

Ms Rita Saffioti; Mr Dean Nalder; Mr Peter Watson; Mr Mick Murray; Mr Murray Cowper; Chairman; Mr John Castrilli; Mr David Templeman

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**Division 72: Transport, \$77 451 000 —**

Ms W.M. Duncan, Chairman.

Mr D.C. Nalder, Minister for Transport.

Mr R. Waldock, Director General.

Ms S. McCarrey, Deputy Director General.

Ms N. Lyhne, Managing Director, Transport Services.

Mr G. Doyle, Executive Director, Investment and Finance Coordination.

**The CHAIRMAN:** This estimates committee will be reported by Hansard staff. The daily proof *Hansard* will be published at 9.00 am tomorrow.

It is the intention of the Chair to ensure that as many questions as possible are asked and answered and that both questions and answers are short and to the point. The estimates committee's consideration of the estimates will be restricted to discussion of those items for which a vote of money is proposed in the consolidated account. Questions must be clearly related to a page number, item program or amount in the current division. It will greatly assist Hansard if members can give these details in preface to their question.

The minister may agree to provide supplementary information to the committee, rather than asking that the question be put on notice for the next sitting week. I ask the minister to clearly indicate what supplementary information he 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 Friday, 30 May 2014. 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.

I now ask the minister to introduce his advisers to the committee.

[Witnesses introduced.]

**The CHAIRMAN:** Member for West Swan.

**Ms R. SAFFIOTI:** My question relates to page 795 and the public transport plan for Perth in 2031, which will soon be released. In relation to the draft plan, why are the three projects identified as priorities in that draft plan—the Metro Area Express light rail, the Ellenbrook bus rapid transport and the Yanchep extension—now a lower priority than, for example, the airport rail?

**Mr D.C. NALDER:** A decision has been taken and different strategic priorities come across. We will be ensuring that we have a cost-benefit analysis on all options, but the indications to date, and the advice that I have received, are that the Forrestfield airport link and the MAX are very similar as far as cost-benefit ratios go. It became for us an issue of being able to fund it. It became apparent that we did not have funding from the commonwealth. One of our pre-election advices was that we would seek commonwealth funding. So, we had to look at how we stage those projects to ensure we deliver on our budgets and keep our budget in surplus. In looking at those, a strategic decision was taken that the opportunity was much broader with the Forrestfield airport link.

One of the attributes of the Forrestfield airport link was that, because the city is expanding so rapidly, we wanted to open up a corridor to our east that allows for future housing development there. When we compared the MAX rail situation with the Forrestfield airport link—I will get to the bus rapid transport for Ellenbrook as well—one was dealing with an issue of today, and the other was setting it up for the future. As the Forrestfield airport link is about preparing for the future growth of the city, we are doing a lot of other projects dealing with congestion today. We are widening the freeways, extending trainlines and providing for additional bus kilometres. There is an element of trying to find the balance between delivering today and preparing for tomorrow. The Forrestfield airport link was, firstly, opening up that corridor in the eastern suburbs—that is, Forrestfield and beyond—and allowing development to continue to grow so that this city can continue to transform, and we are providing a service that will grow with that. The second thing is that it would help to establish our airport as a true international destination and a true international airport. Within the next month or so, I will hopefully present to cabinet a business case on the routes and everything else that goes with the Forrestfield airport link so that we can progress it. With the Forrestfield airport link, all we have said is that we are prioritising that one in front, but we are still planning to do the MAX light rail. It is not as though we are not going to do it. MAX has been delayed three years, but we will continue to do it.

I have a couple of points on the Ellenbrook bus rapid transport. A significant amount of work has been done to examine the best option for serving Ellenbrook and other areas. However, the patronage forecast for 2031, based

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on current population estimates, is for only 10 000 passengers a day for the whole corridor, and that put it a fair way behind. The forecast whole-of-line patronage compares poorly, with current daily patronage at single stations in the Perth urban rail system being 7 960 for Murdoch, 5 820 for Warwick, and 4 950 for Joondalup. Based on those numbers, it would be a struggle for the Ellenbrook bus rapid transport to be advanced. It makes it difficult to justify at this time the Ellenbrook solution. It is something that I believe we need to continue to monitor and consider over time, but at this time, no.

