

Ms Katie Hodson-Thomas; Ms Alannah MacTiernan; Mr Norm Marlborough; Mr Max Trenorden; Chairman;
Mrs Cheryl Edwardes; Mr John D'Orazio; Mr John Hyde; Mr Tony McRae; The Chairman (mr D.A.
Templeman)

Division 48: Public Transport Authority of Western Australia, \$519 993 000 -

Mr A.D. McRae, Chairman.

Ms A.J. MacTiernan, Minister for Planning and Infrastructure.

Mr R. Waldock, Acting Chief Executive Officer.

Mr R.D. Mann, Director, City Project, New MetroRail.

Mr M.A. Burgess, Acting Director, Transperth, Regional and School Bus Services.

Mr J. W. Leaf, Director, Finance.

Mr K. Stone, Director, School Bus Reform.

Mr A. Cartledge, Manager, Project Coordination, New MetroRail.

Mr P. Joyce, Principal Policy Officer, Office of the Minister for Planning and Infrastructure.

Mr R.D. Farrell, Principal Policy Officer, Office of the Minister for Planning and Infrastructure.

Ms K. HODSON-THOMAS: The table relating to major policy decisions on page 789 states that cost and demand pressures are expected to cost \$15.36 million over the next four years. What are the pressures?

Ms A.J. MacTIERNAN: Fundamentally, as Perth grows we will obviously need to be providing new public transport services. In particular, we will be looking at more bus services and more train services. Obviously, there will also be increased cost pressures from such things as award increases and increased insurance. Those cost pressures will arise more in the out years. Every time there is an increase as a result of an enterprise bargaining agreement or award, that is an increased cost pressure we must accept. The population in the south-west corridor is growing at about 3.5 per cent per annum. More people will mean more demand for more services.

Mr N.R. MARLBOROUGH: I refer the minister to the fourth output on page 795. The minister will recall the previous Government saying that its sale of Westrail freight would get rid of the freight debt. Will the minister explain why freight debt still remains?

Ms A.J. MacTIERNAN: This is one of the great tragedies of privatisation. We were made a series of promises on the privatisation of Westrail freight and the freight network but, alas, many of those promises have failed to materialise. One of them was, of course, that we would get rid of the debt that had been accumulated in the freight network. However, we did not get sufficient moneys to pay off the debt. Previously we had a stream of income that enabled us to service the debt. Now we do not have the stream of income and we have been left with a remaining debt after the sale, which included handing over the rail network for the next 50 years. We are left with a loss of \$331 million, which is costing us \$20 million per annum to service. If ever there has been a problematic privatisation, it is this one. We did not even cover the cost of the debt. We have lost the stream of income and we are now having to spend \$20 million per annum on servicing a debt. That money could have been spent on hospitals, schools and community safety. The promise that the private company would spend something like \$500 million on capital investment has likewise not materialised. Some money has been spent, but certainly nothing in that order. We are still running what one could only describe as an industrial museum. New locomotives have not materialised. Forty-year-old locomotives are being renovated as the major input of capital development.

Mr N.R. MARLBOROUGH: It concerns me that we have this \$21 million annual debt but there seems to be, from the minister's answer, no mechanism by which the new owners of the freight system are locked into paying \$500 million on infrastructure over a period or within the terms of the contract of their ownership for the next 50 years. Are there mechanisms by which the owners can be tied or will the cost of infrastructure eventually come back to the taxpayer?

[11.30 am]

Ms A.J. MacTIERNAN: There are two things. It has an obligation to maintain the rail network; not the rolling stock but the rail network. We are working through, with the Public Transport Authority, the best way in which we can put in place proper audit structures to ensure that we can monitor the performance of the existing rail. Our hope is that we might ultimately get back an asset that has not been sweated. In terms of the promise by the then transport minister and the then Deputy Premier, they announced that we would get \$900 million and not the \$500 million that we actually got. They said that there was to be an investment. When we got into government, there was no contractual obligation. They simply said that they thought they would put in around -

Extract from Hansard
[ASSEMBLY - Tuesday, 18 May 2004]
p97b-106a

Ms Katie Hodson-Thomas; Ms Alannah MacTiernan; Mr Norm Marlborough; Mr Max Trenorden; Chairman;
Mrs Cheryl Edwardes; Mr John D'Orazio; Mr John Hyde; Mr Tony McRae; The Chairman (mr D.A.
Templeman)

Mr M.W. TRENORDEN: Your solution is to add another \$1.5 billion to the never-never. Great stuff, minister.

