

Chairman; Mrs Cheryl Edwardes; Ms Alannah MacTiernan; Ms Katie Hodson-Thomas; Mr David Templeman;
Mr Ross Ainsworth; Mr Peter Watson; Dr Janet Woollard; Mr John Hyde; Mr Shane Hill

Division 47: Planning and Infrastructure, \$442 811 000 -

Mr A.D. McRae, Chairman.

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

Mr G.S. Martin, Director General.

Mr A. Jamieson, Chief Financial Officer.

Mr W. Ielati, Director Financial Planning.

Mr M. Burgess, Acting Executive Director, Public Transport Services.

Mr P. Frewer, Executive Director, Integrated Planning and Policy.

Mr D. Forte, Executive Director, Regulatory and Regional Services.

Mr R.D. Farrell, Senior Policy Adviser, Office of the Minister for Planning and Infrastructure.

Ms L.S. Sherwood, Chief of Staff, Office of the Minister for Planning and Infrastructure.

The CHAIRMAN (Mr A.D. McRae): This Estimates Committee will be reported by Hansard staff. The daily proof Hansard will be published at 9.00 am tomorrow. The Estimates Committee's consideration of the estimates will be restricted to discussion of those items for which a vote of money is proposed from the consolidated fund. This is the prime focus of the committee. Although there is scope for members to examine many matters, questions need to be clearly related to matters of expenditure. May I just make this point? Matters clearly need to be related to a page number, item, program or amount within the volumes in preference to members' questions. For example, members are free to pursue performance indicators that are included in the *Budget Statements* while there remains a clear link between the questions and the estimates. It is my intention to ensure that as many questions as possible are asked and answered, and that both questions and answers are as short as possible and to the point.

The minister may agree to provide supplementary information to the committee. I know we are getting into the swing of it by day two, but I draw members' attention to the fact that supplementary information is not like the normal Chamber's reference to a supplementary question. If members wish to follow a particular line of inquiry, they will need to indicate to me that they are following up their initial question on the same matter. Maybe a following question is a better expression to use. Supplementary information is a formal process for supplying more detailed information, rather than asking that the question be put on notice for the next sitting week. For the purpose of following up the provision of this information, I ask the minister to clearly indicate to the committee which supplementary information she agrees to provide and I will then allocate a reference number. If supplementary information is to be provided, I seek the minister's cooperation in ensuring that it is delivered to the committee clerk by 6 June 2003, so that members may read it before the report and third reading stages. If the supplementary information cannot be provided within that time, written advice is required of the day by which the information will be made available.

Details in relation to supplementary information have been provided to both members and advisers and, accordingly, I ask the minister to cooperate with those requirements. I caution members that if a minister asks that a matter be put on notice, it is up to the member to lodge the question on notice with the Clerk's office. Only supplementary information that the minister agrees to provide will be sought by 6 June 2003.

Mrs C.L. EDWARDES: Pages 734 and 735 deal with the capital works program. Under the column on estimated expenditure to 30 June 2003, \$247 million was expected to be spent. However, the estimated expenditure will be considerably less at \$50 million as against \$247 million. The programs on which expenditure has been underspent in the 2002-03 budget include the Batavia coast marina upgrade, the bus acquisition program, TravelSmart, Barrack Square redevelopment, Broome port floating breakwater, Kimberley port maintenance, Point Samson boat harbour upgrading, Fremantle Fishing Boat Harbour, southern breakwater extension, Rottnest Island ferry wharf, the navigational aids 2000-01 program, patrol vessel replacement, better public transport stage 2A program, the public transport enhancement program, in which there is considerable under-expenditure in a whole range of areas including Booragoon bus station, bus measures, Transform WA, Kwinana Freeway bus transitway, Mandurah bus transfer station -

Ms A.J. MacTIERNAN: I think the member is operating under a misunderstanding of what these figures mean.

Mrs C.L. EDWARDES: If the minister could explain.

Ms A.J. MacTIERNAN: The member can continue with the list if she likes.

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Mrs C.L. EDWARDES: It would appear that a certain sum of money was expected to be spent on these programs - I am not talking about the total cost - yet that expenditure has not occurred. Why?

Ms A.J. MacTIERNAN: The member is looking at the column on estimated expenditure to 30 June 2003 and comparing it with the estimated expenditure in 2002-03. The estimated expenditure to 30 June 2003 is cumulative, not merely what has been expended in this current year but what has been expended since a project began. For example, the total cost of the bus acquisition process was \$222 million. The estimated expenditure from 1999 when it was started to the end of 2003 was \$145 million. We were not proposing to spend \$145 million in this year alone, so it is cumulative. Many of these projects have been under way for some time. I understand what the figures look like, but they are not how they are meant; they are estimated expenditure from the commencement of the project to the end of the financial year 2002-03.

Mrs C.L. EDWARDES: Could the minister highlight for us where she proposes to go with those big ticket item programs? For example, \$9 million is the estimated total cost for Kimberley port maintenance and the estimated cumulative expenditure to 30 June 2003 is \$9 million; therefore, the estimated total cost has been expended and no more expenditure is to happen in 2003-04. Is that the case?

Ms A.J. MacTIERNAN: That is correct. There was a historic problem with the Broome port maintenance. Broome was one of the ports operated directly under the old Department of Marine and Harbours. In its transition to become an independent port authority, there was recognition that under funding of its maintenance had occurred and that a historic catch up had to be undertaken. That money was allocated and we have now spent it. It was a catch up on a period of neglect that happened when the facility was directly managed.

Significant delays have occurred in a couple of items, and I am quite happy to talk about those. There has been a delay in the bus acquisition program. The reason was, I must say, fairly predictable from the time when we were in Opposition. We warned that it would happen, and indeed it did happen. The previous Government made the decision to acquire buses through DaimlerChrysler. Even though it was quite clear at that stage they were quality buses, the technology was fundamentally diesel technology. DaimlerChrysler had taken the view as a company that the real future was with hydrogen fuel cells. Therefore, it was not going to invest a lot in the interim stage of using gas buses. We said that that was highly undesirable. We were told by the company that, "No, it's all right, we will be able to deliver gas buses if the Government wants gas buses." When we came into government and met our election commitment of not putting more diesel buses on the road for very sound environmental reasons, we ordered gas buses. DaimlerChrysler had a gas bus that met the Euro 2 standard but, notwithstanding all the company's assurances, it was not able to deliver a gas bus that met the Euro 3 standard - the standard that applies under federal law from this year for buses bought on stream in Australia. Therefore, we have had to delay the bus contracts for a year to give the company time to develop its Euro 3 gas bus strategy. Our concern was what that would do to the Volgren plant in Malaga. We were able to bring forward the construction of Westrail coaches in order to fill that gap. That was a rather predictable but somewhat regrettable development that was not of this Government's making.

The other concern was in regard to smart card ticketing - the new electronic ticketing system. We were hoping to have gone a little further down the track with that process by this stage but we are now assessing the tenders. It has turned out to be a very complex matter that has gone badly pear shaped in Brisbane and Sydney. We have had to be extremely careful in the way in which we have dealt with this matter.

[9.10 am]

Mrs C.L. EDWARDES: It has been some time since tenders were first called for.

Ms A.J. MacTIERNAN: That is right because we are keen to avoid the huge disasters seen each time this system has been introduced into the eastern States. We want the system to be ready to roll out next year, particularly in time for the opening of the new Clarkson railway station in September 2004.

Mrs C.L. EDWARDES: The Opposition is very hopeful that Clarkson and Greenwood train stations will be up and running by 2003, but it thinks that the time frame is very tight.

Ms A.J. MacTIERNAN: I recognise the faith that the Opposition is placing in us as having a proven track record in delivering road projects, and its faith will be rewarded.

Mr S.R. HILL: I refer the minister to page 742 of the *Budget Statements* and regional transport. There is an allocation of \$55 785 million for school bus subsidies, which is a reduced amount relative to the budget allocation in 2002-03. What is the reason for this reduction and does this accommodate the negotiations that have been occurring with the school bus industry?

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Ms A.J. MacTIERNAN: I understand the member's concern and I know that the member has been part of the government group working towards a resolution of the seemingly intractable problem that has been left to fester for many years. However, in real terms there is a continuing increase in the allocations. An allocation of \$2 million was part of the school bus reform program. Therefore, an extra \$2 million was put in for 2002-03 to enable us to do the detailed work to engage the consultants, PricewaterhouseCoopers etc, to go through all of the compensatable items and to establish a fair model of remuneration. A lot of work had to be done in establishing precisely what those routes were. The system had been a bit of a blancmange for a long time. We did surveys and found that as many as a third of the bus routes were not travelling the distance that it was claimed they were travelling. All sorts of inaccurate information had been factored into the system and we needed to get that right, which is what the \$2 million is for.