**Ms R. SAFFIOTI:** The minister said that cost–benefit ratios have been conducted for both the airport line and the MAX project. Does the minister have those and can he give them to me?

**Mr D.C. NALDER:** No. I said that we will be undertaking that. I have not seen them as yet; I have not received them at this time. Late June has been flagged. I have been given an indication that they are both looking positive and good, because some preliminary work has been done, but at this stage I have not been shown them. I hope that in a couple of months I will have the Forrestfield airport link analysis that I can then take to cabinet to seek approval.

**Ms R. SAFFIOTI:** With all respect, the minister said that he chose the airport line because the cost–benefit ratio was so good, and now he is saying that he has not seen it.

**Mr D.C. NALDER:** No. I said that the strategic imperatives are different. In the first situation regarding the Forrestfield airport link, I said that the primary drivers are opening up a corridor to the east, as well as the train line to the airport. I said that I have been given an indication by the department. This is really early stages because the department has not finalised anything. It just said that either one looks positive, but I do not know the details around that. I have not seen the details at this point.

**Ms R. SAFFIOTI:** I refer to the MAX light rail system, which appears in the table on page 794. An amount of \$10 million was spent in 2013–14 on MAX light rail planning. What exactly was the breakdown of that \$10 million; what did it involve? That amount of \$10 million seems like a bit of a round number. What is now the expected expenditure for 2013–14 on MAX?

[7.10 pm]

**Mr D.C. NALDER:** I will refer to Graeme to answer that.

**Mr G. Doyle:** The \$10 million was additional funding provided in 2013-14, so that was on top of the \$8.1 million that was already in the budget. The total budget for 2013-14 is \$18.1 million for MAX, and that was to finalise the business case. We expect to spend close to that \$18.1 million; it will come in within that budget in this financial year. We are finalising the business case for presentation to the minister in June or July.

**Ms R. SAFFIOTI:** What is the breakdown of that \$18.1 million? What was that money spent on?

**Mr G. Doyle:** Most of it is on professional services through various contracts, and some on-staff members are involved in that. In round terms, there is \$2.1 million on staff member costs for the year—that is the budget; the rest is on professional services and contracts for service.

**Mr P.B. WATSON:** The first dot point on page 796 of the *Budget Statements* reads —

Western Australian ports continue to be under pressure ... the amalgamation of regional ports into four will take effect from July 2014.

I seem to remember that the minister said he was going to do a cost analysis on that.

**Mr D.C. NALDER:** No.

**Mr P.B. WATSON:** Can the minister tell me where he is up to with this? If the minister is amalgamating the regional ports into four, which will the four main ports be?

**Mr D.C. NALDER:** On the four main ports, we are looking at a southern group of ports that will involve Bunbury, Albany and Esperance. Fremantle will stay as it is, so it is not really involved in the amalgamation process. I would say the southern group and what we call the Pilbara group will be the two main ports that are actually amalgamated; the rest will have minor changes to them. The other one is up in the Kimberley. The Kimberley Ports Authority will involve the ports of Broome, Derby, Wyndham, Cockatoo Island and Koolan Island. The Pilbara ports will be Port Hedland and Karratha, or Dampier; and the Midwest Ports Authority will include Geraldton, the proposed port of Oakajee, and the non–port authority ports and associated facilities of Cape Cuvier and Useless Loop. On that, though, I did not say I was going to do a cost analysis; I have said that the legislation was expected to pass prior to Christmas, and it is currently seeking royal assent. The implementation was expected to be on 1 July. It concerns me that we have not left a lot of time to implement effectively, so I have asked for the gateway process through the finance department to look into the implementation process to ensure that it is proceeding okay. That has only just got up and running, so I am still

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waiting on a first report. That is just to see whether we should stagger the implementation of the ports, but I have to wait to see how it is viewed as it is gone through.