Ms A.J. MacTIERNAN: Other than the *AvonLink*, the National Party has a great problem with public transport. It was great to invest in the *AvonLink*, which transports 11 people per day. Every time a person gets on the *AvonLink* it costs taxpayers \$59. According to the National Party pork-barrelling approach to public transport, that is okay, but it is not appropriate to provide a rapid transit system to the people in the southern suburbs and to give them a subsidy of \$4. However, it is appropriate that every one of the member for Avon's constituents who gets on the *AvonLink* gets \$59 a day of taxpayers' money. If they travel to and from, that is \$118. I am answering the question for the -

Mr M.W. TRENORDEN: No you are not; you are just babbling on.

The CHAIRMAN: Member for Avon! Thank you, members. The next question I have -

Ms A.J. MacTIERNAN: Mr Chairman, I do not mind interjections from the member when he is asking his own questions, but I have never known members to interject on other members' questions in this forum.

Mr M.W. TRENORDEN: Except you when you were in opposition.

Ms A.J. MacTIERNAN: No, I used to ask the questions.

The CHAIRMAN: Order! It is true that it is generally the member who has asked the question and the minister who should be allowed to have an exchange. That way we get through this process much more quickly and all members get a chance to ask all the questions they have listed for their particular areas of interest. I call the member for Kingsley.

Mrs C.L. EDWARDES: I am not sure about the page number to which I should refer. It is either page 795 or page 819. I refer to the William Street properties for the city rail project.

Ms A.J. MacTIERNAN: That comes under the Western Australian Planning Commission portion of the budget.

Mrs C.L. EDWARDES: Why am I not surprised?

Ms A.J. MacTIERNAN: The member for Kingsley would not be surprised because we have stated time and again that these properties have been acquired by the WA Planning Commission. As an intelligent woman, I would not be surprised that she was not surprised.

Mrs C.L. EDWARDES: Who paid for them?

Ms A.J. MacTIERNAN: These properties were acquired by the WA Planning Commission using the metropolitan region improvement fund.

Mrs C.L. EDWARDES: So the funds for those properties came from the metropolitan -

Ms A.J. MacTIERNAN: From the metropolitan region improvement fund, just as the acquisition for the Zuvela properties in the member's electorate came from the metropolitan region improvement fund.

Mrs C.L. EDWARDES: Who is doing the negotiations?

The CHAIRMAN: Hang on, we are not dealing with an appropriation under this division.

Ms A.J. MacTIERNAN: We are not.

Mrs C.L. EDWARDES: If I refer to page 795 and the continuation of city project works, for which there is \$134 million -

Ms A.J. MacTIERNAN: That is the rail. It is not the acquisition of that property.

Mrs C.L. EDWARDES: Who is doing the negotiations? The PTA?

Ms A.J. MacTIERNAN: No, the negotiations are being done by the WA Planning Commission and LandCorp. I make this point: we are acquiring those properties, which will have a railway station built under them through which some 40 000 people will pass each day, and the property will then be sold.

Mrs C.L. EDWARDES: I will ask the question under the next division. Thank you.

Mr J.B. D'ORAZIO: I refer to the major policy decisions on page 789 of the *Budget Statements* and the item on public transport fares. Is this the allocation made to the Public Transport Authority to compensate for the recent decision to freeze public transport fares? If so, can the minister tell me what impact this will have on the services provided by the PTA?

Ms A.J. MacTIERNAN: The figure of \$1.4 million is the compensatory amount for the fact that our Government has made a decision to freeze all public transport fares for the coming year. We have had a much

Ms Katie Hodson-Thomas; Ms Alannah MacTiernan; Mr Norm Marlborough; Mr Max Trenorden; Chairman;
Mrs Cheryl Edwardes; Mr John D'Orazio; Mr John Hyde; Mr Tony McRae; The Chairman (mr D.A.
Templeman)

better than expected budget outcome. We have finally convinced the Commonwealth Grants Commission that we needed an increased share in the commonwealth receipts. We have done very well by way of our budgeting. The fact that we have managed four out of four surpluses means that we have reduced our debt payments. That has enabled us to give a community dividend. That community dividend has been provided in a number of ways, including by cutting stamp duty, exempting first home buyers from stamp duty and cutting land tax. Another important way in which we have returned that community dividend has been to put a freeze on all public transport fares for this year. We have been very disciplined since we have been in government to increase those fares only by the consumer price index. In fact, concession fares have not increased at all. However, to ensure that the community dividend from our very effective and efficient management of the budget goes back to the community, we are pleased to be able to say that we have delivered another benefit to our travelling public. I have some charts with me that demonstrate the performance of the conservative Government in this area in real money terms. That Government hit pensioners year after year. It slugged concession fare holders in particular. That can be compared with the performance of our Government. In real money terms we have reduced the amount of fares.

Mr M.W. TRENORDEN: You are talking only about the metropolitan area. What about country areas?

Ms A.J. MacTIERNAN: We have brought regional town bus fare services into the system.

Mr M.W. TRENORDEN: Try to get a bus from Quairading to Perth! They do not exist.