In this budget we have made an additional allocation in the forward estimates of \$1.4 million. As the member knows, however, we are still in negotiations with the operators about a final settlement as we move from the standard to the composite rate model.

Ms K. HODSON-THOMAS: I will ask some follow-up questions in relation to that matter.

The CHAIRMAN: So the member does not lose her call, if a matter has just been pursued, I would rather that members stayed on the same issue and we flowed with it.

Ms K. HODSON-THOMAS: My question follows up on the previous one. Page 742 of the *Budget Statements* refers to the school bus subsidies. It appears that the figure the member for Geraldton referred to has gone down significantly. The minister has said that there has been an increase of \$2 million plus an extra \$1.4 million, but that is not clear in the *Budget Statements*. I also understand that a certain number of reviews have been carried out and the minister referred to the PricewaterhouseCoopers review. My understanding is that about \$1.4 million was spent on those reviews. Can the minister clarify that? If she cannot, perhaps she could provide a detailed answer by way of supplementary information. I would like the minister to tell me how many reviews have been done since Labor came into government and how much money has been spent on that; and what is the time line for signing off on the contracts with the school bus operators?

[9.20 am]

Ms A.J. MacTIERNAN: I will answer the last question first. We want to sign off on those contracts as soon as we can. The member is aware of the history of this process and that the PricewaterhouseCoopers report was commissioned jointly by the school bus industry representative bodies and Government. It produced a report and we agreed to implement that report. Industry then decided that it did not want that any more. It believed that the report was flawed in a number of areas and in the way that the costs were estimated. It also decided that it wanted a completely new way of determining its profit margin. It did not want the profit margin to apply to expenses but to be determined on a rate of return on investment. We were persuaded and prepared to look at that and we agreed that there was a certain logic to the model of a rate of return on investment. Because industry disagreed with PricewaterhouseCoopers' figures on not only that issue but also a whole raft of parameters, we basically had to redo the report on a range of matters. That is what has taken the time. We had an agreement. They said they wanted the PricewaterhouseCoopers model. It went to the Cabinet and got agreement. The extra funding was allocated. We went back to the industry and it said it was flawed and was not good enough. In many respects we had to start again. If the industry had accepted the PricewaterhouseCoopers model as originally proposed, we would not be in this situation. I am not saying that PricewaterhouseCoopers was correct in every respect. I agree with the industry that the rate of return on investment is a better model. We then had an argument about what is the appropriate rate of return on investment. The vast majority of the variables have been agreed on. We are now down to about four different ingredients in the composite rate model that we are discussing. We worked on this over the weekend. Last night we put a further offer to the industry. We are waiting for it to reply. We obviously want a sign off by the industry leaders. If we are not able to achieve that we will have to go directly to the operators. Many of the operators do not understand what is going on. We have written to them but there is an enormous amount of colourful and inflammatory language being put about - not, of course, by the member.

I will walk the member through what I am talking about. The 2001-02 budget was \$53.411 million. The 2002-03 budget is \$57.276 million. That involves the normal escalations plus the \$2 million. From \$57.276 million the budget is reduced to \$55.785 million for 2003-04. The approximate \$2 million difference contains the \$1.4 million. There has been a reduction in some areas because we have transferred or terminated some services and converted them to Transperth services. For example, in my own area buses were travelling from Armadale alongside the rail line to Maddington and then travelling to Kalamunda. The services were terminated because the situation was absurd. Students who want to go to various Catholic and private schools in the hills now have to do what other students attending state schools and other Catholic schools do. They catch a train at Armadale,

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travel to Maddington, and catch a school bus from there. That sort of rationalisation occurred in the outer metropolitan area.

Ms K. HODSON-THOMAS: How many school bus routes were terminated to force students to use regular passenger transport?

Ms A.J. MacTIERNAN: I can tell you the value. It was almost \$895 000. Quite frankly, I think it is outrageous to expect taxpayers to pay for a school bus service between Armadale and Maddington when there is a perfectly good train service.

Ms K. HODSON-THOMAS: I do not dispute that. I needed clarification about the reasons for the reduction.

Ms A.J. MacTIERNAN: It is an ongoing process. Things change. For example, in Busselton a number of students were bussed between Busselton and Bunbury to attend the Anglican grammar school. With the opening of Georgiana Molloy Anglican School in Busselton, we are now saying that, other than for existing students, we will no longer provide that service.

Ms K. HODSON-THOMAS: I require further clarification because the minister has not answered my earlier question about the cost of the reviews. If information cannot be provided now, I am happy to accept supplementary information.

Ms A.J. MacTIERNAN: I am happy to provide the cost of the reviews. It will also include the work done under the previous Government by the Morell and Shanahan reviews.

Ms K. HODSON-THOMAS: No, that is fine.

Ms A.J. MacTIERNAN: This has been going on for a very long time and no-one has been able to bring resolution to it. I am determined that this will not bleed on any longer.

Ms K. HODSON-THOMAS: I have said that myself. We made mistakes when we were in government.

The CHAIRMAN: Members need to agree on exactly what supplementary information will be provided.

Ms A.J. MacTIERNAN: I will provide details of the costs of the various consultants engaged in the preparation. That includes Morell, Shanahan, Whelan and others, including PricewaterhouseCoopers.

[*Supplementary Information No B18.*]

Ms K. HODSON-THOMAS: I apologise for monopolising time. I refer to the major initiatives for 2003-04 at page 733 of the *Budget Statements*. The first dot point refers to the establishment of an appropriate regulatory structure for the taxi industry to provide fair returns to drivers and owner-drivers while offering the public an efficient, economical and safe service. I understand that the department has embarked on a survey of taxi drivers. An article in today's *The West Australian* states there has been a resounding success in the response rate by taxi drivers. However, many drivers have approached me expressing dissatisfaction with the way in which the survey has been framed. A number of them told me they did not want to respond. I told them that they should respond, regardless of how they feel about the way in which it has been framed. I told them to provide something in writing when they return the survey. I acknowledge this issue relates to national competition payments. There is concern that unless the taxi industry is looked at as a whole the State could lose the national competition payments. I note with great interest that the Northern Territory went down this path. I urge the Government not to do the same thing that was done in the Northern Territory. The taxi drivers and the community at large in the Northern Territory have not realised any benefits from the regulation of the taxi industry. I need some background about the number of taxi drivers who have responded to the survey. How does the minister see the situation when compared with the experience of the Northern Territory? When will the review be completed?

Ms A.J. MacTIERNAN: I am sure the member's question is very genuine. These are very big issues. Some people in the industry are far less than genuine. In particular, some players in the taxi industry in this town are used to being described as "the taxi industry". They put their point of view and are used to having it accepted as the voice of the taxi industry. It is only the voice of the big players in the taxi industry; it is the voice of the moneyed interests. That voice has, for many years, totally ignored the plight of drivers. It has been quite happy to see drivers work in very difficult circumstances earning \$6 an hour. It is only after we started pressing this issue when we were in opposition that anything was done to rein in some of the excesses of the people who describe themselves as the industry. I get very annoyed about this.

[9.30 am]

Ms K. HODSON-THOMAS: I think that is quite evident.

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Ms A.J. MacTIERNAN: I am not annoyed at the member. I think those people are absolute charlatans. For a long time they have represented a small group of vested interests and ignored the 3 000 men and women who are out there every night driving, picking up the drunks and doing the hard yards. They are ignored. We have always said that we would consult the industry broadly. Before we did our survey, we held a forum. We did something that had never been done: we invited not only those self-appointed industry leaders but also a random sample of drivers, owners and investors. People who did not previously have a voice attended the forum. We formed the survey from the issues they raised. The "industry" - the couple of individuals who have ruled the roost for decades - has now had its nose put badly out of joint. Those people have attempted to use the Taxi Council of Western Australia. We said that we would work with the Taxi Council and that it could be the reference group for determining the substance of this survey. However, when a couple of these big players realised that their hegemony - their complete control and domination of this industry - was being threatened, they tried to strike up a boycott. I am pleased to report that the boycott was not successful. The Taxi Council's immature approach to this matter has been appalling. When I was in opposition, I went to the Northern Territory and spoke to taxi drivers and the industry about their experiences. It was quite clear that the problem was not the buyback but what happened afterwards, which was complete deregulation. That was clawed back for a while, but it went over again. That experience was combined with a complete deregulation of the Northern Territory's equivalent of the small charter vehicle industry. Before we held the forum, we sent a drivers' representative - a bloke from the Western Australian Taxi Association who has been driving for 15 years and has a lot of respect in the industry - to the Northern Territory with Hon Graham Giffard and Rob Lester from the taxi unit. They looked at the situation so that they could report to the forum. The Taxi Council heard what we were doing. It has been saying to us on a weekly basis that it needs more of the drivers' money to run the council. However, it sent its own person to the Northern Territory. That was an absurd attempt to undermine the strategy we were trying to develop. We wanted only for all the information to be put forward at the taxi forum. The last thing we would want is the situation that exists in the Northern Territory. That would make it even worse for the drivers. We are saying that if there is to be a buyback, it certainly would not be an -

Ms K. HODSON-THOMAS: Did you say, "if there is to be a buyback"?

