a dry construction in that sense—and then the final part of the construction will be opening up the inlet to the river. That will mean we will be doing construction on the northern part of the inlet and the Esplanade Reserve itself. At the same time, or shortly after that, we will be doing some additional construction works on William Street to convert that to a two-way street and to start changing some of the surrounding street network into a two-way configuration. Once we have done that, we will then move to the southern part of the inlet, and it will be at that point they will need to close off Riverside Drive. Whilst we are in the northern part, in the Esplanade, and whilst we are doing those works around William Street and other parts of the road network, Riverside Drive will remain open.

**Ms R. SAFFIOTI:** Just finishing off on this, the timing is early 2012: the northern part of the inlet will be constructed. And then, in 2013 we are looking at Riverside Drive being realigned?

[10:15 pm]

**Mr Finn:** We estimate that in early 2013 we will need to be looking to close down Riverside Drive, yes.

**Ms R. SAFFIOTI:** So close it down? Will you be realigning it before you close it down.

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**Mr Finn:** Sorry; I should say realigning, yes.

**Mr J.M. FRANCIS:** Basically, Riverside Drive, as I see it, will effectively work as a dyke while you excavate the northern side of it.

**Mr Finn:** In effect, yes. It will be further south than that. That will act as the dyke, but yes, in that location there will be a dyke.

**Mr J.M. FRANCIS:** So it will be the last bit to take in.

**Mr Finn:** Correct.

**Mr J.M. FRANCIS:** So you do not have to dig it out wet.

**Mr Finn:** That is right.

**Ms R. SAFFIOTI:** I would not want to be driving on it, though, Joe.

**Mr J.M. FRANCIS:** It would not bother me.

**The CHAIRMAN:** What is your current plan for the average depth of the inlet?

**Mr Finn:** The current plan is a depth at low tide of at least 1.5 metres, with a tidal fluctuation of a metre; the depth, generally, I should say, around 2.5 metres. We will have some deeper channels for boat access as well. As you probably know, we will have access for both the river commuter ferries and also private boats into the public jetty.

**The CHAIRMAN:** Can I just ask in relation to the private sector developments, is any of your cost related to preparing their sites, whether it is provision of basic services? If I could use an example with the tunnel through Northbridge, there was extra reinforcements put into the roofs so that private structures could then be built on top. With this major realignment of services and the fact that you have got some geotechnical issues, are you building into your work and costs any things that will provide some support for the later construction of those buildings by the private sector?

**Mr Finn:** The expectation is that the work that we will do on the private sites is really only to bring them to a level that is suitable for sale to the market. If there is any contamination, if there are any issues with acid sulfate soils, we will deal with those. We will bring services to the perimeter of those sites, but we would not want to do anything further than that and second guess what the private sector might want to do in terms of its own building contract.

**The CHAIRMAN:** Given one of the major drivers for the whole project is to enhance the city and have pedestrian traffic activation, what is the current thinking if there is a delay in the private sector actually taking up the land? There may be issues that when this comes onto the market—we are all hoping that the state will be continuing in boom conditions—there might at that stage be a surplus of office accommodation and a bit of a lag in the market. Is there any planning so we do not end up just with a boardwalk or a foreshore and nothing there.

**Mr Finn:** The program that we have put in place is based on advice from the professional property industry. It is based on their best estimate of where the market is likely to be and what the take-up of sites and development time frame is likely to be in what is essentially a unique and premium offering in the Perth context. Having said that, it is a forecast, a prediction, so yes, the market could change during that time, and there could be a situation where there are lots that are not released in accordance with the program that we currently have. What we are planning to do is of course have all of that public realm in place. There is some activated use of that public realm in terms of kiosks and cafes that will be there regardless of any built form around it. We anticipate of course with the level of interest already shown in the market that some of those sites will be taken up fairly quickly. Whilst there may be some delay potentially further down the program, we expect that there will be enough activity and activation around the waterfront both with public works that are being done and also the private development that we expect fairly early on for it not to be seen as, I guess, an eyesore or an underutilised space.

