

Division 72: Commissioner of Main Roads (Except Service 7: Office of Road Safety), \$1 308 115 000 —

Ms J.M. Freeman, Chairman.

Mr D.C. Nalder, Minister for Transport.

Mr R. Waldock, Commissioner of Main Roads.

Mr S. Troughton, Managing Director.

Mr P. Woronzow, Executive Director, Finance and Commercial Services.

Mr D. Snook, Executive Director, Road Network Services.

[Witnesses introduced.]

[8.10 pm]

The CHAIRMAN: Are there any questions?

Ms S.F. McGURK: My question relates to significant issues impacting the agency on page 810 and the Perth Freight Link. What strategies will the government use to stop trucks using alternative routes to the Perth Freight Link?

Mr D.C. NALDER: The modelling for this is still being worked through. We are looking at the installation of GPS technology in trucks as part of the freight link model. We are currently scoping that work. We know that GPS technology has been installed in Auckland, New Zealand, and there are different trials of GPS technology being conducted in the eastern states. Other countries are leveraging this technology to understand the total traffic movement. We see that this will provide a number of advantages. From a planning perspective, we will have far better information than we currently have on total truck —

Ms S.F. McGURK: Minister, can I just interrupt? I know that will allow Main Roads WA to understand where trucks are, but what will the government do to stop trucks using alternative routes?

Mr D.C. NALDER: I am answering that question. I think it is important to understand the context in order to fully understand what is occurring. It is not a gantry system, such as the e-TAG system in Victoria. As part of that process, we will be able to better understand the total movement of all trucks and what they are doing. We need to work out the ramifications of someone who decides to travel down Leach Highway instead of staying on the freight link. That could be a charge system; however, we are also working to ensure that there is an economic benefit, even with a charge, to stay on the freight link. Our modelling suggests that we will capture two-thirds of the benefit to help fund the freeway system for the trucks and one-third of the benefit would remain for the trucking industry, making it an incentive for the trucking industry to utilise the freight link. That is not to say that we will not use a stick approach, but we want to ensure that the carrot is such that it is worth people's while to travel on the freight link.

Ms S.F. McGURK: What will the stick be? Will the government look at applying a toll for trucks that use alternative routes?

Mr D.C. NALDER: It is a bit premature to work out exactly what that should be. I am not saying that they will not be penalised for taking that route. I think it is highly probable that they will continue to face a charge if they take the wrong route.

Ms S.F. McGURK: Could they face a toll on routes other than the Perth Freight Link?

Mr D.C. NALDER: It depends. If we are looking at freight link and the containers coming out of Fremantle port, yes, it could be a charge.

Ms S.F. McGURK: Will that charge apply to trucks that use other routes that could have used the freeway and Perth Freight Link? I am thinking about truck drivers who might decide to access Canning Highway, for whatever reason, or even come from some of the northern suburbs, when they could have come down the freeway and accessed Perth Freight Link.

Mr D.C. NALDER: We are not looking to penalise vehicles for using authorised routes at all. We have to work through ensuring that there is enough of an incentive. From an economic perspective, we know that there would be savings on fuel, time and maintenance costs. The cost of the maintenance of brakes on heavy vehicle just as a result of stopping at traffic lights is quite large. We have identified those savings. We want to ensure that there is an incentive for people to use a freeway on which they do not have to stop and they get a continuous flow. We are looking for the incentive to be the primary driver of people wanting to use the freight link. I am not saying that we will not consider a charge, but exactly how that should apply, if it should apply, is something that still needs to be worked through.

Ms S.F. McGURK: I understand the minister said that a toll or charge may be looked at on other routes for trucks that could have taken the Perth Freight Link. That is what I understand the minister said.

Mr D.C. NALDER: No, I do not want to be specific like that. I said that if a truck came out of the port and continued down Leach Highway when we had established the freight link for them, we may look at something there. But where trucks are authorised to go, we are not looking at penalising them for taking routes that do not have a charge on them, nor, at this point, are we looking to extend anywhere else. In this process we have been committed to ensuring that there is a win-win situation for the industry. From the outset, I committed to the Premier that I would not consider looking at a freight charge unless we could provide a win-win situation for industry. I do not want to rule out other routes having a charge in the future, whereby we determined that additional roadworks—grade separations or whatever—are funded by a freight charge to help speed up the process and get those works done to benefit the industry. I do not want to rule that out at all, but we are not doing any planning around that aspect at all.