Ms A.J. MacTIERNAN: Yes. I know that the member's highly esteemed leader is trying to make out that somehow or other Brian Burke has been the one persuading us to consider a buyback. If the member looks at the *Hansard* and our policy documents, she will see that we have maintained the same line for many years. Our position has always been that we would have a buyback if it had industry support. Frankly, I think that if the plate owners were sensible, they would support a buyback. However, if they will not support it, we will not do it. I have a broad notion of what is the industry: the drivers, the owner-drivers and the taxi dispatch companies. It is not two individuals in influential positions who are looking after a very small sector of interest.

Ms K. HODSON-THOMAS: This is my last question as I feel that I am monopolising the session.

Ms A.J. MacTIERNAN: Opposition spokespersons on transport have had that happen to them.

Ms K. HODSON-THOMAS: The minister did it well in opposition. Is the provision of extra taxi plates also on the agenda?

Ms A.J. MacTIERNAN: That is certainly a possibility. Members need to understand that no full plates have been issued for over a decade.

Ms K. HODSON-THOMAS: I understand that. I had a personal experience just recently when my son rang me from Fremantle at four o'clock in the morning.

Ms A.J. MacTIERNAN: He could not get a taxi.

Ms K. HODSON-THOMAS: No. When I arrived at 4.30, there were 200 young people waiting to catch cabs home. Some were hitching rides.

Ms A.J. MacTIERNAN: What night of the week was that?

Ms K. HODSON-THOMAS: Saturday night.

Ms A.J. MacTIERNAN: There is no doubt that there is a problem. I can understand part of the problem. The drivers have some resistance to small plates because of these cost structures. A large part of the problem is the percentage of the fare that must amortise the speculative value that is accumulated in the plates. If we were designing a taxi industry from day one, we would not allow a value to accumulate in the plate. It has become a cost to the industry that adds absolutely nothing to its efficient running. If taxi operators want superannuation, they can have superannuation. They can have superannuation by investing in real estate and shares - doing the

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range of things that other people do. We cannot allow value to accumulate in the plate, because it is making the fares too costly and driving down the returns. It is creating a resistance to putting more taxis on the road.

Ms K. HODSON-THOMAS: Would the minister provide extra taxi plates for only weekends?

Ms A.J. MacTIERNAN: That has already been done. It has not necessarily been the total answer. As I said, I have made it very clear that it is in the industry's hands. Unless there is substantial support from what we consider to be the two key sectors of the industry - the owner-drivers and the drivers - we will not proceed with buyback. There must be some movement. We brought over a gentleman from the National Competition Council to speak directly to the industry. He put the case very well. If we do not have a buyback, we may look at the strategy which has been adopted in other States and which has been accepted by the National Competition Council. I suspect that whatever happens, we will not be in a position to organise a buyback in the short term. Extra plates will certainly have to be part of that equation.

Mr D.A. TEMPLEMAN: The first dot point of major achievements on page 732 refers to credible and significant patronage improvements. Can the minister give us an explanation for the continued increase in patronage for the fourth year running?

Ms A.J. MacTIERNAN: This is very important in Perth, which has the highest ratio of road to resident of any Australian city. The ratio is certainly beyond that of any European city and right up there with those of Houston and similar cities in the United States. We have a very high degree of automobile dependence. The percentage of trips taken on public transport has been languishing at about six per cent, but we are now seeing some increases. In 2001-02 there were 52 869 000 initial boardings and 8 751 000 free travel journeys, which reflected a 3.7 per cent increase on the previous years. The final figures for 2002-03 are not yet available, but on the current projections it appears that initial boardings have increased from 52 million to 54.3 million, with 8.8 million free journeys. That is therefore an extra three per cent. There was a 3.7 per cent increase last year and it looks as though we are on track for a three per cent increase this year.

[9.40 am]

The CHAIRMAN: I want to ask a follow-up question on that matter, while you are talking about public transport boardings. Is last week's public transport forum in the southern suburbs projected to have some impact on boardings in the future?

Ms A.J. MacTIERNAN: Yes. We conducted a forum to examine ways in which we might improve public transport in the southern corridors, particularly the east-west linkages and not just the south west. It was a very well and very enthusiastically attended forum. I have not had an opportunity to absorb all the matters arising from the forum, but I will ask Mr Burgess whether he has some comments to make on the outcomes that might further enhance public transport.

Mr BURGESS: The people who were recording the events of the day have indicated that they will consolidate the positions of the various community members and stakeholders who were represented at the public transport forum. It is intended that those findings will be sent to various bodies that are involved in public transport planning in the southern metropolitan area, such as the east-west committee, the south-west group of councils, certainly to the department and to the Western Australian Government Railways and the New MetroRail project, to provide comment. Some of the immediate observations support the enhancement of public transport. Transperth staff, in consultation with the bus companies, have done some concept plans and those concept plans for bus and train integration have been reviewed by the south-west group of councils and the east-west study committee. Generally, most routes that have been modified already to reflect input appear to have been well supported at the forum. There was also some good input on how integration can be made even better with upgraded facilities and the introduction of other facilities in the immediate station areas and the one-kilometre boundary surrounding those stations.

The CHAIRMAN: Does the member for Mandurah have another question on the same issue?

Mr D.A. TEMPLEMAN: Yes. I want to ask the minister about the link between congestion and the attempt to get more and more people onto public transport. I refer to page 737 of the *Budget Statements*, which relates to charges and regulatory fees and revenues from ordinary activities, and to the first dot point on page 724, which refers to the minimisation of congestion on major metropolitan roads. In the minister's view, is there a major problem with congestion now and should we consider other ways of combating it?

Ms A.J. MacTIERNAN: These matters are all relative. People from London, Sydney or Melbourne laugh when they hear people in Perth talk about congestion. Compared with other big Australian cities - even Brisbane - Perth's congestion is mild. Obviously, there are pressure points and people get cross and want to ring up talkback radio about congestion on the Kwinana and Mitchell Freeways. However, we must be prepared to

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creatively use congestion. All the research indicates that each time we open up a road that is basically designed for car traffic, an enormous amount of pent-up demand is unleashed and within a short time the congestion returns. Regrettably, I believe the duplication of the Narrows Bridge was a classic example of providing additional space that quickly filled up with cars. That was a case of dealing with the symptoms rather than the cause of the problem. There is no doubt a creative interplay between congestion and public transport use. In getting a public transport system to work, we must provide a carrot and stick. We cannot just allow traffic to become congested but, at the same time, we must provide a first-class public transport system.

I am sure the member for Mandurah is familiar with the statistical compilation carried out a few months ago by the Australian Bureau of Statistics. The ABS examined public transport usage across Perth and identified the area of lowest usage as the south-west corridor and that was because there was not a mass transit system of sufficient standard. All members know that this is not just theory. We have seen how this has worked in the northern suburbs. The member for Kingsley would well understand that there was enormous pent-up demand there, even before the rail line in the northern suburbs was extended. If we had more trains, many more people would use the rail. However, the trains are chock-a-block by the time they get to Whitfords station. It is the same on the Armadale line: they are full by the time they get to Kenwick; and that discourages people from using trains. What we need is a creative interplay.

Another lever in this whole game obviously must be the cost of parking in Perth. It has been notoriously easy and cheap for long-term commuter parking in the city. In the past two budgets we made substantial increases in the Perth parking licence levy. It is still fairly cheap compared with other cities, but that has operated another lever to contain the level of automobile dependence. We want a mix of transport, and we understand that cars will be the primary mode of transport, but we must ensure our city is not gobbled up by cars.

I will explain a little about the congestion charge in the United Kingdom. I recently visited the UK to examine some of the developments in public transport. The Mayor of London, Red Ken Livingston, has just implemented a congestion charge, which has had a phenomenal result. In the London area, people can move around very freely. The congestion charge has resulted in a 15 to 20 per cent drop in car traffic in the inner city area. People who enter the city of London and pay their five quid reckon it is worth every penny because the ease with which they can now move around the city is phenomenal. There are therefore those sorts of creative solutions. Perth is not at the stage that it needs a congestion charge of that type, but we must ensure that we do not continue to expand roads for cars in areas where there is the alternative of good quality public transport. The reality is that although buses play a significant part, and will continue to play a significant part, trains are in an Australian context - and I suggest in a European context - most able to attract discretionary users of public transport out of their car and into public transport.