The other thing with this ports amalgamation is that there is a little misinformation out there in some ports. Operationally, nothing changes; the ports will still operate fully in Esperance, Albany and Bunbury. It is really the governance and the strategic setting that happens through the boards being amalgamated. That is where the synergies lie in this opportunity, but I would also like to see representation as best as possible from across all the three ports so that we can start to capture what is best about each of those individual ports.

**Mr P.B. WATSON:** After talking to the previous minister, we gathered that it is going to be run through Bunbury. We have Bunbury here and Albany and Esperance there, and Bunbury will be running the main part of all these ports; the people in Bunbury have no idea what happens in the great southern or Esperance. We have really good chief executive officers working in these areas and we have very good boards that go right through the great southern. In my electorate they know what is happening in the region, but now it will be run from Bunbury. Does the minister think that is a positive move for my community and the people of Esperance?

**Mr D.C. NALDER:** Firstly, as the member would probably already know, the person running Albany port is staying on to run Albany port. There will be a general manager running each of the ports, as happens today. What we are setting up is a board that sits over the top as one board instead of three independent boards. It is the strategy and the governance of the ports, not the operational aspects of the ports. I do not expect any change in the day-to-day running of those ports.

**Mr P.B. WATSON:** What is the benefit of doing it then?

**Mr D.C. NALDER:** A couple of things. Firstly, we get the synergies from the consolidation of the boards; and, secondly, from a strategic perspective we are looking to try to get the best out of each of those ports and make sure that the learnings are spread across in a more even manner. From a governance perspective, having fewer ports means it is easier to ensure that they are meeting compliance requirements and so forth in a much easier fashion.

**Mr P.B. WATSON:** If these ports are going well—I know Albany is going well, Esperance is going well, and I assume Bunbury is—why change it?

**Mr D.C. NALDER:** Look, the decision has been made to do this. Every one of the people I have talked to in each of the ports—I have spoken now to people in Esperance, Albany, Bunbury and right the way round—has actually said to me that they are quite comfortable that the amalgamation is the right way to go.

**Mr P.B. WATSON:** I beg your pardon? Has the minister spoken to the people in Albany?

**Mr D.C. NALDER:** Yes, I have. What they have expressed as a concern is the implementation and ensuring that in the time we have, we do it well.

**Mr M.P. MURRAY:** I refer to the sixth dot point on page 795, which is about Port Geographe, and reads —

In addition to addressing environmental issues, the project will improve amenity and the viability of the currently stalled Port Geographe development.

Can the minister tell me how that is going to improve the viability, and how much has been spent out of the government coffers since this port was opened?

**Mr D.C. NALDER:** The Port Geographe reconfiguration project aims to address significant coastal management issues east of Busselton; I have been having a discussion with some people on this matter today. The interruption of the natural movement of sand and seagrass means there is an erosion of sand on the eastern side. The residents are concerned about that, and just today I have been talking to the chair of the subcommittee that is looking at that. The funding has been provided to do the works—\$28.15 million in capital—and the construction commenced in September 2013. The bypassing of 150 000 cubic metres of accumulated seagrass was successfully completed in December of last year. The main \$13.3 million contract for the breakwater reconfiguration works is on schedule for a mid-2014 completion, along with the associated dredging works. The new entrance channel was opened in late March, landscaping design is complete, and hard and soft landscaping works are anticipated throughout the second half of 2014.

**Mr M.P. MURRAY:** The original question was about the viability of that, and how much government money has been spent since that port was opened, understanding that it was a private enterprise to start with and the government has picked up the mess. How much has it cost the government to pick up the mess?