The CHAIRMAN: Order, member for Avon! This is not your question. I have given the member advice that if he wants to carry on with this committee -

Mr M.W. TRENORDEN: I do not give a damn. If she throws barbs my way, I will answer them. That is the way it goes.

Mr J.N. HYDE: Come on! There are three buses in Denmark and three buses in Geraldton. They are all over the State.

The CHAIRMAN: Order! This committee process will work well -

Mr M.W. TRENORDEN: It has not worked well so far, so I do not see why it will in the future.

The CHAIRMAN: We have got through an extraordinary amount of work in two-and-a-half hours. I suggest that if the member wants to finish the divisions -

Mr M.W. TRENORDEN: That is your view, Mr Chairman, not mine.

The CHAIRMAN: I call the member for Avon to order!

Mr M.W. TRENORDEN: You can do that.

The CHAIRMAN: I have done it.

Mr M.W. TRENORDEN: You can do that four or five more times if you like.

The CHAIRMAN: The normal standing orders apply here.

Mr M.W. TRENORDEN: I do not give a damn. You can do that. Go for it. That is your world, not mine.

Mr J.B. D'ORAZIO: Can I have the answer to my question?

The CHAIRMAN: I think the minister had finished with that answer.

Ms A.J. MacTIERNAN: That payment is part of the community dividend that we are able to give back to the community.

Mr J.B. D'ORAZIO: The second part of the question was whether it would affect services.

Ms A.J. MacTIERNAN: Not at all. As I said, it is being funded with an increased allocation from the consolidated fund, in recognition that we will not cut services. That freeze on fares will not come at the cost of public transport services.

Mr M.W. TRENORDEN: I refer to page 796 of the *Budget Statements*. My question follows on from something I spoke about earlier; that is, the bus acquisition program. The estimated expenditure for 2003-04 is \$6.7 million and for 2004-05 it is \$34 million. How many new buses have come in through the 2003-05 process?

Ms A.J. MacTIERNAN: Between 2003 and 2005? Do you mean over two years?

Ms Katie Hodson-Thomas; Ms Alannah MacTiernan; Mr Norm Marlborough; Mr Max Trenorden; Chairman;
Mrs Cheryl Edwardes; Mr John D'Orazio; Mr John Hyde; Mr Tony McRae; The Chairman (mr D.A.
Templeman)

Mr M.W. TRENORDEN: Yes. How many were organised before this budget, since you have been in government? In other words, from the time you have been in government to now, how many new buses have there been? How many new buses will the Government purchase in the current financial year? How many buses in the system are not being used?

[11.40 am]

Ms A.J. MacTIERNAN: Basically, the Government has been purchasing about 70 buses per annum. There was a hiatus in the last calendar year because, just as the Labor Party had predicted when in opposition, the DaimlerChrysler company had not developed a Euro 3 standard gas bus. When in opposition, the Labor Party predicted that this problem would arise because of the previous Government's decision to purchase buses from a firm that had committed itself to providing diesel rather than natural gas buses. To wait for DaimlerChrysler to catch up, the Government had to suspend the receipt of chassis for one year until DaimlerChrysler was able to manufacture a bus capable of satisfying the new federally mandated Euro 3 standard buses. DaimlerChrysler has done that and the buses are back in production. Other than that hiatus, between 60 and 70 buses have been acquired this year. To make up for the year of the hiatus, the Government contracted to build 26 country coaches for Transwa, which enabled its factory at Balga to continue, notwithstanding that hiatus. Those buses have been very successful in country areas.

Mr M.W. TRENORDEN: Would the minister indicate how many buses currently being used are over 10 years old?

Ms A.J. MacTIERNAN: I do not have that figure. However, the average age of buses has reduced significantly since we formed government. As I said, the Government has been purchasing these buses as fast as they can be produced.

Mr M.W. TRENORDEN: Will the minister provide as supplementary information how many buses in service are over 10 years old and how many buses in depots are not being used?

Ms A.J. MacTIERNAN: All buses in depots are being used. I will provide the member with a comparison between the average age of buses and the number of buses that are over 10 years old under the previous Government and under this Government.

[*Supplementary Information No B6.*]

Mr J.N. HYDE: I refer to the output and appropriation summary on page 789 of the *Budget Statements*. I noticed an advertisement placed by the federal Government in Saturday's *The West Australian* in which the federal Government appears to be taking credit for providing more funds for public transport. The advertisement highlights the point - I have the advertisement here, knowing that the minister is longsighted - with a large photo of a train. The advertisement claims that the Western Australian Government will receive \$133 million from the federal Government for transport. Given that there are eight train stations in my electorate and two new you beaut underground stations will be built, has there been an escalation in contributions from the federal Government to the Public Transport Authority's budget?

Ms A.J. MacTIERNAN: Absolutely not.