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**The CHAIRMAN:** Do you have, as part of your planning, interim arrangements? By that I mean, if there was not the demand for major office space, and you obviously want to sell a site for a 10-storey building or whatever limit you put on it, which then would have restaurants, coffee shops et cetera on the ground floor. If that building does not go ahead, would you look at shorter term leases for some sort of food stores or something in those areas?

**Mr Finn:** We have not looked at short-term lease arrangements on those sites. What we have done in our planning is ensured that, regardless of those buildings being developed, there will nonetheless be kiosks, cafes and restaurants in the public realm itself, and so that activation will be there as part of the waterfront, regardless of the development that occurs around it.

**The CHAIRMAN:** How are you doing that—ensure land allotments and how they will be subdivided?

**Mr Finn:** There are proposed to be ground leases within the public realm itself. Some of that may be difficult to see from some of the vision that has been released, but there are a number of ground tenancies for kiosks and cafes in the public promenades surrounding the inlet and also out on the island. There will be that activity in the public space regardless of the building development.

**Ms R. SAFFIOTI:** I have just got the diagram in front of me of all the key components of the waterfront, like the inlet, the public jetty and stage, the landing, the ferry terminal. I am just confirming the 440 includes all of those things.

**Mr Finn:** That is correct.

**Ms R. SAFFIOTI:** But it does not include the cultural centre or the cable car.

**Mr Finn:** It does not; that is right.

**The CHAIRMAN:** One of the visions was of a recreation or even a pool for young kids. Is that part of the plan, or was that just the architect's vision?

**Mr Finn:** Certainly there is a major water feature included as part of the Station Park—we are calling it Station Park. That will have a dual function as not only a water feature but a splash pool, if you like, for young kids. It is not a swimming pool in that regard. There has been some discussion in the past about having a swimming pool, a public pool in this location. Through successive iterations it was felt that this was not the appropriate location for a public pool. There has been other discussions about the potential for a beach along the lines of Brisbane South Bank, but that is not included as part of this current proposal.

**Ms R. SAFFIOTI:** Can I just ask about the footbridge, the one that connects the islands to the convention centre side of the inlet and the other side? There has been a lot of discussion about runners and cyclists using that and how that is going to impact on doing the river circuit either with a bike or by running. Is that going to be able to facilitate cyclists and runners?

**Mr Finn:** Yes, it will. You are right; where we are locating Perth waterfront is part of that broader round-the-bridges circuit.

**Ms R. SAFFIOTI:** The people who actually use the river.

**Mr Finn:** Exactly. Definitely that is a key part of our planning. Our analysis has shown that there are two cycle groups that use that waterfront circuit. There are the serious commuter cyclists and there are also the recreational cyclists. There is opportunity for both to make their way through waterfront. We expect that the recreational cyclists will continue along the water's edge over those bridges. There is adequate capacity and space on those bridges to accommodate both cyclists and walkers and runners. There are examples of that in Melbourne Southbank where there are bridges similar to this in fact, where there is space provided actually on the bridge itself for both uses.

We expect the commuter cyclist group, because their destination is generally the city anyway, will make their way, once they get to the waterfront, up Barrack Street or William Street and into the

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city. If they want to be crossing the city, then there really is provision made in that new waterfront road for cyclists to pass through that—the high-speed cyclist to pass through that.

**Ms R. SAFFIOTI:** So there will be a continuous path—because I am just looking at it—from what are the banks of the river onto the waterfront. So a continuous path will be there.

**Mr Finn:** Yes, it will be a continuation of the existing pathway.

**Ms R. SAFFIOTI:** Can I just ask about the Indigenous cultural centre? We talked about it before, saying that could be at a lease. Are there any estimates of the cost of building that cultural centre?

**Mr Finn:** No, there are not. There has obviously been some preliminary work done on the centre itself and the types of activity and functions that might be included in that centre, but until we have a detailed design worked up on it, it is fairly difficult to put an estimate on what the ultimate cost will be.

**Ms R. SAFFIOTI:** And I suppose the cable car would be the similar case. No estimate?

**Mr Finn:** The cable car—yes, we certainly do have estimates on that. The reason that is not funded at the moment is there is still some further work to do in terms of an appropriate landing point on Kings Park escarpment and further work to do in relation to the siting of pylons over the freeway. But there is also, and we see demonstrated in other examples around the world, the opportunity for this to be, to a fair degree, self funding through operation revenues.