[9.50 am]

Mrs C.L. EDWARDES: I cannot find where Perth parking licence fees are referred to in the budget papers. Transaction revenues are listed on page 743 of the *Budget Statements*.

Ms A.J. MacTIERNAN: We had a problem finding it last night; we will try to find it now.

Mrs C.L. EDWARDES: That is good; I do not feel quite so bad. Can the minister explain the interaction between the amount spent on the central area transit buses and this licence fee? I understand that the fee has risen from \$150 to \$180, an increase of about 20 per cent, for most car bays in the central business district and West Perth. From which area was this money raised? Approximately \$1 million extra has been raised. Where is that money being spent?

Ms A.J. MacTIERNAN: The revenue from parking fees does not appear as a separate line item in the *Budget Statements*, which is why the member has not been able to find it. I refer the member to page 737. I am reliably advised, I hope, that they are included under the revenues from ordinary activities, which is located a little less than halfway down the page. The second line of this item refers to regulatory fees and fines. The money received from Perth parking licence fees is directed towards central city access and amenity projects. New routes have been added for the CAT - central area transit - buses. The member for Perth can tell the member about the East Perth route changes. We have unfortunately found that the Scania CAT buses, about which there was some controversy when they were purchased, have not lasted as long as was projected, so we will have to start retiring those buses earlier than expected. We have been putting money aside for the replacement of those buses, which will begin in 2005-06. We are building up a bus replacement fund to do that.

Mrs C.L. EDWARDES: Are some of those parking licence fees going into the bus replacement fund?

Ms A.J. MacTIERNAN: Yes; it is for the CAT bus. That is the logic behind it. There is a creative interplay between the provision of public transport and parking levies. In particular, the Government is keen to ensure that the city continues to function. We want to limit parking in the city but we also want to ensure and enhance

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mobility around the city. All those resources are going towards improving public transport, including a contribution to the bus replacement fund, which we have had to ramp up because the Scania buses have not lasted the distance. They have a very low floor. I remember that at one stage when we were in opposition various bolts on the bottom of the buses sheared off. The buses were repaired, but they will not last as long as we had hoped. We will start to replace those buses in 2005-06.

Mr R.A. AINSWORTH: My question should have been added to someone else's question; it relates to school buses and the minister's answer to a question on the review of school bus routes and the length of those routes. I think the minister said that the information provided for something like 30 per cent of those routes was incorrect; in other words, they were longer -

Ms A.J. MacTIERNAN: Sometimes shorter.

Mr R.A. AINSWORTH: There were instances of both.

Ms A.J. MacTIERNAN: Some had overclaimed and some had underclaimed. We still cannot get consensus on some routes, which seems bizarre.

Mr R.A. AINSWORTH: Having gone through that process, has the department identified a potential saving by paying for the actual route as opposed to the claimed route?

Ms A.J. MacTIERNAN: I do not know whether we have a figure for that. We have not been able to do it. It is very frustrating that these things take so long. We now have the report from Whelans and its estimation. In some instances the figures have been contested by the drivers. This system has grown into a shambles over many years. It has been moved between various departments and there has not been good record keeping; things have grown at random and add-ons have not been properly reported. We are trying to tie that down. I cannot yet provide that figure because negotiations are still occurring with individual operators over their routes and where they travel. I find it absolutely extraordinary that we are still discussing that sort of thing. The Government has apparently been paying out money without really knowing about those matters. It has been paying for garaging for 15 years and now finds that only one-third of people have enclosed garages.

Mr P.B. WATSON: I refer the minister to dot point five of the significant issues and trends listed on page 723 of the *Budget Statements*. Can the minister outline the community consultation initiatives that have been undertaken by the Department for Planning and Infrastructure to improve community involvement in planning and policy initiatives?

Ms A.J. MacTIERNAN: As the member will know, having been involved in some of these initiatives - I understand he starred in a television show involving some of these -

Mr P.B. WATSON: I will sign autographs later.

Mr D.A. TEMPLEMAN: It was a quality performance; I saw it.

Ms A.J. MacTIERNAN: Is that right? Incredible.

Mr P.B. WATSON: I have a copy for those who missed it.

Ms A.J. MacTIERNAN: The opposition spokesperson and the chairman of this committee, Mr A.D. McRae, have been involved in some of these processes. Other members of the Opposition and the National Party have also been involved in some of these matters. We have cast our net widely to incorporate people. We think that if we are to get community involvement in and resolution of many of the difficult issues that face government and the community, we must develop better ways of engaging the community. The traditional model in which one lobby group sets up its view and opposes another lobby group, and the Government is stuck in the middle trying to decide where to go between the two, is not a recipe for good government. The key to what we have been trying to do is that we want to bring all the competing interest groups together to understand each other's point of view and to work through the issues to come up with some sort of consensus. This is not a miracle recipe; we will not put all these things into a box and achieve a result that everyone will love.

Mr P.B. WATSON: Especially when the minister does not always get the result she wants.

Ms A.J. MacTIERNAN: That is right. As the member knows, I have submitted myself to these processes hoping that they would go in a different direction. That is the way it works. In particular, we are talking about the citizens jury in Albany. The council chambers were to be relocated. It was a hotly contested issue. It is important that people are educated on the issues. That was an important educative process for the people of Albany on the actual planning issues concerning the location of the city offices.

Mr P.B. WATSON: It was a festering sore in Albany for two years. After the citizens jury, that was it.

[10.00 am]

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[Mr J.P.D. Edwards took the Chair.]

Ms A.J. MacTIERNAN: There was a similar issue in the member for Carine's electorate, although it was not perhaps of the same significance. It was about the configuration of road openings and closures following the extension of the Reid Highway.

We went through the citizens jury process. One of the interesting things that arose out of the example in Carine was that once some of the people who were activists for position one went through the jury process - they were randomly selected - they changed their point of view. In that case we reached a unanimous vote for a particular road configuration. Again, that was purely a matter for the locals to decide. The freight network review, which was a big and ambitious program that sought to establish a consensus strategy to deal with freight, has had controversial sequelae because of the Government's policy to abolish the Fremantle eastern bypass and not build Roe Highway stage 8. However, we have come up with a six-part strategy that will achieve a better long-term and more sustainable solution. A variety of these sorts of things are happening in Carnarvon and Ningaloo. We are trying to establish a proper framework in that controversial and sensitive area. They are some of the examples of the things we have undertaken.

Mrs C.L. EDWARDES: I refer the minister to the outcomes and key effectiveness indicators on page 726 of the *Budget Statements*. In particular I refer to the effectiveness of planning activities and client surveys. The budget papers indicate an outcome for 2002-03 is 65 per cent. The target for 2003-04 is 67 per cent. I am sure that the minister is aware of the complaints that have been made by a large number of stakeholders, including planners, investors, property investors, developers, construction companies and architects, who represent, in some instances, the little people. They do not necessarily represent the big end of town. I receive a lot of complaints about serious planning delays within the department. If we were to put a figure on it, I am sure it would be well and truly below 50 per cent. I also refer the minister to the output performance measures on page 730 of the *Budget Statements*. Planning services has only one program. Will the minister identify what that one program incorporates and where the problems lie? I understand the difficulties that arise when big agencies are brought together. The problems of low morale and a decline in the number of experienced people within the department must be overcome. However, at the end of the day, targets must still be met and I will refer to those later. How on earth can that be done if there are serious planning delays, especially when there is nothing under major initiatives for 2003-04 to redress what is considered a serious problem?

Ms A.J. MacTIERNAN: I recognise that there is a problem; however, it is not new. When the current Director General of the Department for Planning and Infrastructure took up his appointment at the beginning of this financial year, he was made aware that the Government was concerned about this problem and wanted it redressed. We have taken a variety of steps to improve the resourcing of that part of planning within the total department, and of restructuring the location of resources so that there is more work for that area. We have also had discussions with the planning commission about this problem, because we want to turn it around. I will ask Mr Martin to add further comments, and, later this afternoon when the Chairman of the WA Planning Commission is in the Chamber, he can outline the strategies that the Planning Commission is putting in place. The Government recognises that it is a problem. Indeed, we are desperately trying to recruit, but traditionally State Governments pay much less than local governments - I do not know where local governments get their money - and the private sector. Given that the private sector is so buoyant at the moment - there have been many newspaper articles about this - people are snapping up land like hot cakes. Our capacity to attract new planners is difficult.