Mr J.B. D'ORAZIO: It has a photo of a train in the advertisement.

Ms A.J. MacTIERNAN: It does. The irony of this is extraordinary. The federal Minister for Local Government, Territories and Roads - interestingly there is not a federal minister for integrated public transport, but it has a federal Minister for Roads - at every opportunity, sledges the Western Australian Government's commitment to public transport. He has publicly said in every forum around Australia that the State Government should stop construction of and criticises the Western Australian Government's investment in the southern suburbs rail project. The minister's complete obsession and antipathy to rail and public transport is extraordinary. However, the federal Government has a cheek to place an advertisement, including a photograph of a train -

Mr M.W. Trenorden interjected.

Ms A.J. MacTIERNAN: I appreciate that the member for Avon is locked in a life and death struggle with the member for Carine. He considers it is absolutely important that he performs well today so that he can wrest the prize of opposition spokesperson for transport from her. However, he is making a fool of himself. All he is doing is sitting like a naughty schoolboy -

Several members interjected.

The CHAIRMAN (Mr A.D. McRae): Order, members!

Extract from Hansard
[ASSEMBLY - Tuesday, 18 May 2004]
p97b-106a

Ms Katie Hodson-Thomas; Ms Alannah MacTiernan; Mr Norm Marlborough; Mr Max Trenorden; Chairman;
Mrs Cheryl Edwardes; Mr John D'Orazio; Mr John Hyde; Mr Tony McRae; The Chairman (mr D.A.
Templeman)

Mr J.N. HYDE: With regard to trains, the federal Government has even flogged off the *Indian Pacific*. It cannot even claim it is a federal train.

Ms A.J. MacTIERNAN: Exactly. I think we have covered the point.

Ms K. HODSON-THOMAS: I refer to school bus services under the heading major policy decisions on page 789 of the *Budget Statements*. I note the allocation of moneys for school bus services in 2006-07 in the first table on that page. There is an estimated saving of \$2.15 million over the next two financial years. Will the minister explain how those savings will be achieved?

Ms A.J. MacTIERNAN: The reason there appears to be a decrease is because a back payment has been allocated this year. When the Government reached the historic settlement with the school bus industry, the Government promised it would provide back payments from 1 July 2002. An additional \$7.7 million in back pay has been added. What appears to be a reduction is in fact not a reduction. It is only a reduction because the back pay from 2002 was included.

Ms K. HODSON-THOMAS: Are the savings not as a result of the rerouting of some of the -

Ms A.J. MacTIERNAN: Savings have been made from efficient administration. There had not been an accurate recording of what routes were being travelled; for example, already the Government has identified some \$600 000 a year that was paid for trips that were not taken. By accurately defining the routes, the Government has been able to save \$600 000 over and above what it would have had to have paid. I was always curious about why the industry was so angry that the Government accurately charted the routes. It turns out that some operators were claiming for more money than they were travelling. A few operators were underpaid as well. Overall, a study of those who were overpaid and those who were underpaid has resulted in savings of \$600 000 a year.

Ms K. HODSON-THOMAS: It has been a contentious issue within the industry and the agency. They are unhappy with the contract.

Ms A.J. MacTIERNAN: Some people are unhappy with the contract. I refer the member to the president of the Shire of Gnowangerup who thinks it is a very good contract.

Ms K. HODSON-THOMAS: An unprecedented number of contracts - 124 - are up for sale.

Ms A.J. MacTIERNAN: That demonstrates that these people have made a motser out of it.

Mr M.W. TRENORDEN: Or it indicates the dead opposite. They cannot make a living out of it and must get out.

Ms K. HODSON-THOMAS: I think it is the dead opposite.

Ms A.J. MacTIERNAN: It is an important point. An unprecedented number of contracts are being sold. However, two factors are involved. People in the industry were unable to sell the contracts before because for a number of years there had been no certainty about what was the longevity of the contracts. Anyone who diligently went to a lawyer would be told that the contract was only a five-year contract but the operator would tell the lawyer that the Government said it would roll-over the contract. There was no legally enforceable entitlement to that, which dampened the price. The prices of these contracts have held out extremely well, and they are selling because they are worth a fortune.

[11.50 am]

Ms K. HODSON-THOMAS: I do not think any of them have been sold, as yet. I just understand that 124 contracts are on the open market. I will ask one more brief question; I am trying to keep it short. I understand that where the minister has been reviewing the routes, a number of students are now travelling a further distance when it was always intended that those students would at least travel the minimum distance. Has that been really analysed thoroughly? Some students are actually travelling on a bus that moves away from the most direct route to their school.