**Mr D.C. NALDER:** I will pass to the director general to respond to that.

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**Mr R. Waldock:** The issue is a long-running sore, as we all know; the people of Busselton have been suffering —

**Mr M.P. MURRAY:** And a very costly one.

[7.20 pm]

**Mr R. Waldock:** And a very costly one for many, many years. Of course, when developers go broke in this space—many developers have lost dollars on maritime-type facilities; this is probably one of the worst ones—somebody has to pick up the mess. There was no doubt that we could not continue to do what we were doing. Every year, of course, as members know, the state government was picking up funding for bypassing, cleaning up the sea wrack and bypassing the sand. But it was worse than that. It was not just a matter of doing it; even then we had a significant health issue with the sea wrack—odours, smells, residents complaining regularly to government.

Two years ago I chaired a steering group that looked at how government was going to respond to those issues. We looked at whether we might be able to get LandCorp or those sorts of organisations to work with the state government on the basis of whether we could actually take over the development from the developer that is in the stage of administration, work with the banks and do it ourselves. It was considered, sensibly, by cabinet that it was too high a risk to get into that space of development. What government did decide, I think sensibly, was that we would work for three years on a design with a university and private industry that would allow us to permanently ameliorate the sea wrack and sand accumulation to a very high level. We may still need to do some erosion work, bypassing work and coastal management work but, by and large, we believe that this new design will have a permanent solution rather than this dreadful situation. If we get that right, I think we will see the private sector moving in and developing the next two stages of that particular development.

If I could answer the member's question, as the minister indicated, the government is spending \$28 million. We will still have an ongoing issue with some bypassing but, fundamentally, I think we have a very good solution. Taxpayers had to pay for it in the end, but with all the considerations that we had, I do not think there was any other choice.

**Mr M.P. MURRAY:** My original question and my second recursion was: how much government money has been spent since that development opened and has gone broke?

**Mr D.C. NALDER:** I will pass to the director general.

**Mr R. Waldock:** I will take that as supplementary information but I can say that we were spending in the order of \$1.2 million a year in net present value every year. It was closer to \$2 million in recent times.

**Mr M.J. COWPER:** I was going to ask another question, but now that the member for Collie–Preston has us on this theme, another project in the south west that is very close to the member for Bunbury's and my electorates is the damage that was caused to the seawall on the cut. Of course, there has been a bit of a story behind it all and we finally managed to get the government to raise it with the appropriate department to deal with. I understand that the minister has been very fortunate —

**The CHAIRMAN:** Does the member for Murray–Wellington have a line item and a page to which to refer?

**Mr M.J. COWPER:** Yes, it is on exactly the same page—page 795—about the maritime wall down there. I am following on from the member's previous question.

**The CHAIRMAN:** Thank you.

**Mr M.J. COWPER:** We would like an update on the cut because it is a perilous location, given the sand inundation in that area.

**Mr D.C. NALDER:** The Department of Transport formed a stakeholder working group of local and state government agencies whose immediate focus is to support the emergency repairs. It was a difficult one because there are so many different jurisdictions that were responsible for this and the difficulty was in getting someone to take responsibility as well. The Department of Transport decided that it needs to be fixed so it is getting on with it. The work commenced just prior to Easter, and closure of the beach between the land and the breakwater has been achieved. The department is meeting the \$800 000 cost of emergency repairs from within its existing approved budget. Beyond the current 2014 works, an overall repair and maintenance exercise is required to all the structures at the cut within the next two to three years. A consultant will identify the extent of works, prepare the design and provide a cost estimate to the Department of Transport for funding consideration. That is pretty much where it is at this time.

**Mr M.J. COWPER:** Repairs have been done to the wall but what about the dredging of the cut which is causing the —

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**Mr D.C. NALDER:** At this point it is just the breakwater. It is really an emergency repair at this stage to get us through winter. We will get someone to look at it properly, do the design work and understand it so that they can present it for future funding. At this stage it is a less than optimal solution but it is designed so as to not let things get worse at this point in time so we can protect the environment there and get the right information to give us an understanding of the design implications and therefore the cost implications. We can then see whether we can find some funding in the budget to get it done.