Mr MARTIN: As the minister stated, one of the circumstances that we are facing is a buoyant property market. In addition, the R codes are causing additional pressure. The process that we must go through extends back to the department, because it is responsible for the applications. One of the challenges we face is the quality of applications we receive. Sometimes the applications are out of sync with planning schemes - there are delays while they are resolved - and sometimes they are not very complete.

Mrs C.L. EDWARDES: What is the percentage of those?

Mr MARTIN: I do not have those figures readily available.

Another major issue is the referrals that are required for approvals. We have to seek the comments of many other agencies and then we have to try to capture them into conditions. It is a difficult task, but we are not avoiding the issue of it not being timely. We are undergoing an improvement program that will see the right people deal with the referrals and we are also restructuring to put more focus and resources into that area. In the short term, we are increasing overtime and reassigning staff to try to deal with the backlog. We are looking at improved liaison with the referral agencies and we are trying to do that in parallel rather than letting it become sequential. This also applies to our relationship with the Department of Environmental Protection and the

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Environmental Protection Authority. We are trying to run these things in parallel so that we do not extend the time.

Mrs C.L. EDWARDES: Before we left government, we were going to make further legislative changes in an attempt to bring the planning and environment departments closer together. Is that on the agenda?

Ms A.J. MacTIERNAN: We are planning legislation to consolidate and streamline planning. Part of that process includes looking at some of those referral issues, particularly some of the developments that were introduced by former minister Hon Richard Lewis. One can understand what he was trying to do at the time, but rather than save time, in many instances he has created massive delays. Requiring environmental approvals for amendments is an example. By the time the amendment was enacted and the environmental approval had been obtained, any subsequent development would be able to go through without any further environmental approval. In reality, that has not happened. The Government is looking at those sorts of issues.

[10.10 am]

Mr MARTIN: I will make two further comments. In some cases the department has endeavoured to help people seeking planning approvals of various types, and perhaps tried too hard when the material presented has not been adequate. We will be taking a harder view of what is put forward, and if it does not meet a reasonable standard we will be asking the applicant to make it good before we spend our time trying to help them. Failure to do that just reflects on our reputation. The other element we are considering is a system of electronic lodgment and referral. One of the difficulties with our current practice is that everything is done by mail, so things are bundled up and taken around, going through registries. There is a long lead time in getting materials to the desk of the officer who must make some assessment and give a report. Those are the sorts of things we have to do. We recognise it as an immediate, urgent issue that we are trying to deal with in the short term, but we are also looking for longer term solutions.

Ms A.J. MacTIERNAN: I will ask Mr Frewer to add to that, because he is actively engaged in it.

Mr FREWER: It is not just an internal issue relating to the nature of the planning process. We have in place a number of imperatives to improve the business and the work flows going through the area. There are also a lot of other issues relating to the complexity of planning applications. These days, the community wants to have more of a say, and there is increasing complexity with various legislative requirements that must be reflected in decision making. At the moment, a national inquiry is being proposed by the Royal Australian Planning Institute, which hopes to address the national shortage of planners. It is not peculiar to Western Australia; it is, in fact, a national issue. It is in its formative stages at the moment, and was discussed recently at a national planning ministers conference to consider the way forward. As the minister mentioned, in discussing the issues relating to the consolidation of the legislation, we will be looking at ways to improve the processing procedure currently laid out in legislation to provide more certainty and timeliness in decision making.

Ms A.J. MacTIERNAN: We are trying to look at every possible avenue. When I first became aware of the shortage of planners just after the Labor Party came into government, I approached Curtin University, which has been able to expand its undergraduate degrees. We have been working with the University of Western Australia, bringing it together with Curtin University to look at what we might be able to do in the way of a post-graduate course in urban design. We have been very hands-on and very active in trying to address this problem in a range of different ways.

Mrs C.L. EDWARDES: I will add one further comment. The minister mentioned the citizens' jury earlier. Without that tag, Main Roads and Westrail have been quite active in working with communities, for instance on the Whitfords train station. I commend the officers involved in that process.

Ms A.J. MacTIERNAN: I would not suggest that public consultation processes have not taken place before. We are trying new models, including a citizens' jury, in which we deal with randomly selected people. That has not been tried. What we see as the key is this need to get the different competing sectors in the community to come together in a framework in which they are compelled to consider views other than their own. These are community problems, not just government problems, and we must develop that understanding of the complexity of these issues if we are to be able to move the community forward.

Mr D.A. TEMPLEMAN: I am intrigued by the second dot point of significant trends shown on page 723 regarding the metropolitan development program forecasting requirement of 60 000 lots in Perth and the Peel region over the next five years. Can the minister give an indication of the scope of that demand and, if possible, show whether that figure is broken down into a determination for the Peel region and the metropolitan area?

Ms A.J. MacTIERNAN: I think it is. It is done on a suburb by suburb basis in the metropolitan plan that Mr Frewer is now showing the committee. While I am talking, Mr Frewer will see if he can find the provisions that

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separate out the different areas. We assess the current demand at around 13 000 dwellings a year. There is currently sufficient land available, though one may have formed the opposite impression from an article in this morning's paper. About 26 500 lots are currently vacant and on the market, and that number again have had preliminary subdivision approval. We predict that over the next five years 54 000 lots will be needed. The strongest activity will be in the south west sector, including Cockburn, Kwinana and Rockingham. There will still be strong growth in Wanneroo and Mandurah. I know the member's interest is in Peel. Over the next five years we expect that another 9 235 lots will be developed in Peel. That is a substantial increase in activity and development. It can be seen that the figures are gradually escalating each year for the Peel region. The member for Mandurah will be a very busy person.

Dr J.M. WOOLLARD: I have just been informed that my question may fall under Main Roads, because the committee was previously discussing appeals. I was wondering if I could be given the number of planning appeals that were still on the books.

The CHAIRMAN: Can the member for Alfred Cove provide a line item?

Dr J.M. WOOLLARD: I believe now that planning appeals come under Main Roads.

The CHAIRMAN: The member will have to have her information to hand, and check it before bringing her question to the Chair.

Dr J.M. WOOLLARD: I will check with someone.

Ms A.J. MacTIERNAN: To assist the member, I suggest that if there is a spot for this issue, although it is not directly under the Western Australian Planning Commission, it may be best to include it under that body. I anticipate that the Western Australian Planning Commission will be before the committee some time after lunch, between 2.00 pm and 4.30 pm. We would be happy to provide the member with that information at that stage.

The CHAIRMAN: Is the member for Alfred Cove happy with that information?

Dr J.M. WOOLLARD: Yes.

[10.20 am]

Ms K. HODSON-THOMAS: The last dot point of major initiatives for 2002-03 on page 733 refers to the continued staged implementation of the transport executive licensing information system - TRELIS. I would commend the Government for anything that provided a better service for the community. Can the minister give an update of TRELIS?

Ms A.J. MacTIERNAN: I appreciate the question. It is an important issue. TRELIS is one of those information technology projects that seem to take forever to reach fulfilment. We have now provided it with sufficient funding so that it can be completed, and it will be on stream by the end of this financial year.

Mr MARTIN: TRELIS is expected to be operational in July.

Ms A.J. MacTIERNAN: By the end of this financial year it will be finished and up and running. This is important because it will enable us to provide a better level of service to people making inquiries. I understand that many people are frustrated when they ring the licensing call centre.

Ms K. HODSON-THOMAS: And the Auditor General.

Ms A.J. MacTIERNAN: Yes. If the member is interested, I could set out a raft of strategies that we have put in place to do this.

Ms K. HODSON-THOMAS: I am interested.

Ms A.J. MacTIERNAN: People get incredibly frustrated. It also becomes difficult for people who work in such an environment when callers are frustrated. The licensing call centre is the largest of all government call centres and takes over one million calls a year. The first thing we must do is ask ourselves why we are getting so many calls. We have identified that we can improve the quality of the information. Many of the calls are made necessary by the fact that the material that is sent out to the public is not as clear as it should be. Therefore, the first step is a preventive one; that is, to ensure that better quality information is going out to the community so that we can reduce the need to call. Secondly, when people call, one of the difficulties with the system at the moment is that in order for the call centre operators to answer a call, they need to scroll through an amazing amount of material to get to the answer to a question. TRELIS is designed to overcome that. The specific query made by the caller can be addressed much more quickly. That means that the caller does not have to wait and that calls can be processed much more quickly. That is the key to what we need to do. Although the timeliness of the answering at the licensing call centre was not acceptable, and we do not pretend that it was, there were

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some positive findings, one of which was that the quality of the information provided was accurate and appropriate.