Ms R. SAFFIOTI: I have a couple of questions on the asset investment program on page 818 and the NorthLink WA project. I refer to the Tonkin Highway grade separations. Is the median strip between the Tonkin Highway lanes wide enough to accommodate a future rail line?

Mr D.C. NALDER: Yes.

Ms R. SAFFIOTI: Are all bridges and flyovers, particularly at the intersections of Tonkin Highway with Benara Road, Collier Road and Morley Drive, wide enough to accommodate a future rail line?

Mr D.C. NALDER: Yes.

Ms R. SAFFIOTI: Does the intersection of Tonkin and Reid Highways also allow for a future rail line?

Mr D.C. NALDER: Yes.

Ms R. SAFFIOTI: Is the NorthLink project north of Tonkin and Reid Highways being built to accommodate a future rail line?

Mr D.C. NALDER: Yes.

Ms R. SAFFIOTI: I know there is a lot of debate about NorthLink being a dual carriageway north of Gnagara Road or Morella Cross or Stock Road up to Muchea. Is the government still considering making NorthLink a dual carriageway all the way to Muchea?

Mr D.C. NALDER: That is something I would like to see happen. It is a bit like the last mile that we talk about on other projects. I am very keen to see whether we can dual it and ensure the intersections on Brand and Great Northern Highways are done to an extent that keeps traffic flowing. A lot of that will be dictated by the prices that come in. We have found that a lot of projects have come in well under budget and that has allowed us to increase the scope of the projects. For example, on the Erindale Road to Duffy Road project, we have been able to go through to Marmion Avenue. We have been able to do those additional things, because the budgets have come in under budget and allowed us to increase the scope of projects. It is something that is continuing to be looked at and discussed.

Ms R. SAFFIOTI: Has an estimate of the additional cost of making it a dual carriageway all the way to Great Northern Highway been done?

Mr D.C. NALDER: Yes, it has.

Ms R. SAFFIOTI: How much is that?

Mr D.C. NALDER: It is quite difficult to say because a number of our projects have come in in excess of 30 per cent under our cost estimates. We have done some rough work, but it is a bit hard to say what the cost will be until we actually get some quotes from proponents.

Ms R. SAFFIOTI: The minister talked about cost estimates. I think the latest estimate for the Malaga Drive and Reid Highway intersection came in at \$83 million. That was a little bit higher than I think was anticipated maybe last year, and a lot higher than the Reid Highway and Mirrabooka Avenue intersection. Was it a surprise that that project came in at \$83 million, or was it as forecast?

[8.20 pm]

Mr D.C. NALDER: I get different numbers. I always have numbers in my head, but there is a number for the contract price and then there is a total cost, which includes land resumption and so forth. The total cost is \$88 million, which is well under what we anticipated. That includes both projects.

Ms R. SAFFIOTI: The two parts?

Mr D.C. NALDER: Yes.

Ms Simone McGurk; Mr Dean Nalder; Ms Rita Saffioti; Mr Frank Alban; Mr Chris Hatton; Mr Peter Tinley; Mr Sean L'Estrange

Ms R. SAFFIOTI: What was the cost of the Reid–Malaga bridge—about \$45 million to 46 million?

Mr D.C. NALDER: I do not know the specific breakdown. Again, there is the total cost versus the contract cost, which are different. I will say that when the two projects are combined, the contract cost came in well over 30 per cent and closer to 50 per cent under what we anticipated.

Ms R. SAFFIOTI: If the minister could provide the price of Reid–Malaga, it would help with the further costing of projects.

Mr D.C. NALDER: We do not have a breakdown. What I can tell the member is that the contract price for the two projects combined worked out at \$67 million. That is not far off what we anticipated the intersection to cost alone.