**Ms R. SAFFIOTI:** Do you have some estimates of the cable car?

**Mr Finn:** We do, yes.

**Ms R. SAFFIOTI:** Could you give them to us?

**Mr Finn:** Yes. The estimates, from memory, and I would have to confirm this, are in the order of \$35 million.

**Ms R. SAFFIOTI:** Is that just the structure, or does it include all the—

**Mr Finn:** The structure at both ends, all the operational machinery and the gondola cars themselves.

**The CHAIRMAN:** Mr Finn, the evidence you have just provided suggests that the government is primarily looking at building and operating or leasing out the operation rather than just providing the site for a private operator to build and run.

**Mr Finn:** For the cable car?

**The CHAIRMAN:** Yes.

**Mr Finn:** It has yet to be determined, but the expectation would be, yes, that it would form a lease and it would be a private operator.

**The CHAIRMAN:** There is consideration that the government might put up the capital to construct it.

**Mr Finn:** That consideration has not been given yet.

**Mr J.M. FRANCIS:** Just for my own satisfaction, I guess, I want to ask about the height of water. The paranoid man in me thinks about the flooding in the Brisbane River. If it will have a draught of 1.5 metres at its lowest point at low tide and obviously 2.5 metres is the deepest point at high tide, how much further do you envisage the general land level will be above what would be a high-water tide mark? I have done no history work on previous flooding of the Swan River, but worst case scenario and something happens in Western Australia like what happened in Queensland, are you certain it is all going to remain above water?

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**The CHAIRMAN:** Can I just add to that? I know the planning commission has also looked at revising its setbacks or heights with the rising sea levels, so again, could you feed that into answering that question?

**Mr Finn:** It is of course a valid question. The Western Australian Planning Commission has a state planning policy 2.6—the planning commission’s coastal planning policy—that addresses setbacks and sea level rise. It has recently been amended, an interim amendment, that increases the allowance in the formula used to calculate heights and setbacks for sea-level rise to .9 of a metre. The waterfront has been designed to comply with the latest update. What that means is that we will have it built height, which is close to three metres above that high-water level. That is clearly quite a separation from built level to water, and so there are a number of things that we will do in the public domain to step down to the water’s edge. Clearly what we are aiming to protect from flooding and from storm surge are the buildings that are being constructed around the waterfront. There are other more temporary uses that can accommodate temporary flooding.

**Mr J.M. FRANCIS:** Flooding points.

**Mr Finn:** That is exactly right.

**The CHAIRMAN:** Can I just follow through. The three metre clearance which you just mentioned, Mr Finn. What does that mean for basically Barrack Street, Esplanade and William Street in terms of their current level? Does that mean they will be raised a metre, two metres to fit in with them?

**Mr Finn:** What is likely to occur is that the level change will occur in the public realm surrounding the waterfront.

[10.30 am]

So William and Barrack Streets will likely remain at their current levels; they can accommodate flooding during storm events. William Street, of course, had already been raised to a fairly significant degree to accommodate the flooding requirements around The Esplanade station, and so we do not expect that there will need to be any substantial works done to the levels of William and Barrack Streets, but there will, nonetheless, need to be some transition of the levels from those streets into the waterfront public domain.

**The CHAIRMAN:** My understanding is that the profile is going to be, for The Esplanade it will step up for the private developments, and then step down where your boardwalk or your access to the water is.

**Mr Finn:** That is correct. Whether it steps or whether some of that level difference is actually taken out within the sites—there will be various ways that that will occur.

**The CHAIRMAN:** That leads me to my next question, if I am not precluding other members from asking questions. In terms of the traffic flow issues, I will start with the pedestrian access. Clearly, we want pedestrians to be able to get from the major city blocks to this area—to the inlet—so what will be the means of people crossing the road? Will there be tunnels or overpasses, or will they just have to compete with the vehicles?