Ms A.J. MacTIERNAN: Standards have been set, and for many years the service provided to all students has met those standards. In addition to that, I understand many students are actually travelling less distance. From time to time it is necessary to rationalise services. These things build up in an ad hoc way, and from time to time we need to take a look at it and see whether the services are being provided in the most rational way. That is exactly the process we undertake for the delivery of public transport, such as in my electorate. We consider what is being provided and ask whether a better service can be delivered within the same budget. In this case, we have not attempted to do it within the same budget; an extra \$6 million a year is being spent.

Ms Katie Hodson-Thomas; Ms Alannah MacTiernan; Mr Norm Marlborough; Mr Max Trenorden; Chairman;
Mrs Cheryl Edwardes; Mr John D'Orazio; Mr John Hyde; Mr Tony McRae; The Chairman (mr D.A.
Templeman)

Mr N.R. MARLBOROUGH: There is a lot of excitement in my electorate, not only because I am the local member, but also because the Government is delivering a modern rail service. Many questions have been asked, and we have started to hold public meetings. Could the minister please confirm whether the construction of the Wellard-Leda station is included in the item mentioned at the bottom of page 795 of the *Budget Statements* for the continuation of the construction on the southern suburbs railway?

Ms A.J. MacTIERNAN: I confirm that for the member. At one point the Government was considering whether to defer the construction of the Wellard-Leda station, only because it did not want that station built in advance of the development of the area. However, the department has now been working very closely with the Department of Housing and Works, Peet and Co and the local shire, and now believes that sufficient development will be on-stream to make it sensible to build this station right in the very outset. Services will begin in late 2006. There will be services at 10-minute intervals during peak periods. There will be a big emphasis on walk-on and cycle access. Wellard will be a transit-oriented development around a railway station, maximising the number of people who can walk on or cycle to the station. We expect the member for Peel to be out there as a model of physical activity, leading his community forward into a new age of active use of public transport.

Mrs C.L. EDWARDES: I refer the minister to the total cost of output 1 on page 790 of the *Budget Statements*. Under the heading "Reason for Significant Variation" the statement reads -

Increase is mainly due to the introduction of the capital user charge for the Public Transport Authority and borrowing costs associated with the New MetroRail project.

Can the minister confirm the figures given in the Legislative Council that this increase is mainly due to borrowing costs associated with the New MetroRail project - \$1.218 billion will be borrowed to fund this project - and also that the interest payments alone, independent of the principal borrowings, will be around \$1.3 billion over 33 years?

Ms A.J. MacTIERNAN: Absolutely; I unashamedly confirm that. However, I caution the member because I have noted that many members of the Liberal Party, particularly those hanging around Peppermint Grove and Mosman Park, are looking at the interest payments and the capital repayments and then adding the cost of the project on top of that and coming up with some fairly extraordinary figures. Of course there will be interest repayments, just as there are interest repayments on the Northbridge tunnel and the northern suburbs railway. It is about time the Liberal Party answered some questions. In the upper House, Hon Simon O'Brien said that not only did the party not support the southern suburbs railway, it also still supports the closure of the Fremantle-Perth line and would not have built the northern suburbs railway. The community has a great deal to be concerned about if there is any possibility of this mob getting back into government.

Mr J.B. D'ORAZIO: I refer the minister to the capital works program item on page 795 for the delivery of 18 three-railcar sets. Can the minister explain the effect these new railcars will have on the capacity of the existing lines?

Ms A.J. MacTIERNAN: We will be doubling the number of railcars as part of this purchase. One of the great lacks of insight in the conservative critique of the rail project is that capacity across the entire network will be enhanced. Already we are seeing a cap on demand because all the trains, be they from Armadale, Midland, Fremantle or Joondalup are absolutely chock-a-block during peak times. That has suppressed demand. The acting chief executive officer of the Public Transport Authority assures me the first trains will be arriving at the end of this month. That will have an important impact on increasing the number of people using the rail system right across the network. I know the member for Kingsley is very pleased that we are building the Greenwood station in her electorate, and that she will see the benefit of this investment.

Mrs C.L. EDWARDES: Could I seek some further information at this point? Will the Greenwood train station have the same zoning as the Warwick station, to encourage people who are now illegally parking to use the station?

Ms A.J. MacTIERNAN: It will be zone two.

Mrs C.L. EDWARDES: Is that the same as Warwick?

Ms A.J. MacTIERNAN: Yes.

Mrs C.L. EDWARDES: I thank the minister.

Ms A.J. MacTIERNAN: On the existing lines we are looking at an increase in capacity of around 20 per cent during those peak periods.

[12 noon]

Ms Katie Hodson-Thomas; Ms Alannah MacTiernan; Mr Norm Marlborough; Mr Max Trenorden; Chairman;
Mrs Cheryl Edwardes; Mr John D'Orazio; Mr John Hyde; Mr Tony McRae; The Chairman (mr D.A.
Templeman)

Mr M.W. TRENORDEN: I refer to page 793 of the *Budget Statements*. I will ask the minister a question about her favourite hate in the train she promised to shut down; that is, the *AvonLink*. With regard to major achievements for 2003-04, the *AvonLink* will not commence this year, will it minister?