Ms R. SAFFIOTI: Can the minister give us the Reid–Malaga bridge cost by way of supplementary information?

Mr D.C. NALDER: Yes. I agree to provide the breakdown cost between the Malaga–Reid intersection and the duplication from Erindale to Marmion, which includes the freeway bridge upgrade.

[*Supplementary Information No A22.*]

Mr F.A. ALBAN: I refer to the line item “Lloyd Street Midland Underpass” under works in progress on page 818 of the *Budget Statements*. Can the minister provide an update on this project, which is critical to the opening of the new Midland public hospital?

Mr D.C. NALDER: The Lloyd Street underpass has been a fantastic project for the eastern suburbs. It has been driven primarily to benefit the new hospital that is being built out there, particularly to allow ambulances to go through. I am just trying to find some specific detail on this project.

The CHAIRMAN: That is all right, minister. You can make your answer short and sharp.

Mr D.C. NALDER: This project has state funding of \$66 million and commonwealth funding of \$10 million, but we have also received contributions from the City of Swan and the Metropolitan Redevelopment Authority, which have been of benefit. The City of Swan approved the closure of the section of Lloyd Street over the freight railway to facilitate the construction of the underpass. All up, it will cost in the vicinity of \$77.7 million to construct stage 1. The project is progressing very well. The anticipated completion date is in November this year.

Mr C.D. HATTON: I refer to page 809. Under expenses, the total cost of services for Main Roads for 2015–16 is just over \$1.6 billion. Where is this large investment being made?

Mr D.C. NALDER: This involves a number of projects. The completion of the Gateway WA project is proceeding well ahead of schedule, and I look forward to making further announcements about that in due course. The \$1.12 billion NorthLink WA project has also commenced, which involves the grade separation that the member for West Swan mentioned. I always get mixed up between the members for West Swan and Swan Hills; I apologise. They look alike—twins! Only their mothers could tell them apart! That \$1.6 billion also incorporates the grade separations in the NorthLink project and the Perth Freight Link project. This government is undertaking three of the largest main road projects ever undertaken by this state. One is nearly finished and two are ready to commence next year. It is quite exciting to create the 82 kilometres of extra freeway. It also involves the replacement of the old Mandurah traffic bridge, which is something the people of Mandurah have been looking at for some time. It involves the commencement of the final section of the upgrade to the Coalfields highway, which is something that was lacking in the first decade of this century and is something that this government has got on and sorted out. It also involves the commencement of Mitchell Freeway north from Burns Beach Road to Hester Avenue, which is another project that we should be able to deliver by early 2017. It also involves the completion of the bypass at Ravensthorpe. A number of projects are underway. It is a massive commitment by this state to really transform not just the metropolitan area but also the whole of Western Australia.

Mr P.C. TINLEY: I draw the minister’s attention to “Significant Issues Impacting the Agency” on page 810, particularly in relation to the Perth Freight Link. I am particularly interested in the idea floated by the minister of an alternative route to the port via a tunnel option. In gross terms, where does the minister think the tunnel would start and end?

Mr D.C. NALDER: We are really relying on the proponents to come back with options and alternatives. A couple of the proponents are looking at different tunnelling ideas—one goes below the water table and the other wants to stay above it. All sorts of different aspects will be involved and we need to wait for the proponents to come back to us. If it is proven to be feasible and we are able to do this, my guess would be that tunnelling would commence towards the bottom of Roe 9 before Clontarf Hill and that we would tunnel under and around that eastern bypass that comes out on Stirling Highway.

Mr P.C. TINLEY: To be clear, has the minister no intention at this stage of the tunnel crossing the river?

Mr D.C. NALDER: Not at this stage.

Mr P.C. TINLEY: Will it exit somewhere in the vicinity of the Stirling Bridge area?

Mr D.C. NALDER: I would anticipate the tunnel coming out close to the High Street–Stirling Highway intersection, obviously with a grade separation. As I have said quite often, the Freight Link project currently finishes at Stirling Bridge. We have talked about that as far as that last mile. That is being discussed with the commonwealth and we are looking at the options.

Mr P.C. TINLEY: Is the government talking to the commonwealth about further resources to cross the river or Tydeman Road? What are we talking about here?