**Mr Finn:** Look, we try as much as we possibly can to keep pedestrians at street level; it helps to activate all of the streets within the city and all of the businesses and other uses that rely on that passing traffic, so we will be keeping pedestrians on the street. All of the streets within the waterfront development area will be designed and constructed so that they feel and function as though they are city streets, rather than entries to a freeway network. That will mean that there will be certainly adequate amenity for pedestrians. There will be opportunities for a crossing at The Esplanade at William Street, at Barrack Street, at Howard Street and at Sherwood Court, so there will be certainly plenty of safe and comfortable opportunity for pedestrians to make their way down to the waterfront from the city. Really, that is a key part of what the department is trying to achieve with Perth waterfront, but it is also what the City of Perth is clearly trying to achieve with their

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streetscape program and their upgrade program, and also East Perth Redevelopment Authority on the northern side of the city.

**The CHAIRMAN:** In terms of your planning, what is the indicative number you are using for pedestrian counters or pedestrian crossings for an average weekday?

**Mr Finn:** I would have to get back to you on that; I do not have those numbers with me.

**The CHAIRMAN:** If you could provide that to us. What about in terms of the vehicle flow; can you give us a number in terms of the average weekday number of vehicles travelling along that section, along The Esplanade?

**Mr Finn:** Sure. If more detail is required, then I would need to provide a supplementary, but the daily volume of traffic using Riverside Drive at the moment is between 25 000 and 30 000 vehicles a day. We expect that that will reduce to around about 15 000 vehicles a day as a result of the intervention, I guess, that we are making into that part of the road network. On The Esplanade itself, I would have to get those numbers for you and provide them as a supplementary.

**The CHAIRMAN:** If you could, please. But how is that factoring into your current planning for the road layout; are you looking at two lanes in each direction? What will the configuration be?

**Mr Finn:** We are looking at two lanes in each direction. There are currently two lanes in each direction, following the recent works done by the City of Perth, and we expect that that configuration will remain. Of course, with the extension of Howard Street and Sherwood Court, there will be additional intersections on The Esplanade. There is still more work being done on the detail of those intersections to ensure that traffic flow is maintained during peak periods.

**The CHAIRMAN:** So Howard and Sherwood, at The Esplanade, will become four-way intersections, will they?

**Mr Finn:** Possibly. Another option is that those streets are left in and left out onto The Esplanade. That is yet to be finally determined; we are still doing some of that detailed modelling now.

**Ms R. SAFFIOTI:** Can I ask about the 10 000 or 15 000 cars a day? Are they expected to either use the terrace or go through the tunnel?

**Mr Finn:** That is right; any of the other east–west streets through the city. Predominantly it does affect through traffic rather than destination traffic. So, yes, St Georges Terrace, Wellington Street, and also, of course, Graham Farmer Freeway.

**Ms R. SAFFIOTI:** We have heard that the Graham Farmer Freeway will become three lanes, and it has been built for three lanes, which I am not quite sure about. But the cost of doing all that is not included in the \$440 million.

**Mr Finn:** It is not included in the \$440 million, and I guess the reason for that is that the demand for that is not solely attributable to the Perth Waterfront project. Perth city, as we all know, is a growing city, and a number of major projects will be happening in and around the city over the coming decade. That is not a bad thing; that is just part of the fact that it is a growing city. Some broader transport issues and strategies need to be put in place for future traffic movement in and around the city as the city grows, and the Department of Transport is looking very seriously at those broader regional issues at the moment.

**Ms R. SAFFIOTI:** On that, can I just ask you about the bus station? Look, maybe I have it wrong here, but the convention centre, as it is, will be basically facing into the inlet, as I understand. Where the buses currently come in and out and then go onto the freeway or use Stirling Highway, will that remain under this plan or will that all be reconfigured?

**Mr Finn:** There are a couple of major service routes that enter into the busport at its southern entry at the moment. The entry off William Street will no longer be there, and so that is essentially the buses coming from the city, down William Street. Rather than entering the busport off

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William Street, they will turn right at Mounts Bay Road, and they will enter the busport from an entry off Mounts Bay Road, so from a northern entry to the busport.

**Ms R. SAFFIOTI:** Will there be no western entry into the busport?

**Mr Finn:** There will be. There is currently, I guess, a southern entry that the buses access from Kwinana Freeway, so the southern services access from that southern entry. They will continue to do so, and they will have priority access to the busport.