Ms A.J. MacTIERNAN: Of course it will. The member said this year did he not?

Mr M.W. TRENORDEN: It is not going to happen this year, is it minister?

Ms A.J. MacTIERNAN: It will happen this year.

Mr M.W. TRENORDEN: So the *AvonLink* will be running before 30 June this year.

Ms A.J. MacTIERNAN: No, sorry -

Mr M.W. TRENORDEN: It is not going to happen, is it minister?

Ms A.J. MacTIERNAN: Sorry, I need to clarify something. The member said "this year". I take "this year" to mean -

Ms K. HODSON-THOMAS: This financial year.

Ms A.J. MacTIERNAN: Does the member mean this year or this financial year? Can the member make himself clear?

Mr M.W. TRENORDEN: To use the minister's own vernacular; "read the statement, minister". The minister likes to abuse me so I will have a go at her. The heading states "major achievements 2003-04", which happens to be this financial year. Will the *AvonLink* be running before 30 June?

Ms A.J. MacTIERNAN: No.

Mr M.W. TRENORDEN: Well done minister; you said you would stop it.

Ms A.J. MacTIERNAN: It will be running by July.

Mr M.W. TRENORDEN: The minister said she would stop it; she has done that very well.

Ms A.J. MacTIERNAN: It is important to understand that the *AvonLink* -

Mr M.W. TRENORDEN: It will be on the front page of the paper next week.

The CHAIRMAN: Order, member!

Ms A.J. MacTIERNAN: The *AvonLink* was running when we came into government. The *AvonLink* is still running, and what is more, we are going to have a new and vastly improved *AvonLink* service.

Mr M.W. TRENORDEN: Against the minister's every wish. The minister has said all along she would can that service.

Ms A.J. MacTIERNAN: No, we are making the *AvonLink* work. We will be unfolding a new package for the *AvonLink* that will see this service being made a worthwhile service and servicing many more people.

Mr M.W. TRENORDEN: Why will it be eight months later, minister?

The CHAIRMAN: Order, member for Avon!

Mr M.W. TRENORDEN: I am allowed to ask the question.

The CHAIRMAN: Member for Avon -

Mr M.W. TRENORDEN: You said it is my question time. I will ask the question.

The CHAIRMAN: Member for Avon, I now call you to order for the second time.

Mr M.W. TRENORDEN: You can go for it, Mr Chairman; you do not want to be accountable either.

The CHAIRMAN: I will give the member some advice on the process.

Mr M.W. TRENORDEN: I will give you some advice too.

The CHAIRMAN: I will give the member for Avon some advice on the process. I would normally turn to the member at the end of the minister's response to his question to see whether he wanted to ask further questions about the initial matter he raised. If the member continues to badger and interject in the way that he has done, he will end up in conflict with not only me but also every Chairman of the Committee. My advice to the member is that he desist from his consistent badgering, and make his point, and then he will get an opportunity for a further question about the matter he is pursuing. I have now called the member for Avon to order for the second time, and I will pass over to the next member.

Ms Katie Hodson-Thomas; Ms Alannah MacTiernan; Mr Norm Marlborough; Mr Max Trenorden; Chairman;
Mrs Cheryl Edwardes; Mr John D'Orazio; Mr John Hyde; Mr Tony McRae; The Chairman (mr D.A.
Templeman)

Ms A.J. MacTIERNAN: Can I assure the member that there was a technical problem with the train, as often happens when one is moving into leading-edge technology. Rather than accept the train, as has happened in the eastern States, and then have to cut the service short when the train was not fully operational, we have decided that it is better to ensure that the train is 100 per cent operational before we take delivery of it. That is the only reason for a delay.

Mr M.W. TRENORDEN: It is not because of the minister's stated reason that she does not like the train?

Ms A.J. MacTIERNAN: As the member knows, I absolutely love trains. The *AvonLink* has great -

Mr M.W. TRENORDEN: There is no passion for the *AvonLink* from the minister or any of her people over there at all.

[Mr D.A. Templeman took the Chair.]

Mr J.N. HYDE: I refer to page 793 of the *Budget Statements* and major achievements for 2003-04. With regard to the new *Prospector* railcar services - I will be using the *AvonLink* in a couple of weeks to go to Northam on that line - when will the services commence? What is the reason for the delay in introducing that new train and what is the effect of that delay on the budget? My understanding is that some testing is happening at the moment on the Midland track and that the train is running, even if not on the designated service line just yet.