**Mr M.J. COWPER:** Further to that, I make the point that the lack of response by various government departments over this jurisdictional issue has now resulted in a hefty bill for, ultimately, the taxpayers of Western Australia. Had that been done in the first instance, we would not have been faced with this considerable amount of reparatory work that needs to be done. There is a lesson there that we should have taken ownership of in the first place.

**Mr D.C. NALDER:** I cannot deal with what has occurred in the past. I am appreciative of the fact that the Department of Transport has stepped into the breach. At this stage it has gotten worse but we are putting those repairs in place. I think that a redesign would be required anyway and, therefore, the full works. I am not sure whether it is costing an enormous amount more, but it is something that should have been dealt with earlier than it is being dealt with.

**Mr M.P. MURRAY:** I have a further question on the same issue. Do the minister's costings include dredging of the sandbar out the front and the cut itself, which has now filled up?

**Mr D.C. NALDER:** Not at this point. At this point, we are just dealing with the breakwater and getting the design. At the moment, this is just a temporary solution to make sure that we can get through winter.

**Mr M.P. MURRAY:** The question is about after winter.

**Mr D.C. NALDER:** Yes, what we have is—I will make sure I quote it correctly—a consultant to identify the extent of the works that are required, to prepare a design and provide a cost estimate, which includes the dredging and everything else that we will need to do in the longer term.

**Ms R. SAFFIOTI:** My question relates to funding for projects through the capital works program and, in particular, the recent announcement that funding for the Roe 8 new freight link project —

**Mr D.C. NALDER:** That is Main Roads.

**Ms R. SAFFIOTI:** If it is in Main Roads, I can easily ask this question in Main Roads. Is that —

**Mr D.C. NALDER:** Yes.

**Ms R. SAFFIOTI:** Can I ask another question as a result?

**The CHAIRMAN:** Yes.

**Ms R. SAFFIOTI:** I ask about some projections that the minister just raised about the Ellenbrook bus rapid transit system.

**The CHAIRMAN:** Does the member have a line item? Is this related to the member for West Swan's first question?

**Ms R. SAFFIOTI:** I refer to the "Public Transport for Perth in 2031 Plan" under "Significant Issues Impacting the Agency" on page 795 of the budget papers.

**The CHAIRMAN:** Thank you very much.

**Ms R. SAFFIOTI:** The minister stated that the study showed that the average usage would be 10 000 commuters a day.

**Mr D.C. NALDER:** That is by 2031.

**Ms R. SAFFIOTI:** By 2031, at a cost of around \$140 million for the BRT. As I understand, 20 000 people a day would use an airport rail line that will cost \$2 billion. Can the minister tell us how those benefit-cost ratios would work in that respect?

**Mr D.C. NALDER:** I need to apologise because the figure of 10 000 was for a light rail by 2031, not the BRT. I did make a mistake on that.

**Ms R. SAFFIOTI:** Okay.

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**Mr D.C. NALDER:** The figure of 10 000 for Ellenbrook was for light rail on a business cost or patronage basis. It is half of that figure and for the whole corridor, not just Ellenbrook.

**Ms R. SAFFIOTI:** Sure; I will try to clarify this. What is the expected patronage for the Ellenbrook BRT?

**Mr D.C. NALDER:** I have not seen the patronage numbers at this stage. I expect to get them in the business case.

**Ms R. SAFFIOTI:** Sorry, that is for the BRT that the minister is not doing a business case on—that was part of the 2031 plan.

**Mr D.C. NALDER:** I was just provided the numbers on—I am sorry; we are bantering.

**The CHAIRMAN:** Keep going.

**Mr D.C. NALDER:** I was just then provided with the numbers on the Ellenbrook line for a light rail. We do not have anything; I have not seen anything. I know there is a business case coming but I have not sorted it out at this point. I am expecting that business case at any time within the next month or two.