Mr D.C. NALDER: There are a number of different options. It is hard to be specific at this point as it depends on feasibility. We need to wait for that. We hope to have a much stronger understanding of what is a viable option within the next three months or so.

Mr P.C. TINLEY: I want to be clear about this. Proponents are coming to the minister with ideas. The minister would have had to give them some sort of guidance and parameters. Will it be a road tunnel exclusively or will it be a road–rail tunnel? If it is a road tunnel, how many lanes will there be and how will placarded loads be handled?

Mr D.C. NALDER: Again, it is a little bit premature because it depends on the costing and so forth as to whether it is feasible. I will hand over to the managing director to share a bit more detail.

[8.30 pm]

Mr S. Troughton: We have asked for a road tunnel as an option, and that is two lanes in each direction—four lanes. Currently we do not allow placarded loads through the Graham Farmer Freeway tunnel, but the eastern states allow placarded loads through tunnels. We are having a look at that and having a bit of a think to see if the option comes through and we will consider that.

Ms S.F. McGURK: Can I take up that question before I ask my other question?

The CHAIRMAN: The member for Fremantle can ask a further question.

Ms S.F. McGURK: If placarded loads are not allowed through the Graham Farmer tunnel, what are the risks associated with placarded loads and why would that change with the tunnel associated with Perth Freight Link?

Mr D.C. NALDER: I will hand to Mr Troughton.

Mr S. Troughton: It is about a risk assessment that we would need to undertake. Certainly, it depends a lot on the construction of the tunnel: what depth it is at and with what rock it is constructed. We have to do that work to understand whether or not we could.

Ms S.F. McGURK: Further to this point, would the state regulations need to be changed to alter the requirements of a tunnel for Perth Freight Link to handle placarded loads?

Mr D.C. NALDER: No, we do not believe so.

The CHAIRMAN: The member for Fremantle has a question and the member for Churchlands is next.

Ms S.F. McGURK: My question also relates to Perth Freight Link. Would the first option for the second stage of the route of the Perth Freight Link along Stock Road be restricted access along Stock Road?

Mr D.C. NALDER: On what basis should Perth Freight Link proceed?

Ms S.F. McGURK: That is right.

Mr D.C. NALDER: We have not considered any of that at this time. Whether we charge or not charge and all of those things are what we need to work through. Our intention is that all freight would move that can go through, if a tunnel is feasible —

Ms S.F. McGURK: No, I am talking about Stock Road.

Mr D.C. NALDER: Is that option 8? I do not understand the member's question.

Ms S.F. McGURK: My question is: would Perth Freight Link along Stock Road be restricted access? There are businesses in my electorate that access Absolon Street, for instance. They turn right and left off Absolon Street onto Stock Road. They also access Sainsbury Road, so blocking off Stock Road will have a big impact on their businesses.

Ms Simone McGurk; Mr Dean Nalder; Ms Rita Saffioti; Mr Frank Alban; Mr Chris Hatton; Mr Peter Tinley; Mr Sean L'Estrange

Mr D.C. NALDER: My understanding is that they will still have access, but I will hand over to Mr Troughton.

Ms S.F. McGURK: Is that turning right and left?

Mr S. Troughton: There will be some restricted access on that road, yes.

Ms S.F. McGURK: Can the minister explain what the restricted access would be? I assume they will be able only to turn left.

Mr S. Troughton: A number of intersections, as the member has seen, will have some left turns in and left turns out and some service roads. The work we have done so far has tried to minimise any impact on businesses but there certainly will be impacts under the existing metropolitan region scheme that has been in place for a number of years. But it would happen if that was in place.

Ms S.F. McGURK: A number of those business vehicles in my electorate can turn right and left onto Leach Highway and Stock Road and they will not be able to, as I understand it, if Perth Freight Link is there.

The CHAIRMAN: What is the question?

Ms S.F. McGURK: I am also interested in the impact of Perth Freight Link on the businesses along that route if the route goes along Stock Road. In particular the minister would have an interest in Sainsbury Road because he owns a property along that route on Sainsbury Road near Stock Road; is that right?