Ms A.J. MacTIERNAN: The train is running. As I said, we are trying to ensure that the electrics are 100 per cent reliable before we take delivery of it. This delay in service has had no detrimental effect on the budget. The cost has been borne by United Goninan, the supplier of the train. We are very excited about the first formal trip for the *Prospector*, which will be running on normal services as of 28 June 2004. It will be a fantastic service. Bookings are now open and we urge members to book a trip to the fabulous city of Kalgoorlie.

Mr J.N. HYDE: So it is a 2003-04 delivery.

Ms A.J. MacTIERNAN: It is a 2003-04 delivery for the *Prospector*. The *AvonLink* will open shortly thereafter as a new and enhanced service. In particular, we will see some very good services for the people of Merredin.

Ms K. HODSON-THOMAS: Mr Chairman, it is so nice to see you here.

Ms A.J. MacTIERNAN: She says that to all the Chairmen.

Ms K. HODSON-THOMAS: No, this one in particular, because he is a new chairman in the Estimates Committees and we should encourage him to continue in that role. At page 796 under works in progress, \$8 million appears for the North Quay rail loop at the Fremantle port. Can the minister tell us what will be the expected average length and height of the double-stacked containers that will use this loop and the rail through the historic west Fremantle precinct and along the Fremantle esplanade; how many 20-foot equivalent containers will be carried on this line, including empty returns to the port; and how many train movements there will be per day?

Ms A.J. MacTIERNAN: My understanding is that at the height of the capacity we anticipate there will be - I have to use these phrases carefully - eight train movements; that is, four trains in and four trains out. We anticipate that the maximum freight load will be four trains in and four trains out per day; that is, a total of eight train movements per day, which is one every three hours. When we came into Government, we had the absurd situation in which five trains per week were using that infrastructure that cost hundreds of millions of dollars. We have now got that up to around 10, perhaps 12, trains per week. We have certainly more than doubled the number of trains going in. It was an absurd lack of use of that infrastructure. However, at the height of capacity, we are only expecting four trains; that is, eight train movements a day.

Ms K. HODSON-THOMAS: What about the height of the trains? Will they be double-stacked trains?

Ms A.J. MacTIERNAN: It is certainly our hope that they will be double-stacked trains. All modern efficient rail logistics suggest that we should be using double-stacked trains. We will need to do work on the Fremantle-Kewdale line to effect that, and this \$8 million loop is part of that. We have asked the federal Government to work constructively with us to fund the necessary package to do that. We estimated at the time that it would cost about \$24 million. We asked the federal Government for \$12 million. We are still hoping that we will get a share of its money, particularly as it is spending something in the order of \$300 million on fixing up the linkages into Sydney. We hope that the federal Government will be able to throw us a few crumbs by the way of \$12 million.

Ms K. HODSON-THOMAS: Can the minister provide by way of supplementary information the average height and length of the train expected, considering that there is no-one here to provide her with that information?

[12.10 pm]

Ms Katie Hodson-Thomas; Ms Alannah MacTiernan; Mr Norm Marlborough; Mr Max Trenorden; Chairman;
Mrs Cheryl Edwardes; Mr John D'Orazio; Mr John Hyde; Mr Tony McRae; The Chairman (mr D.A.
Templeman)

Ms A.J. MacTIERNAN: To meet the 30 per cent target, it is necessary to have four trains of 600 metres in length.

Ms K. HODSON-THOMAS: What about the height?

Ms A.J. MacTIERNAN: Obviously, it is the height of two containers.

Mr N.R. MARLBOROUGH: I refer to the SmartRider ticketing system listed as a major initiative at page 792 of the *Budget Statements*. The budget papers indicate that the new system is intended to be introduced in 2005. Is that the financial year? What time will it be introduced in that year? Will the minister advise of the progress of the system and what impact it will have on the passengers?

Ms A.J. MacTIERNAN: We anticipate the rollout of the system in March 2005. That is our aim. We are currently running a trial involving 450 patrons at the Stirling train station. We might be able to give the member a ticket at that station if he is interested in seeing how the system operates. This is about introducing the latest in technology to our public transport system to encourage people to use public transport. Australians have a very high take-up rate of new technology. We are confident that this new technology will be embraced. It involves people acquiring a card that holds value, much like a credit card. The difference is that people put money into the card before it is spent. It is not a credit system. The card holds a certain value, which can be utilised to access public transport. People will not have to carry around handfuls of money. They can keep the card in their wallets or bags. The card is scanned when a person enters the system through a barrier and is scanned again when he exits. The system will automatically calculate the fare and deduct that value from the card. The Government will encourage people to link the card to their bank accounts so they can have an automatic top up of the card each month.

Mr N.R. MARLBOROUGH: Will it apply to buses as well?

Ms A.J. MacTIERNAN: It will be applicable to buses and ferries. Obviously, the system will be rolled out over time. For people who are uncomfortable with the new technology, there will still be paper tickets available. We expect a very high take-up rate of the new system. It makes using public transport very efficient. It is part of the endeavours the Government must make to get people out of their cars and onto public transport. We will ensure that Perth remains a liveable city into the twenty-first century.