The department will have a much more vigorous recruiting section. One of the problems has been that the department has been notoriously understaffed. Recruitment is taking place and new people are coming in. A lot of headhunting goes on among call centres around Perth. Working in an environment like transport licensing is sometimes difficult because by the time a caller finally gets through, he or she is one angry little vegemite in many cases. That does not make life easy. Therefore, when staff get offered a dollar an hour more by a bank to go somewhere else, they have a tendency to do so. The department must control the need for calls by distributing better quality information. We must get the TRELIS system up by July to ensure that the information can be dealt with much more quickly. The department must be much more vigorous in its recruiting and hopefully it will be able to retain staff longer by providing a better, more efficient system that will create a better working environment.

Mr J.N. HYDE: The first dot point of major initiatives for 2003-04 on page 733 refers to fair returns for taxi drivers. When the taxi drivers in my electorate visit the privatised Perth Airport, they must pay the dollar levy, which customers must do when they exit. We were sold the fact when the airport was privatised that the levy was to pay for undercover parking so that when taxi drivers dropped people off at the airport, they would not be subject to the howling easterlies, westerlies and rain. Taxi drivers are now having to drop people off on the other side of the road. People might be there with 77 bags on the way to a holiday in Malaga or wherever -

Ms A.J. MacTIERNAN: Some of us travel light and do not need 30 changes of clothes a day.

Mr J.N. HYDE: My apologies. Taxi drivers in my electorate are saying that it is a real disincentive. They feel that they are being ripped off by the operation of this levy. I am interested to know how much power the minister has to ameliorate the situation of the privatised airport and taxi drivers. The levy is there, and if it is based on cost recovery, it should mean that taxi drivers can drop people off in comfort.

Ms A.J. MacTIERNAN: There are a couple of factors. We were promised when the airport was privatised that there would be no increases in fees and charges for five years. We were assured at the time that meant all fees and charges, but in fact it related only to aviation fees and charges. We saw parking fees go through the roof and the introduction of this levy. Unfortunately, as I understand it, it is not within our province to control it. The airports and airport land are under federal jurisdiction and are not subject to our jurisdiction in that regard. It is true that the Westralia Airports Corporation promised a range of facilities for drivers. There is no taxi person present, but I understood that toilets and a crib room would be provided in the Fauntleroy Avenue area. I do not know what has happened to that. We can make some inquiries. I will get Mr Forte to respond. The difficulty to which the member refers arises out of the increased security after September 11. All sorts of barriers have been placed to restrict the access of taxis and other vehicles in the airport because of increased security arrangements. I believe that is part of the problem.

Mr FORTE: The airport owners are moving to upgrade facilities for taxi drivers. Perhaps, more importantly, they are moving also to enhance the separation between the taxi rank, the hire car operators and the general setting down of passengers who arrive by private vehicle and merely want to take their bags into the terminals. They are looking at a central rank for taxis between the terminals of Virgin Blue and Qantas. They believe, and so do we, that this will create far greater access for taxis in general and certainly make it much simpler for people disembarking and getting taxis. All that redevelopment is under way as we speak.

Mr J.N. HYDE: Sydney airport has a covered central taxi rank. Will this be covered?

Mr FORTE: There will be some covering. I understand that the owners are still negotiating with both airline operators for the extension of that covered area.

Sitting suspended from 10.30 to 10.43 am

Mr P.B. WATSON: I refer the minister to licensing on page 742 of the *Budget Statements*. My question relates to licensing information systems and particularly to customs services on page 733. Does the minister consider it satisfactory that customers cannot do EFTPOS transactions or use credit cards at licensing centres? If not, does the department plan to introduce these services?

Ms A.J. MacTIERNAN: This has been a source of considerable agitation in the community for some time along with the problem of queues at the call centres. I explained before the break what we were doing to improve access to information -

Mrs C.L. EDWARDES: I had reason to use the call centre last week, as I mentioned to the minister. I sent an e-mail and had a response back the very next day. Therefore, that problem is not the case in all instances.

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Ms A.J. MacTIERNAN: No, and I thank the member for that kind comment. We are encouraging more people to be like the member and to make contact with the centre electronically. By enhancing the information available on the web site, we can cut down on the number of calls to the call centre. The member is part of the group of enlightened consumers that we are attempting to develop.

One concern is that when people rock up to the licensing centre to pay for their licence, they are told they have to pay for it with cash or by cheque and that they cannot use EFTPOS facilities or credit cards.

Mr P.B. WATSON: You can at Australia Post.

Ms A.J. MacTIERNAN: I hope there is not a residual vested interest in that bit of promotion. It is interesting to see the member for Albany retaining those loyalties.

That situation needs to change but we are not geared up for it. In my discussions with the director general, I have made it clear that we must move to enable the electronic transfer of funds so that EFTPOS facilities can be used at those centres.

The use of credit cards is slightly more problematic. We allow people to use credit cards for the payment of a licence if it is done by phone or electronically, which is a cost saving to us in terms of people attending a licensing centre. However, if we allowed credit card use at the licensing centre, a merchant fee would have to be paid and there would be the additional expense of having a person at the counter. No final decision has been made but we want to provide as many opportunities for payment as possible. There are 4.7 million transactions a year and it was estimated that that could cost up to \$5.9 million a year. We would then have to extract that money from the rest of the taxpayers. We are definitely planning to introduce an electronic funds transfer system and to have that in operation by the end of July. With the introduction of the transport electronic licensing information system - TRELIS - we can make EFTPOS available at licensing centres. We have yet to make a final decision, but it would be wise to allow people to use their credit card provided they were prepared to pay the merchant fee. There will be some controversy about that but at the end of the day it is a question of whether the rest of the taxpayers should pay that cost. We are offering people an enhancement. Twenty-five per cent of people are like the member for Kingsley and use the web or the telephone to pay by credit card. We believe that we can offer that flexibility but we cannot impose that cost burden on the rest of the taxpayers.

[10.50 am]

Ms K. HODSON-THOMAS: I refer to the first dot point at page 734 of the *Budget Statements*. It refers to the preparation of a comprehensive plan for the provision of boating facilities across the metropolitan region. As the minister knows, I have a great interest in boating. I particularly want to pursue this aspect. I assume that the plan is proposed for the next financial year. I would like information on what proposed boating facilities are being examined, particularly in light of the figures given for capital expenditure. The member for Kingsley outlined earlier details of the proposed works program. Certain funds have been allocated.

Ms A.J. MacTIERNAN: Was it under the maritime section? What were the funds for?

Ms K. HODSON-THOMAS: It was for navigation aids. An amount of \$335 000 was allocated for 2002-03. I would like more information about the navigational aids. What is proposed?

The CHAIRMAN: I assume we are working from page 735?

Ms K. HODSON-THOMAS: Yes.

Ms A.J. MacTIERNAN: I thank the member for the question. Two boating needs analyses will be undertaken. I will need to discuss with the department how we may have to take a broader approach to this. The first is an update of the metropolitan boating needs analysis, which was prepared some time ago to reflect recent trends in demand. The member knows a lot more about boating than I do. There is an increasing take-up rate of boating. Mr Forte may have some figures on the number of boat registrations in Western Australia.

Mr FORTE: Approximately 65 000 recreational boats are registered in Western Australia.

Ms A.J. MacTIERNAN: In addition, I presume there are other craft. The need for boating facilities is growing commensurately on both the coast and the river. There is a need to provide for that. That is what the study is aimed at, primarily. There is also another problem: every time we move to develop a facility on the coast, particularly in the metropolitan area, there is opposition. There are very strong competing views in the community about what is appropriate to build on our foreshore and coast. In conjunction with looking at the needs of recreational boating, we need to take a broader view of planning to determine what we can permit. The member knows there is an increasing "hostility" to the notion of marinas. However, when they are built they become extraordinarily popular. It creates a problem. We must look at this in a twofold way: we must look at boating needs and the broader planning implications. If we are talking about fairly simple things such as a

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slipway for trailers, that is far less controversial. If we are looking at something as expensive as a marina, that is a different issue. There is also the question of when is a marina not a marina. Is Port Coogee a marina or is it a canal development? There is immense controversy in the community over those issues. We must come up with a more comprehensive plan. Regarding boating studies per se, the member for Mandurah will be interested to know that one will be conducted in the Peel region. The department is looking at the preparation of five regional plans: Augusta, Geographe Bay, the Dampier Archipelago, Port Hedland and Bunbury. We are using funds from the recreational boating facilities scheme. We have had to undo all the schemes because they are in complex trust arrangements. We have to unravel them to find out what is going on. We are enhancing the boating facilities using those funds.

Would the member like me to discuss navigational aids?