[7.30 pm]

**Ms R. SAFFIOTI:** I am slightly confused. As I understand it, patronage numbers were done for the BRT, and that was part of the release when the minister announced the 2031 public transport plan. That was for 10 000 people. It was not light rail. It was the BRT, because that was what was included in the draft plan. Can the minister's advisers clarify that for us, please?

**Mr D.C. NALDER:** I am getting advice from the director general, so I will throw that question to the director general.

**Mr R. WALDOCK:** Thank you very much, minister, and I may need to take some as a supplementary, but the enhanced bus services that we have been pursuing at Ellenbrook, particularly the 955 and 956 routes, have certainly improved patronage. We were up to 6 000 trips per month, and that was a significant increase. It was 6 000 for those two services, but, overall, March shows 38 000 trips in the month. There is strong patronage of the buses, and certainly we have a far better service than we used to have, as the member would be aware. In terms of the estimates of patronage for the BRT, I do not have that information in front of me, so if the member would leave that with me, I will come back and provide that information.

**The CHAIRMAN:** It is the minister who decides whether or not he will provide supplementary information, so I will ask the minister what his position is.

**Mr R. WALDOCK:** Sorry; my apologies.

**Mr D.C. NALDER:** We are happy to provide that as supplementary information.

**The CHAIRMAN:** Can the minister define exactly what he will be providing?

**Mr D.C. NALDER:** It will be the patronage numbers for a BRT to Ellenbrook.

[*Supplementary Information No A12.*]

**Mr G.M. CASTRILLI:** I refer to the first dot point on page 795. Reference has been made to the MAX light rail previously. Can the minister outline what he thinks the time lines will be for the delivery of the MAX light rail?

**Mr D.C. NALDER:** I will give some background to this so that we can step it all the way through. In December 2013, as part of the midyear review, the government made a decision to delay commencement of the procurement process by three years, which will see overall completion of the project by late 2022. All capital funding was removed from the budget and forward estimates at that point. Additional recurrent funding was provided as part of the 2013–14 midyear review to finalise the business case, which is the \$10 million that was referred to earlier, and to re-establish the project team in 2016–17, which is \$5 million. The 22-kilometre MAX light rail project is a transformational project, and the state government is committed to delivering the project in full. However, in light of the state's financial position, I have asked the Department of Transport to examine the possibility of staging the project with the first 12-kilometre section between Mirrabooka and City Square being delivered earlier than 2022. The Department of Transport is finalising the project definition plan for MAX, and it will be submitted to government before the end of June 2014. The project definition plan will now consider various staging options, including implementing light rail from Mirrabooka through to City Square. Some work on the project will continue during the deferral process, including progressing environmental approvals and finalising the depot location to ensure that there is an easier transition for the project to be restarted in three years' time under the direction of the Public Transport Authority.

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**Mr P.B. WATSON:** I refer to the second dot point on page 796, which states that air services are vital in connecting Western Australia's widely dispersed towns. The government now has a state aviation strategy, after the ill-fated decision to give the former Sky West—now Virgin—a five-year contract. Are there any clauses in that contract with regard to performance standards? People have had to wait at the airport for 10 or 11 hours at a time when planes are delayed. My last two flights were both delayed; there was one just recently that had a 12-hour delay. Every other Virgin flight, especially with the fly in, fly outs, is always on time, but the Albany and Esperance flights, which are protected flights, are the ones that are always delayed. I know that the department has received a lot of complaints, but is the department doing anything to look into the service standards of Virgin Airlines, especially on the Albany and Esperance routes?