Mr D.C. NALDER: I have a storage unit.

Ms S.F. McGURK: He owns that storage unit now?

Mr D.C. NALDER: Yes.

Ms S.F. McGURK: Has the minister pointed out to the Premier that he might have a possible conflict of interest in terms of dealing with the Perth Freight Link route along Stock Road because of a commercial property he has in Sainsbury Road?

Mr D.C. NALDER: Can I just clarify that I store household furniture and stuff for my kids in the property I have, so it is very personal by nature. There is no conflict of interest there. I have declared the fact that I own that unit on Sainsbury Road, which is halfway along Sainsbury Road.

Ms S.F. McGURK: It is not halfway along Sainsbury Road, minister. It is up near Stock Road. It is not far from Stock Road.

Mr D.C. NALDER: No, it is not.

Ms S.F. McGURK: It is.

The CHAIRMAN: Through the Chair.

Mr D.C. NALDER: It is near the top of the hill.

Ms S.F. McGURK: It is not.

The CHAIRMAN: Member for Fremantle, through the Chair.

Mr D.C. NALDER: I think I know where my property is.

The CHAIRMAN: Does the member for Fremantle have a further question?

Ms S.F. McGURK: Yes, I have a further question. The question is: I understand that the declaration of that property was on the parliamentary disclosures.

Mr D.C. NALDER: It is also on my ministerial —

The CHAIRMAN: Through the Chair.

Mr D.C. NALDER: Sorry.

The CHAIRMAN: Through the Chair, member for Fremantle.

Ms S.F. McGURK: Has the minister pointed out to the Premier that there is a possible conflict of interest because the minister owns a property that could be impacted by the Stock Road route? For instance, if the minister was looking at an alternative to Stock Road, as is the case with a tunnel or a possible alternative along Stevens Street through the O'Connor industrial area, the minister's ownership of a property on Sainsbury Road could impact on his deliberations on alternative routes for Perth Freight Link.

Mr D.C. NALDER: I have not raised that issue specifically with the Premier. However, let me be clear: this storage unit I have is for my personal use; it is not a commercial unit. I am not allowed to use that land for

Extract from Hansard

[ASSEMBLY ESTIMATES COMMITTEE A — Tuesday, 9 June 2015]

p88b-100a

Ms Simone McGurk; Mr Dean Nalder; Ms Rita Saffioti; Mr Frank Alban; Mr Chris Hatton; Mr Peter Tinley; Mr Sean L'Estrange

commercial purposes. It really has personal items of my family's in it. That is all it is. It is not near Stock Road. It is near the top of the hill on the west side of Merlino Furniture Imports. I do not see how that would impact on a decision here. I am here to do what is in the best interests of this state. I fundamentally believe that Alannah MacTiernan, in selling off that land on the Fremantle eastern bypass, was a disgrace; it should never have happened.

Ms S.F. McGURK: Could the minister answer the question about his ownership —

Mr D.C. NALDER: Now this is my chance to answer it. It should never have happened.

The CHAIRMAN: Through the Chair, thank you.

Mr D.C. NALDER: This is my opportunity to try to right that wrong. I know that the benefits here for the state are actually huge. In fact, they are so good that the commonwealth is watching its success. If we implement this project well —

Ms S.F. McGURK: Deal with the freight link.

The CHAIRMAN: Through the Chair, member for Fremantle; you do not have the call.

Mr D.C. NALDER: If we implement this project well, this project will not cost the state a cent.

Ms S.F. McGURK interjected.

The CHAIRMAN: Member for Fremantle, if you do it again, I will call you.

Mr D.C. NALDER: It is something that the rest of the commonwealth wants to watch because we can actually demonstrate to the rest of Australia how to approach funding for these types of projects. If we can do this, I know within my heart that we are doing the right thing by Western Australia and I am committed to doing that.

Ms S.F. McGURK: Point of order, through the Chair. The specific question was in relation to the minister's ownership of a property on Sainsbury Road near the corner of Stock Road. My question was about whether he had raised it with the Premier and made the Premier aware that he had a possible conflict because he owns a property along one of the routes that is being considered for Perth Freight Link, and whether that has an impact on him considering that route or alternative routes. That was the question I asked the minister to address.

