

That the report do lie upon the Table and be adopted and agreed to.

[See paper No 1788.]

PUBLIC TRANSPORT PRIVATISATION

Statement by Minister for Transport

HON E.J. CHARLTON (Agricultural - Minister for Transport) [11.25 pm]: I thank members for allowing me to make this statement at this late hour.

I wish to inform the House of another important step in the public transport reform program which will see the remaining Transperth bus services provided by MetroBus change over to private sector operators.

In September 1993 this Government embarked on a program to reform the public transport services in this State. MetroBus was created as a corporatised entity to provide public transport services. The program would restructure the Transperth public transport system to separate the dual roles of public transport coordinator and public transport provider. Under the plan, public transport services in Perth would be opened up to competition. It was estimated that the changes would save Transperth up to \$41m annually. The aim of the reform program was to reduce the community cost of providing public transport, while at the same time preserving the integrated multi modal nature of the system. The reform of Transperth bus services has reached a significant milestone with the completion of the competitive tendering process. From Sunday, 5 July, Southern Coast Transit will operate the Fremantle, Cockburn and CAT system services. International operator CGEA Transport Asia Pacific Pty Ltd will run the Belmont-Claremont service and PATH Transit Pty Ltd will provide the Morley service.

As the MetroBus era draws to a close, I thank the chairman and members, management and staff of the Metropolitan (Perth) Passenger Transport Trust for the huge contribution they have made to the public transport reform process.

We have spent a lot of time and considerable effort working with everyone at MetroBus during the past eight months to help them better manage the changes which are occurring across the public transport industry. The Government will provide a comprehensive training program for those MetroBus employees who have chosen to seek redeployment within the public sector. Although the private bus operators offered employment to MetroBus staff, only 229 people, which was about half the number required to fill the available positions, have chosen to pursue a career with the new operators.

The 437 MetroBus employees who have requested redeployment within the public sector will now participate in one of the most comprehensive career transition packages ever put in place in this State. Each redeployee will participate in a specific four week program to be held at Curtin University which will guide them through an extensive process including one-on-one counselling, self assessment, skill profiling, goal setting, communication skills and improving the ability to adapt to change. Following this initial transition program, the Ministry of the Premier and Cabinet, Department of Transport and MetroBus will work together to coordinate the placement of redeployees across the public sector. These placements will be with a variety of organisations, including the Police Service, Department of Conservation and Land Management, Main Roads WA, Agriculture Western Australia, Fremantle Port Authority, Rottnest Island Board and TAFE.

Earlier this year, successful tenderers for the various Transperth services had to demonstrate their ability to provide maximum opportunity for current MetroBus employees to find jobs with the new operators of the services. All new operators provided MetroBus staff with the first opportunity to obtain positions in their organisation before commencing recruitment on the open market. The list of assistance provided to MetroBus employees include -

notice of close down of MetroBus provided in the first week of October 1997;

financial and career counselling since that notice;

improvement and special redundancy conditions including attendance bonus, redundancy payment and no restriction on employment or transition, superannuation discount reimbursement;

priority recruitment by new bus operators - three to four weeks in advance of open market recruitment;

four week skill and practice development training at Curtin University;

outplacements within the public sector; and

job search assistance in the public and private sectors.

As part of the outplacement process MetroBus employees may be required to clear their leave entitlements. The Government is committed to helping the MetroBus employees change their career path and we are confident that they will seize this opportunity to use their experience in new and challenging roles.

Although it has been a difficult time for MetroBus employees, the reform process has brought enormous benefits in terms of Perth's public transport services. The first of the new generation of Transperth buses, which are the latest technology, low floor, low emission vehicles, will be delivered in December. The new buses will gradually be introduced across the whole Transperth system. Everything we have done during the public transport reform process has been directed to providing better public transport for the people of Perth. We have a comprehensive guide for the future in the "Better Public Transport - Ten Year Plan for Transperth". I would like to place on record the huge benefits that have flowed from the public transport reform program since its commencement in 1993.

We estimate that cumulative savings achieved have exceeded \$110m and the annual ongoing savings are approximately \$41m. In excess of 57 Transperth buses have been released by increased operator efficiency for allocation to new services. The capital value of these buses, if the Government were required to buy them, represents a further saving of \$17.1m.

The introduction of flexible work practices to public transport provision in Perth as a direct result of private sector operation has achieved the delivery of the same services using fewer buses and drivers. In the 1997-98 financial year alone, Transperth has introduced in excess of two million kilometres of new services. Over the past few years, in excess of 14 major new routes have been introduced, with a larger number of services across Transperth's bus network being upgraded, revised or extended.

All of these improvements in public transport services deliver more direct and frequent services - they are a direct response to growth in the metropolitan area and to the demands of the community. New services or changes to services have been implemented after consultation with the public. There has been increased marketing of new services prior to introduction, and the public response to these service improvements is reflected in increased patronage figures for Transperth.

Some other major features include the progressive implementation of more direct routes with a higher service frequency, improved information on public transport routes and improvements in the system's ability to respond to community growth and local demand. In excess of 249 service variations were implemented during the past 14 months to improve the existing bus services. All new services, together with the extension and improvement of existing bus services, have been implemented without the need to acquire additional buses or infrastructure.