Ms K. HODSON-THOMAS: Yes.

Ms A.J. MacTIERNAN: I will give a brief explanation. It involves the ongoing provision and replacement of navigation aids in line with Department for Planning and Infrastructure statutory responsibility for marine safety. The money in the budget for the current financial year is for aids to be installed in the Abrolhos Islands, which have over a period of 400 years shown themselves to be a particularly tricky area to navigate! Long-term benefits will be gained from the plan. The navigational aids project was started under the previous Government. No doubt the member had some role in getting it up and running.

Dr J.M. WOOLLARD: I refer to the fourth dot point at page 723 of the *Budget Statements*, which refers to programs to inform and motivate the community on the use of the transport system. I also refer to the first dot point at page 724, which refers to an integrated, well-planned and well-patronised public transport system. Community concern has been expressed to me that in a few years commuters in my electorate may have to use a combination of bus and train to reach their destination. I will put that aside as I am not discussing trains today. I will focus on bus transport. I have previously expressed the concerns of my community about timetabling and suburban services. Many services are on main roads, which is particularly disturbing for elderly people. Are there any plans to extend bus service routes through suburbs? I am particularly interested in my electorate of Alfred Cove.

[11.00 am]

Ms A.J. MacTIERNAN: I do not have the details for Alfred Cove. The bus timetables and routes are being revised and reconsidered constantly in order to provide a better service to the community. The figures show an increase in the number of passenger boardings as a result of the extension of services. Some of the increase comes from finetuning services. There is obviously a limit to the amount of money the department has to provide public transport. Conversely, there is an almost infinite demand for public transport. One could continue to expend. The budget figures will show that the investment in capital and recurrent accounts in public transport is very strong. However, obviously there is a limit.

I also should comment that one of the difficulties - this is where we have lacked integrated transport planning in the past - is that many of the subdivisional designs of the post-war and, in particular, post-1960s eras are very unfriendly to public transport. For example, subdivisional configurations based on cul-de-sacs are very impenetrable. That makes it difficult to provide good quality public transport that is close to residents. One of the real advances we have made with our livable neighbourhoods program is ensuring that subdivisional designs are penetrable by public transport.

As we have said, once the train line is running, those buses that come down Canning Highway will continue to use the freeway to enter the city. We will have dedicated entry and exit points for those buses. Our latest planning provides for dedicated lanes for both buses and high-occupancy vehicles. We should not see any change in travel times for those people who are coming into the city by bus along Canning Highway.

Dr J.M. WOOLLARD: If a community in a particular suburb feels that there is a need for an improvement in services, whom should it approach? What evidence must it present to which department? What process must be followed so that local bus services can be improved?

Ms A.J. MacTIERNAN: Generally speaking, we will listen to any submission about existing areas. We are more than happy to talk to members of the community about how they might like their bus routes configured. Anyone can say that they need these services more regularly and that they would like more weekend or night services. Every community can say that. It really is a question of being realistic about the amount of money that we can spend on public transport. I have attended meetings in my area, Ballajura and the new north at which we have outlined the existing services and asked the community in which ways we could achieve better value with the same financial resources. The result has been dramatically improved services. I was pleased that the bus companies were present at our public transport forum the other day. They are always prepared to meet with

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people from Transperth and to attend community meetings to try to see if there is a better way of configuring routes.

Dr J.M. WOOLLARD: Is the minister saying that I should organise a community meeting and invite someone from Transperth?

Ms A.J. MacTIERNAN: That is right. The member must understand that there is not infinite money, and she needs to be responsible about promoting this. I give her one word of caution. I know she always refers to the community as some unified, monolithic entity. As she will find if she starts trying to reconfigure bus routes, we live in a society in which there is a plethora of views. The community will not speak to her in one voice about ideal bus routes.

Mr S.R. HILL: I refer the minister to the line item regional transport aviation subsidies on page 742. The actual expenditure in this area for 2002-03 is more than twice the amount that was budgeted. The budget allocation has been increased for 2003-04. Can the minister explain that increase?

Ms A.J. MacTIERNAN: This is an issue of particular concern to country members. It is an impost that this Government has had to wear. Following the Ansett Australia collapse, which brought down with it Skywest Airlines Pty Ltd, intrastate air services fell apart. That prompted a need for a complete rethink about how intrastate airline services should operate within Western Australia. With the Civil Aviation Safety Authority constantly increasing its safety standards, the operation of airline services has become increasingly expensive. The Government has had powers to regulate the intrastate airline industry since the 1960s. That was a national and state response to continued failure in the airline industry.

Mr S.R. HILL: Will the funding increase help services to Kalbarri, for example?

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

Ms A.J. MacTIERNAN: No. This money is for areas for which a service cannot run without a subsidy. We have successfully managed to get a service to Kalbarri. There are a number of different strands, and I give an overview of those. It became evident within the Department for Planning and Infrastructure that, although it had been adequately looking after safety standards and the provision of facilities through a rate scheme, aviation was a bit of a policy-free area. Although we had statutory powers, Skywest was operating in what was effectively a deregulated system. The powers were not in any real sense being exercised. After the collapse of Ansett, it became obvious that we would have to do something more, but we recognised that we did not have a policy framework. We got some international expertise to conduct the air services review. That identified, as we suspected, that Western Australia has a particular problem in that it has very long, thin aviation routes. The member for Roe would appreciate that Esperance is a vulnerable route because of the number of passengers it attracts each year. The air services review identified that a Western Australian route would need to attract a minimum of around 55 000 passenger boardings a year before competition was possible. The Geraldton route, particularly as a result of the fabulous expansion of the city that is occurring under this Government, is a very vibrant service that can sustain competition. It now has about 60 000 boardings a year. The first part of our response was route protection for Skywest for a limited period to enable it to sustain these routes. However, that route protection was heavily qualified, and to have that route protection it needed to subject itself to total transparency of its books, pricing and all that stuff. That was the quid pro quo for that monopoly. We have introduced limited competition on the Geraldton route. That is the first strand.

I refer to the second strand. Seventy per cent of intrastate aviation services provided in this State are mining related. Mining companies are increasingly resorting to charter flights rather than regular passenger transport services. Obviously, if a mine is 100 kilometres from a town, that is logical and probably will never be any different. Yesterday I addressed an extensive meeting at the Chamber of Minerals and Energy of Western Australia at which a raft of different mine operators was present. I put to those operators the proposition advocated in the air services review that we take a much tougher stand on charter overflights on regular passenger transport services. We need to engage constructively with the aviation and mining industries to convert those charter services where possible into regional public transport services. The member would know that we have had our first success in his electorate. ROC Oil Co Ltd applied to fly a charter to Geraldton. We asked it to run the flight as an RPT service and it could fly on to Kalbarri. It therefore converted that service, and Geraldton and Kalbarri got some competition and an extra service. That is a very constructive example.

[11.10 am]

Mr S.R. HILL: It is good news for Kalbarri.

Ms A.J. MacTIERNAN: It is good news for Kalbarri and it is good news for Geraldton because it will mean extra services there. A problem area that we must focus on is the eastern and northern goldfields, which is the

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most vulnerable area. I was pleased to see a number of mining operators yesterday who were from around that area. Places such as Port Hedland, Broome and Karratha tend to look after themselves and we do not need to worry about them. However, there are problems in Fitzroy Crossing, Halls Creek and Derby. Quite simply we have been unable to secure an air service that stacks up financially. We have had to provide increased assistance for services to Broome, Fitzroy Crossing and Halls Creek. We have provided subsidies for a service from Broome to Derby, which is part of a triangular route. Although there are good services to Broome, Port Hedland and Karratha, there are no triangular services. It therefore makes it very hard and very expensive for those who engage in a range of business activities to move around that area. The Perth-Meekatharra-Wiluna route is another service that we have had to subsidise; that is another area we must work with. There is plenty of mining activity in those areas and we must focus hard on how to get them to convert to RPT services. Our budget has increased dramatically; it is now \$1.29 million a year. Some of that includes underwriting for Emirates airline, but the subsidy for those country routes is \$1 million.

Mr P.B. WATSON: The minister said there were 55 000 boardings. That figure will never increase when Albany has a 40-seater flight twice a day. Will Skywest Airlines Pty Ltd be encouraged to go out and get more business?

Ms A.J. MacTIERNAN: I do not believe Skywest is keeping the numbers artificially low.

Mr P.B. WATSON: No, I am not saying that; I am asking whether it provides Skywest with an incentive.