The CHAIRMAN: I think the question was answered. Would the minister like to wrap that up, and I will move on to the member for Churchlands?

Mr D.C. NALDER: I think the question was answered, and I am not sure what it has to do with the budget process.

The CHAIRMAN: We will move on. Thank you, minister.

Ms S.F. McGURK: Could I ask a further question through the Chair in relation to this issue?

The CHAIRMAN: Yes, a last question from the member for Fremantle.

Ms S.F. McGURK: Can the minister understand that people in my and the member for Willagee's electorates, whose homes will possibly be taken by the Perth Freight Link, and businesses that will be severely impacted by the Perth Freight Link, would be interested to know that the minister owns a property that could be impacted by one of the routes being considered by the Perth Freight Link project—that could be Stock Road—and that it could impact on the minister's decision to look at alternative routes such as the tunnel or a route that goes along Stevens Street to the O'Connor industrial area?

Mr D.C. NALDER: I appreciate the opportunity to respond. As I said, this property is such a distance from the route that is planned, it will not be impacted directly by a freight link on any route that it takes. So I think it is a long stretch to rope in a personal property that has been declared in all the appropriate areas to try to create some sort of innuendo that I might be trying to personally benefit from it. I think any attempt to try to smear me on that basis is disgraceful.

The CHAIRMAN: Thank you. Member for Churchlands.

Mr S.K. L'ESTRANGE: I refer the minister to page 818 of the Main Roads Western Australia budget and forward estimate papers. Under the heading "Works in Progress" is a line item referring to "LED School Zone Lights". Can the minister advise on the progress of this work?

[8.40 pm]

Mr D.C. NALDER: Yes, the government made a commitment to complete by 2016–17 the installation of LED lights for all primary schools in Western Australia. I believe two were recently installed in the member's electorate. We are looking to ensure that we can install them in every school as quickly as possible. We

established a new contractor, which meant that we rolled out only 70 over the last 12 months; I think that figure increased to 90 by the end of June. We have really restricted them to the metropolitan area over the last 12 months, but we will finalise the rollout of that project over the next two years, which means we will have made every primary school in Western Australia safer for our kids. It is a project that has been extremely well received by the broader community and I look forward to completing it over the next two years.

The CHAIRMAN: Minister, I am going to exercise my prerogative of asking a question from the Chair. Can the minister tell me when those lights will be installed at Alinjarra Primary School?

Mr D.C. NALDER: I will refer this question to my learned colleague behind me, Mr Des Snook, because he has a lot of knowledge in this space.

Mr D. Snook: I apologise that I am not as good as the minister thinks I am on this one! We will have to take the question on notice, but we can certainly get the information for the member.

The CHAIRMAN: Would the minister like to take it as supplementary information?

Mr D.C. NALDER: Yes.

The CHAIRMAN: Minister, would you like to outline what information you will provide?

Mr D.C. NALDER: Can the Chairman repeat the school?

The CHAIRMAN: It is Alinjarra Primary School in Alexander Heights.

Mr D.C. NALDER: We are looking at the time line for the installation of LED lights at Alinjarra Primary School.

[Supplementary Information No A23.]

Ms R. SAFFIOTI: I refer to the heading “Completed Works” on page 818 of budget paper No 2 and the line item “Minor Works (includes Black Spot and Urgent Minor Works) 2014–15 Program”. Can the minister explain why the estimated expenditure for 2014–15 was \$73 107 000 and now appears to have dropped to \$28 605 000 in 2015–16 under “New Works”?

Mr S.K. L'ESTRANGE: Madam Chair, can I ask for a point of clarification on the question? The amount under “Minor Works” is \$73 107 000. What is the question?

Ms R. SAFFIOTI: If we go further down, it drops to \$28 605 000.

Mr D.C. NALDER: We cannot find exactly what the member is referring to.

Mr S.K. L'ESTRANGE: The member is looking under “New Works”—it is further down.