**Mr D.C. NALDER:** I will refer that to Sue McCarrey, the deputy director general, policy, planning and investment.

**Ms S. McCarrey:** Yes, member, there are actually performance standards in all of the contract arrangements with those that are providing services on regulated air routes. There are performance standards around on-time performance, and they need to achieve around an 80 per cent on-time performance. That is monitored. We monitor that obviously with Virgin, but also with Perth Airport. The contract requires that they meet that on-time performance based on whether Virgin causes that delay; that is, if there is an aircraft failure, or there is a problem with the operations of Virgin in meeting that on-time performance. However, if the delay is created by Perth Airport or other factors that are outside, obviously, of Virgin's control, that is not taken into account when monitoring their on-time performance. A lot of the time, the delays are caused by other factors that are outside their control.

**Mr P.B. WATSON:** That is interesting, because sometimes the delays are caused by Virgin in the first place. The other morning, the plane sat on the tarmac for half an hour because they missed their slot. Virgin is telling me that they are at 91 per cent on-time performance. My constituents and I know that it is nothing like that. Ms McCarrey is saying that 80 per cent on-time is their standard. Why was only 80 per cent put into their contract, so that they can give only 80 per cent service—unlike any other service industry? Why is Virgin, which is locked into a five-year contract, given that opportunity?

**Mr D.C. NALDER:** I will refer that to Ms McCarrey.

**Ms S. McCarrey:** I will need to confirm that 80 per cent, but at the time, it was based on those industry standards. The member referred to a particular incident the other day that I am not actually aware of, but if the member notifies us, we can look at it. If Virgin misses its slot because of Virgin not doing what they need to do to meet that slot, that would count against their on-time performance, whereas if Virgin is ready and because of delays at Perth Airport they are delayed because other flights are going out ahead of them, obviously that would not be counted against Virgin.

**Mr P.B. WATSON:** It seems very strange that for the fly in, fly outs, where they have contracts and where they have competition, Virgin is always on time or very rarely late, whereas for the protected flights they are late on a very regular basis.

**Mr M.J. COWPER:** I refer to page 795. The second dot point under the heading "Significant Issues Impacting the Agency" states that the department will shortly be finalising a number of plans to improve the movement of people and freight. I note that the department has a moving people network plan. But there is a train service that is very dear to the member for Bunbury and me called the *Australind*. In 2004, the *Australind* service was under review by the department, which found that the train would need some investment by 2007. In about 2007, the former Minister for Transport tried to shut it down, but thankfully we were able to maintain the service.

[7.40 pm]

**Mr D.A. TEMPLEMAN:** Ninety-second statements are at 10 to one on Thursday.

**Mr M.J. COWPER:** What planning has been done to replace the 38-year-old *Australind* train?

**Mr D.C. NALDER:** That is a question for the Public Transport Authority.

**The CHAIRMAN:** Can the member for Albany refrain from interrupting the minister, as I cannot hear what he is saying.

**Mr D.C. NALDER:** I would like to defer that question until the next division.

**The CHAIRMAN:** That belongs to another division.

**Mr M.P. MURRAY:** I was distracted. I refer to the details of controlled grants and subsidies on page 805. Why does the allocation to the Fremantle port rail subsidy decline in 2014–15 and cease in 2017–18 when the volume of freight coming out of Fremantle port is increasing? Have there been projections on the impact on truck

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movements if the amount of freight on rail declines from its current rate of 13.9 per cent; and, if so, what is the anticipated decline?

**Mr D.C. NALDER:** The rates that are being charged are expected to be phased out over a five-year period as the service becomes more efficient. In January 2014, a variation to the original deed was signed off and the subsidy amounts were changed: from 1 January 2014 to 31 December 2014, the subsidy is \$50 excluding GST; from 1 January 2015 to 31 December 2015, \$40 excluding GST; from 1 January 2016 to 31 December, \$35 excluding GST; and from 1 January 2017 to 30 June 2017, \$30 excluding GST. One reason that we are reducing and phasing out the subsidy to this service is that it has to be commercially viable and get to a position where it is operating as a commercial entity.

**Mr M.P. MURRAY:** In the phasing-out period, with the part that is missing, will more freight go by road, and have studies been done that show the impact that will have?