Mr J.B. D'ORAZIO: Does that mean that a person can link the card to his bank account and have it credited automatically?

Ms A.J. MacTIERNAN: Yes, it is an option. However, not everyone will want to do that because some people have concerns about privacy. The option will be available, and we will encourage people to use it, because it makes the system more economical. People will receive larger discounts if they use that option.

Mr J.B. D'ORAZIO: I refer to the first output at page 790 of the *Budget Statements*. Concerning the Kenwick link, is the minister able to advise of the comparative cost of operating the previous Government's discredited Kenwick deviation? I have a great interest in this topic as I was on the planning commission when it was considered. We thought it was a stupid idea even then.

Ms A.J. MacTIERNAN: Is that right?

Mr J.B. D'ORAZIO: Absolutely. It was only considered because it was supposed to save some money. Is the minister able to advise what it will cost to operate?

Ms A.J. MacTIERNAN: I will keep my comments brief. It is a pretty extraordinary story. The operating estimate for the Kenwick deviation - less the revenue from the fare boxes - is approximately \$40 million per annum. The operating cost for the fast, direct railway is approximately \$24.5 million. I would like the member for Kingsley to take this on board. It would cost \$15 million more per annum to operate the Kenwick deviation than the fast, direct link. It would be a second-class service for almost twice the price.

Mr J.N. HYDE: I refer to the capital works program at page 795 of the *Budget Statements*, particularly the reference to the city project works. I am very keen to grill the minister to see what she can advise is being done to keep alive the idea to sink the rail line between Northbridge and Perth.

Ms A.J. MacTIERNAN: It has become evident that it is not financially feasible to either sink the rail all the way to the freeway or to Milligan Street. The Government is still very confident that either now or in the future the rail line between William Street and King or Lake Streets will be sunk. I was in Melbourne on Sunday and I looked at Federation Square. The cost and value of land in Melbourne is much higher than in Perth. No rail line has been sunk between the central business district and the south bank of the river. However, a portion runs across a bridge. It is important to get these ideas into perspective when we look at costs. Because we intend to

Ms Katie Hodson-Thomas; Ms Alannah MacTiernan; Mr Norm Marlborough; Mr Max Trenorden; Chairman;
Mrs Cheryl Edwardes; Mr John D'Orazio; Mr John Hyde; Mr Tony McRae; The Chairman (mr D.A.
Templeman)

sink some of the Mandurah to Joondalup line between William and King Streets, it will be feasible either now or in the future, as a separate project, to sink the Fremantle line. There will be only one line remaining aboveground at that time. There will be no operational difficulty in sinking the line in the future. The two projects do not have to be done together. However, we are still working towards seeing whether we can do it simultaneously with the work currently being undertaken. If we can, we will do it. If it is not financially feasible, we have no doubt that it will happen sometime in the future. There is nothing we are doing now that will compromise that. Of course, what we are doing now makes it possible. If we had gone with the Kenwick deviation, it would have been impossible.

Mr J.N. HYDE: The minister can guarantee that there will be no decision to not sink the Joondalup line between the CBD and King Street?

Ms A.J. MacTIERNAN: We have already contracted for that; it is already happening.

Mr A.D. McRAE: Concerning this division, I would like some details on the works planned in this financial year and the out years on the two railway stations on the fast, efficient and direct New MetroRail line that affects my constituents. At the moment, two stations are proposed with the working titles of Leach Highway and South Street. There is some debate whether they should be called Bateman and Murdoch or some other names. Some City of Melville councillors have suggested Bull Creek.

[12.20 pm]

The CHAIRMAN (Mr D.A. Templeman): The member needs to refer to a line item. I presume he is referring to the line item for rail stations.

Mr A.D. McRAE: I am indeed. I want to get some idea of the program of planning and works for those two stations.

Ms A.J. MacTIERNAN: The contract for the construction of those two stations is currently out for tender and we expect to announce the preferred proponent shortly. We anticipate that probably in three months we will have the signed, sealed and delivered contracts for both those stations. I think that the South Street station should be called Murdoch.

Mr A.D. McRAE: I agree with that.

Ms A.J. MacTIERNAN: I think there is a lot of value in doing that.

Mr A.D. McRAE: I also think the other station should be called Bateman.

Ms A.J. MacTIERNAN: That is certainly being considered. A lot of work is being done around the Murdoch station. As we always say, this is more than just a railway line; this is about getting a transit-oriented city and developing an interconnected city between hubs of activity. We are now focused on getting some very creative development happening around the Murdoch railway station. I hope that in the next couple of months we will have some ideas with which we can go out to the community.

The appropriation was recommended.