Ms A.J. MacTIERNAN: As I understand it - this often happens - the figures for Albany have not yet returned to the pre-Ansett Australia collapse figures. It is an extraordinary phenomenon. It is similar to what happened during the airline pilots' strike in the 1980s when the number of boardings dropped. It took a long time for the numbers to come back to what they were. It was almost as though people developed new techniques for travel and communication. Albany continues to have that problem and we must carefully monitor that route. I believe Skywest has attempted to build up the numbers by offering discount fares. One problem Skywest had in building up numbers was that in getting itself off the ground it probably should have done more to get itself an airline partner. It is difficult to make forward bookings with Skywest.

Mr P.B. WATSON: We can now. We can book in Albany through Qantas and ask that our bags go straight through to their destination.

Ms A.J. MacTIERNAN: That is a recent occurrence and we made it a condition of continued route protection. We sought that condition in very active dialogue with both Skywest and Qantas. In the early days one problem was that Skywest was very much wedded to the Tesna proposal. Skywest was optimistic that Tesna would get up and running and that Skywest would be part of its airline stable. Skywest therefore did not have the dialogue with Qantas that perhaps would have been useful. I believe, now that there is participation and an online relationship with Qantas, there is the possibility of participation in a frequent-flyer program. All of those things will help build up the numbers.

Mr P.B. WATSON: That has also started.

Ms A.J. MacTIERNAN: Yes.

Mrs C.L. EDWARDES: I am worried about the Chairman's rate per hour of questions and answers. He has been promised the graveyard shift if we do not improve the rate. I will ask a short question relating to support for the new MetroRail city project office referred to at page 729 of the *Budget Statements*. The minister has announced that she will proceed with resumption orders on the buildings involved. Will she highlight that process and provide the cost of resumption of the buildings and a list of the redevelopment and civic improvement works in those costings? I lodged a request with the minister's office for that information, instead of asking a question on notice, but I have not yet received an answer. Another aspect of the resumption of those buildings is the cost of remediation of contamination.

Ms A.J. MacTIERNAN: The questions relate to the Western Australian Planning Commission.

Mrs C.L. EDWARDES: Does the city project office have nothing to do with this?

Ms A.J. MacTIERNAN: It is the office that is running the new MetroRail project but it is not responsible for the development of the William Street site; that will be done through the WAPC. However, I will make a couple of comments. As I have stated on numerous occasions, both publicly and in Parliament, our estimation of the cost of acquisition of the buildings - which includes the purchase of the site and the compensation payable to tenants - is about \$37.5 million. We have budgeted \$40 million. As I said, we have advised all owners that we require vacant possession of the site by 1 March 2004. We have started negotiations with the owners and tenants, although we must first sort out the owners before we move on to the tenants. Also we have started the formal process of compulsory acquisition. Our very strong preference is for a negotiated settlement, which is in

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everyone's interests; however, we acknowledge that that is not always possible. Because of the length of the notice period required for compulsory acquisition, we must start that process at the same time. We have had clear Crown Law advice that there is nothing improper about that process. It simply makes sense. We do not want to compulsorily acquire the buildings; we would much rather acquire them by sale. However, we must have the property by 1 March 2004, and we anticipate that the works will start almost immediately after demolition. Once the tunnel has gone through and the shell of the station has been built, we will be in a position to put the land back on the market ready for sale in 2005.

[11.20 am]

Mrs C.L. EDWARDES: Who is doing the asbestos contamination works and at what cost?

Ms A.J. MacTIERNAN: The member is talking about the asbestos within the buildings rather than asbestos contamination. Our estimate of the cost of removal is around \$5 million.

Mrs C.L. EDWARDES: Is that on top of the \$37.5 million?

Ms A.J. MacTIERNAN: No, it is included in the \$37.5 million, because it will obviously affect the sale price.

Mrs C.L. EDWARDES: Would the minister like to provide the list of redevelopment and civic improvement works by way of -

Ms A.J. MacTIERNAN: No, I will give the member a broad outline of them. It includes such things as the stations and their exit points; the work that will be done around the Horseshoe Bridge, because we will be able to open up that area; and various walkways. It also includes the final design of the Esplanade station. That is still being negotiated with the City of Perth. We have some creative options. It is basically all the works around the city that will facilitate movement into and out of the stations and across the rail line.

Mrs C.L. EDWARDES: Thank you.

Ms K. HODSON-THOMAS: I refer to page 742 of the *Budget Statements*. The line item on metropolitan transport includes figures for items identified as Fastrak Western Australian Government Railways Commission and Fastrak Western Australian Government Railways Commission - new MetroRail recurrent. Can the minister walk me through those figures so that I can understand what that entails? These are obviously subsidies.

Ms A.J. MacTIERNAN: It is the cost of operating the rail system. The large figure of \$107.432 million is the estimated amount the Government will pay to Westrail to purchase services in 2002-03.

Ms K. HODSON-THOMAS: Therefore, by 2006-07 when the south west metropolitan railway is up and running, it will obviously increase to \$121.395 million. Can the minister explain the recurrent item of expenditure?

Ms A.J. MacTIERNAN: That relates to the new MetroRail expansion and is the projected recurrent costs as opposed to the capital costs of that. The first line we spoke about is the existing rail network.

Ms K. HODSON-THOMAS: And the next one?

Ms A.J. MacTIERNAN: The next is the cost of the expanded service.

Ms K. HODSON-THOMAS: Thank you, minister.

Ms A.J. MacTIERNAN: So that the member is not led into error, I point out that these are gross figures, not net figures; they do not take revenue into account.

Mr D.A. TEMPLEMAN: I refer to the Mandurah bus station and precinct, which is mentioned in the third dot point on page 734 of the *Budget Statements*. The capital works program table on page 735 shows a \$50 000 allocation for this project in the current financial year but no allocation for the 2003-04 financial year. Where will the funding for the construction of that depot come from?

Ms A.J. MacTIERNAN: My notes state that the bus depot is required to accommodate buses servicing the Mandurah area. We had a look at the fantastic works that are being done there. It will also be the site of the future train station, so it will provide an integrated transport hub. The depot will be constructed in 2003-04. The funds for construction are available in the public transport related budget provision that is being transferred from Main Roads Western Australia to the Department for Planning and Infrastructure. The funds do not appear in these budget figures. That sort of thing is being sorted out. The funds were originally allocated to Main Roads under public transport enhancement projects. It was a road-related public transport project. The budget for the works is \$1.8 million, which will be transferred from the Main Roads budget into the budget of the Department for Planning and Infrastructure.

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Mr D.A. TEMPLEMAN: Thank you. The Perth bicycle network program is mentioned twice on page 733 of the *Budget Statements*; once under the major achievements and once under the major initiatives. The bicycle network is geared towards ensuring the provision of infrastructure for cycling in Perth. Can the minister provide any evidence of the positive effects of the Government's program for the bicycle network?

Ms A.J. MacTIERNAN: The statistics on the Perth bicycle network show that there has been a 74.5 per cent increase in cycling over the past three years.

Mr D.A. TEMPLEMAN: That is significant.

Ms A.J. MacTIERNAN: It has been a significant increase. Perth probably started from a low base. It is a bit tragic, really, because of all the cities, Perth has a benign climate and by and large is flat, so it is well suited to cycling. It is incredible that European cities that have cold and bleak weather with constant rain have much higher levels of cycling activity than has Perth. It is good to note that cycling activity is increasing for both recreational purposes and as an alternate form of transport. The Government has been keen to ensure that it does all it can with the new MetroRail system to maximise the use of bicycles to and from stations.

Mr P.B. WATSON: The minister led by example during Bike Week by cycling along the bicycle track.

Ms A.J. MacTIERNAN: That is right. It was a bit hard up the hill, I have to say.

Mr P.B. WATSON: The chain came off.

Ms A.J. MacTIERNAN: I suspect opposition members were at play.

Mr D.A. TEMPLEMAN: Does the minister's bike have only one gear, or is it multigeared?

Ms A.J. MacTIERNAN: It was still a very steep hill.

Mr P.B. WATSON: It was the latest whiz-bang bike one could ever see. It had not been used before.

Mr D.A. TEMPLEMAN: Was it a dragster?

Ms A.J. MacTIERNAN: I got it for my birthday.

The CHAIRMAN: Are there any further questions?

Ms A.J. MacTIERNAN: I apologise, Mr Chairman. I will make a couple of comments on the Perth bicycle network. The National Party has had a change of tune about cycling. When in government, the National Party supported the Perth bicycle network; however, it is now a fierce opponent of it. I stress that the Government has put a lot of effort into providing cycling facilities in country areas. Under the country pathways scheme cycling tracks are being laid in many country centres. There are also major road projects, including the Gascoyne bridge project. There are major cycling initiatives in country areas. The artificial creation of an us and them is nonsensical.

The appropriation was recommended.

[11.30 am]