**Mr D.C. NALDER:** One of our aims is to increase the volume of freight transported by rail to 30 per cent; currently, we operate at 13 per cent. We hit the figure of 16 per cent for a couple of months recently, but the average for the last year is still 13 per cent. We have not moved from that expectation at this point, but we still need to do some work around that. Around 700 000 containers are coming through Fremantle port a year and we anticipate that the capacity will grow to 1.3 million containers per annum. One of the challenges we face is to ensure that we have viable freight options, whether that be road or rail, although we have a preference to continue to grow rail. It is a challenge we need to attend to. When we do the work on the freight link, it will be interesting to find out whether a reduction in the subsidy will mean we get further containers onto rail.

**Mr M.J. COWPER:** I refer to page 796 of budget paper No 2. It is difficult for young people in and around my electorate and the Peel region to obtain an appointment to get a licence. Given the information that is available online these days, how is the government making it easier for people to access licences and licensing services?

**Mr D.C. NALDER:** The Department of Transport's public website was redesigned in July 2013. I have a list of all the services that have been incorporated on the website, [www.transport.wa.gov.au/DoTDirect](http://www.transport.wa.gov.au/DoTDirect), that can be done online. They include account look-up, booking a driving test, demerit point check, driver's licence check, licence alert, paying online, prepaid vehicle exam, temporary movement permit, vehicle registration checks and the ordering and paying for custom plates. Two self-service systems are the Practical Driving Assessment's self-service booking system, which is critical for licensing, and the DoTDirect account look-up system. With the introduction of the PTA online booking system, students can now plan their assessments up to six months in advance. This will assist students' preparedness for assessments and increase the number of first and second attempt passes. The new system has been received well by the community. I will share some statistics with the member. In the nine months from the commencement of public access until the end of March 2014, more than two million individual booking system searches have occurred, and significantly more than 61 000 individual PDA bookings have been made. Because of flexibility and instant availability of bookings, customers were able to alter their bookings to suit their circumstances. There were 42 000 instances of customers changing their booking in that period. When we compare this with what used to exist—all members have probably stood in line in licensing centres around the state—we see that bringing more of these services online provides a better service to the community of Western Australia. The DoTDirect project commenced two years ago, with the intention of enabling customers to register and create a password-protected personal account to transact safely and conveniently 24/7 with the Department of Transport's driver and vehicle services system. The first phase of the project for individuals was completed in December 2013. In July 2014 the second phase will be completed, so that organisations and motor vehicle dealers can register with DoTDirect. In addition, the Department of Transport performs about 700 000 vehicle transfers per annum. In the second phase, these transfers will be able to be done online through DoTDirect.

**Mr D.A. TEMPLEMAN:** I refer to the taxi-user subsidy scheme at the bottom of the table on page 805. I wrote to the minister's predecessor a few months before he resigned from his portfolio. On behalf of people who use the voucher system, I asked when the department would be moving toward a card system similar to the system that operates in New South Wales. The response from the former minister was that it was still being looked at but it was imminent. Is there anything in the forward estimates that indicates the department will be moving to a smart card system for recipients of the taxi-user subsidy scheme?

[7.50 pm]

**Mr D.C. NALDER:** I will defer to Nina Lyhne as the appropriate person to respond to that question.

**Ms N. Lyhne:** There is nothing in these forward estimates, but we are currently working on developing a system like that. It is obviously about the technology behind it and working out the best cards and best security systems. I do not have a definite time frame but it is in our current works project, even though there is nothing on it in



**Extract from *Hansard***

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Ms Rita Saffioti; Mr Dean Nalder; Mr Peter Watson; Mr Mick Murray; Mr Murray Cowper; Chairman; Mr John Castrilli; Mr David Templeman

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these forward estimates. We do not anticipate that it will be a particularly expensive program but we obviously have to make sure that we have the right system and the right security around it.

**The appropriation was recommended.**