Ms R. SAFFIOTI: Yes. I am comparing 2014–15 with 2015–16. It is not that radical. Under “Completed Works”, the estimated total cost for 2014–15 is \$73 107 000, and then under “New Works”, the estimated total cost of the 2015–16 program is \$28 605 000.

Mr D.C. NALDER: I will need to confirm this, but I think we will have to take the question on notice.

Mr P. Woronzow: We will have to take the question on notice.

Mr D.C. NALDER: The information to be provided is why the amount has shifted from \$73 107 000 down to \$28 605 000.

Ms R. SAFFIOTI: It seems like a dramatic cut over the forward estimates.

Mr D.C. NALDER: We will come back with the detail because we will put the question on notice, but it is my understanding that a lot of different funding pools are going up and down at this point in time. We will take the question on notice and come back with a more specific answer.

The CHAIRMAN: On notice is different.

Mr D.C. NALDER: Sorry; we will take it as a supplementary.

The CHAIRMAN: Can the minister explain for Hansard what is being provided?

Mr D.C. NALDER: The reason for the substantial reduction in the budget for minor works from \$73 107 000 in 2014–15 down to \$28 605 000 in 2015–16.

[Supplementary Information No A24.]

Ms R. SAFFIOTI: My question relates to the tables provided, and I might ask it by way of supplementary information. In the table on page 814 under “Road Safety”, there is a heading “Efficiency Indicators” and the line items “Percentage of Projects Completed on Time” and “Percentage of Projects Completed on Budget”. Can the minister provide a list of projects that were not completed on time and on budget for each of the identified service outputs?

Mr D.C. NALDER: Can we provide them?

Ms R. SAFFIOTI: Yes, by supplementary information?

Mr D.C. NALDER: Yes, we can.

Ms R. SAFFIOTI: That is for all the service items, including road safety and road system management. The information is there; we know it is easy, so can the minister provide that by way of supplementary information—all the projects that were not completed on time and on budget?

Mr D.C. NALDER: Yes, we can do it, but I would be keen to provide the member with a list of the projects that were on time and on budget as well.

Ms R. SAFFIOTI: I will take the full list!

The CHAIRMAN: Will the minister explain to Hansard what information he is going to provide?

Mr D.C. NALDER: It is all the road projects that have and have not been delivered on time and on budget.

[*Supplementary Information No A25.*]

Mr P.C. TINLEY: I again draw the minister's attention to page 810 of the *Budget Statements* in respect of the Perth Freight Link. The minister noted in one of his comments—I think it is also mentioned on his website—in respect of the alternative route for stage 2 of Perth Freight Link that if a tunnel is built, there will still need to be upgrading and improvement of the High Street–Stock Road–Leach Highway interchange. Is that correct?

Mr D.C. NALDER: If we do the tunnel, no, it would not be.

Mr P.C. TINLEY: So will there not be any other roadworks on Stock Road or Leach Highway if the tunnel is built?

Mr D.C. NALDER: Nothing planned at this point, no.

Mr P.C. TINLEY: The minister alluded to this, but I just want to be clear: can the minister explain the options being looked at to increase the capacity at Stirling Bridge–Tydeman Road? Currently the Perth Freight Link stops at Canning Highway and goes onto a four-lane bridge. There are then five sets of lights and a level crossing before getting to the port, depending on which end of the port it is. That is a significant choke point, if you like, for the planned growth. Correct me if I am wrong, but there will be potentially up to 12 000 or 13 000 truck movements a day at its peak. How is the minister going to attend to the North Fremantle issue?

Mr D.C. NALDER: There have always been plans to do work on Stirling Bridge within the next 10 years, and it is known that it is quite busy now. We are looking to see how we can bring that forward and duplicate the bridge to make it twice as wide and to provide safe cycling because that is a challenge with the number of trucks going through. We obviously need to provide better access to the port. There are early draft plans. It is a little difficult to provide specifics because we are still working through it, but there will be grade separations and/or roundabouts to create continuous passage through to the port.

Mr P.C. TINLEY: Given that the minister has made the statement, I want to be clear about the package of works here. The minister has stated that contracts will be signed in November. Can the minister give us an undertaking on what the packages are and when he anticipates those packages will be signed off under awards?