Through the competitive tender process, the Government has established benchmark costs and service delivery standards to allow clear assessment of the return on its investment in public transport bus services. Also, the competitive tender process has allowed the Government to lay the foundation for the introduction of significant innovation in the delivery of metropolitan public transport services. For example -

Transperth passenger information services answers in excess of 90 per cent of all calls. The best result previously achieved by the government operator, MetroBus, was to answer 48 per cent of all calls.

Internet journey planner for all Transperth services.

"Night Alight" services, which operate after 7.30 pm every night.

The well patronised Mandurah CityLink, with an increased frequency to accommodate peak and off peak passengers.

Another very interesting fact is that with the introduction of private sector bus operators, insurance claims arising from bus accidents have fallen from in excess of 2 000 per year to less than 150 per year. To make all these improvements extend into the future, a program of service performance audits has been introduced to ensure that all service operators contracted to Transport adhere to the specified service quality obligations.

Through initiatives taken and innovations arising from the Government's public transport reform program, the benefits to public transport users in the Perth metropolitan area is assured. This includes five new two-car train sets and the new railway line for the proposed south west railway, the planning for which will be completed in November of this year. I advise all members to take an interest in that planning process as it occurs. With the introduction of the new buses, all of whose bodies will be assembled in Perth, people who use the public transport system in Perth have many good times to look forward to. I thank members for their indulgence.

Referral to Standing Committee on Public Administration

HON KIM CHANCE (Agricultural) [11.32 pm]: I move -

That the statement be referred to the Standing Committee on Public Administration.

HON N.F. MOORE (Mining and Pastoral - Leader of the House) [11.32 pm]: A statement of this sort normally would be made an order of the day for the next sitting of the House. I understand the member is moving to refer this to a committee.

Hon Kim Chance: Yes.

Hon N.F. MOORE: I do not think this needs to be referred to a committee. The committee that the member is seeking to refer it to is the one that will spend a lot of time discussing education. Is that the same one?

Hon Kim Chance: Yes, it is; spot on; sharp as a razor.

Hon N.F. MOORE: That is the committee that will meet once or twice in the next two or three months to deal with the School Education Bill. Now, for some reason, the committee chairman wants to refer the whole public transport system, and the significant progress to which the Minister has just referred, to that committee for its consideration. I cannot think of any reason why he would want to do that when it is possible for a committee to do things on its own motion. The members of that committee, several of whom I understand will not be around for the next month, will have many other things to do during the period before the House resumes; bearing in mind that the House will be prorogued and this reference will die in prorogation. I cannot think of any reason the House would need to agree to this reference.

Question put and a division taken with the following result -

Ayes (11)

Hon Kim Chance	Hon Tom Helm	Hon Christine Sharp	Hon Giz Watson
Hon J.A. Cowdell	Hon Ljiljanna Ravlich	Hon Tom Stephens	Hon E.R.J. Dermer (<i>Teller</i>)
Hon Cheryl Davenport	Hon J.A. Scott	Hon Ken Travers	

Noes (14)

Hon E.J. Charlton	Hon Ray Halligan	Hon N.F. Moore	Hon Greg Smith
Hon M.J. Criddle	Hon Helen Hodgson	Hon M.D. Nixon	Hon Muriel Patterson
Hon B.K. Donaldson	Hon Norm Kelly	Hon Simon O'Brien	(<i>Teller</i>)
Hon Peter Foss	Hon Murray Montgomery	Hon B.M. Scott	

Pairs

Hon Bob Thomas	Hon W.N. Stretch
Hon Mark Nevill	Hon Barry House
Hon N.D. Griffiths	Hon Derrick Tomlinson
Hon John Halden	Hon Max Evans

Question thus negatived.

APPROPRIATION (CONSOLIDATED FUND) BILL (No 1)

Second Reading

Resumed from 30 June.

HON CHRISTINE SHARP (South West) [11.38 pm]: I refer in particular to the twenty-second line of the Bill, which relates to the appropriation for the Department of Conservation and Land Management of \$34.101m. I will also discuss the department's astounding economic performance. Since its formation in 1985 - it was transferred from the then Forests Department - the department's generation of revenue has increased from 46 per cent. Now, including this budget, it runs at about 80 per cent of the revenue of the Department of Conservation and Land Management, which is extraneous to this Bill.

Last year Dr Shea gave a very interesting talk in New Zealand about the revenue generation of the Department of Conservation and Land Management, in a paper called "The Integrated Approach to Conservation, Public Land and Wildlife Management and Commercial Forestry - Case Study in Western Australia". In that paper he pointed out that the application of commercial principles to public land and wildlife management had resulted in large savings to the community. Indeed, CALM's wildlife budget has increased by more than 300 per cent in 10 years, but the net appropriation - that is, the funds derived from the taxpayers to the department to enable it to fulfill its community service obligation over the same 10 years - has decreased in real terms by some \$5m.

I would like to offer some comments tonight about how this economic miracle for this department has been brought about. Yesterday, during question time I put a question to the Minister for the Environment: I supplied the Minister with three versions of recommendation 5 of the Environmental Protection Authority's Bulletin No 652 of October 1992. These three versions disclose that recommendation 5 was altered. There is an original version, then there is a stick on label over recommendation 5; finally, there is a reprint of that recommendation, so that the amount of old