**Ms R. SAFFIOTI:** So do you know how many bus services will need to be reconfigured?

**Mr Finn:** Not off the top of my head. That is additional information that I would need to provide.

**The CHAIRMAN:** Just on buses: the current configuration is a bus station at the convention centre, and another adjacent to the Perth railway station; what will be the route for connecting buses between the two bus stations?

**Mr Finn:** For more detail that is probably a question that would need to be directed to people other than myself. The current arrangement, as I understand it, is that the northern bus station services, predominantly, areas to the north of the city, and so it is not a requirement that buses from that station transfer down to The Esplanade station. The Esplanade station services areas south of the city, and also east of the city.

**The CHAIRMAN:** I accept what you are saying—that is actually, I understand, how it works. My question goes to the fact, though, that if you want flexibility to deal with special occasion circumstances—maybe part of one bus station is closed and you want to re-route buses for a short period—then as I understand the configuration for the current bus station at the convention centre, there might be difficulties in an emergency for a short period, having easy access between the two bus stations

**Mr Finn:** No, I would not say that would be the case; the access would be simply down William Street, turn right into Mounts Bay Road and have direct access into the busport.

**Ms R. SAFFIOTI:** There is also the train link as well.

**Mr Finn:** Of course.

**Ms R. SAFFIOTI:** Looking at the engineering works, in respect to The Esplanade train station and the sunken line from the Narrows to the city, has there been any test to ensure that these major works will not upset that train station and also the train line?

**Mr Finn:** As part of our geotechnical analysis we also relied on a lot of the geotechnical work used for the construction of the rail and The Esplanade station. That was really our starting point in terms of geotechnical analysis, and then we moved further away from that to the Perth waterfront area. As you probably know, the issues there are not only on vertical loading but also lateral loading on that system, and certainly the advice given to us is that there will be no impact on the station or the rail corridor.

**Ms R. SAFFIOTI:** How about the convention centre car park? I know there has been an issue about it sinking over recent years. Have any tests been done on that?

**Mr Finn:** We have not done any work on The Esplanade car park, no.

**Ms R. SAFFIOTI:** On the convention centre.

**Mr Finn:** Sorry, the convention centre car park.

**The CHAIRMAN:** With respect to the traffic flows, has there been just a single traffic monitoring study done, or have you had multiple studies done in terms of what the potential configuration will be after the waterfront project is put in place?

**Mr Finn:** We have been through a fairly comprehensive process to model the implications of Perth waterfront. We have undertaken that in consultation with Main Roads WA and the City of Perth.

The methodology that we applied was to take a sub area matrix from the regional operations model—the Main Roads model—then insert that into the city’s SATURN model. We then take an output from that to a microsimulation model—the Paramics model—that we constructed for Perth waterfront. So that enabled us to not only look at the localised impacts and movement, but also the implications on the broader regional network. That allowed us to see what the implications will be for Graham Farmer Freeway and for other street routes.

**The CHAIRMAN:** Could a copy of that modelling be made available to the committee, please?

**Mr Finn:** Yes, I can make a copy of that available.

**Ms R. SAFFIOTI:** On that modelling: do you model impacts on travel time—the time it takes to get from A to B? Is that one of the outcomes of all that, as in have you got estimates of how much longer it will take to go alongside Riverside Drive, for example, or Graham Farmer Freeway?

**Mr Finn:** Some of that material is included in the reporting, yes.

**Ms R. SAFFIOTI:** Do you have any estimates just for Riverside Drive?

**Mr Finn:** I do not, sorry, no.

**Ms R. SAFFIOTI:** I have to excuse myself; I have another appointment. Thank you very much.

**The CHAIRMAN:** I have some procedures for closing, Mr Finn.

I thank you very much for your evidence before the committee today and the information you had already provided by way of letter to us. 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, elaborate on particular points, and also for the inclusion of the additional information that you have undertaken to give us, can you please provide those submissions to the committee for consideration when you return your corrected transcript of evidence. Again, I thank you very much for the valuable information you have provided to the committee today.

**Hearing concluded at 10.42 am**

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