Mr D.C. NALDER: At this stage the bridge is separate altogether. If we look at Perth Freight Link and what we have talked about, irrespective of the route, phase 1 is from Kwinana Freeway through to Stock Road, and that is anticipated to be signed off on in late October. That will take it up to but not including the grade separation of Stock Road. Phase 2 is from Stock Road, and depending on which route it takes, it is anticipated to be in November.

Mr P.C. TINLEY: Just to clarify, is phase 1 going from the freeway to Stock Road, but not the interchange?

Mr D.C. NALDER: Yes, just before Stock Road.

Mr P.C. TINLEY: Just before, and phase 2 —

Mr D.C. NALDER: That includes Stock Road, and through.

[8.50 pm]

Mr P.C. TINLEY: When will the tender for that package of works be offered?

Mr D.C. NALDER: In November.

Mr P.C. TINLEY: So October, and then November for those bits. What about the Leach Highway piece?

Mr D.C. NALDER: That is included in phase 2.

Mr P.C. TINLEY: Sorry. I beg your pardon. On that basis, when will the residents of my electorate and the member for Fremantle's electorate be advised of any resumption of their properties and/or impacts on their properties?

Mr D.C. NALDER: We have indicated to them that we are progressing the feasibility around a tunnel option—which I have expressed all the way through is my preference, if we can deliver that, because I have always felt that the Fremantle eastern bypass is the appropriate route—and that we would be in a position to get back to them in three months. They were thinking it would be five months before they would find out, and they said that was adding a lot of stress. I have said to them that we should be able to come back to them within three months. I am hoping that we can notify them sooner than that. We said three months to try to provide a realistic time frame so that the appropriate work can be done on that tunnel option.

Ms S.F. McGURK: I would like to go back to the property on Sainsbury Road. The minister said that it is not something that he leases commercially and that it is for private use. The minister has a financial investment in that property. I am wondering whether the minister would agree that some people might consider that it is a potential or perceived conflict for the minister to consider a freight route and large alterations along Stock Road, or indeed to look at an alternative route apart from Stock Road, which is a tunnel.

Mr D.C. NALDER: I would probably accept that if my property was on Stock Road or on High Street or Leach Highway or within the immediate boundary of that, but it is approximately one kilometre up Sainsbury Road.

Ms S.F. McGURK: It is not one kilometre.

Mr D.C. NALDER: It is at the top of the hill, on the other side of Merlino Furniture Imports. It is just before the top of that hill. It is around one kilometre in from Stock Road. It is not in the immediate vicinity of any property that will be affected by that route. I really fail to understand. It is not a commercial property that I have any commercial dealings with, other than it is used to store personal belongings of my family—my kids and my wife and me.

Ms S.F. McGURK: Does the minister understand that his obligations are to disclose not only actual conflicts but also potential or perceived conflicts in relation to any financial dealings he might have in respect to his portfolio?

Mr D.C. NALDER: This property is declared in accordance with the rules under the ministerial code and the rules regarding parliamentary disclosures. I do not see how there is any conflict. Again, I have answered this question, and I will continue to answer it. It is about one kilometre up Sainsbury Road. I am happy to take this whole committee down to see my storage unit on Sainsbury Road—if the member wants to prove a point—to show members that it is not in the immediate vicinity. I do not understand why the member continues to try to smear my name with regard to a property at which I store my family belongings. I think it is pretty poor.

Ms S.F. McGURK: In relation to the option for the Perth Freight Link stage 2, which will take the route along Stock Road and Leach Highway, is it not the case that Koala Self Storage will be affected by that route?

Mr D.C. NALDER: Yes, it is highly possible that Koala storage would be affected by that route.

Ms S.F. McGURK: Koala Self Storage is a large commercial enterprise doing commercial storage. I met with the owner of Koala storage not long ago, and he is concerned about the impact of the road option on his business. Can the minister understand the owner's concern if he were to learn that the minister has a storage unit that the minister says will not be affected by the Perth Freight Link, or in fact, as I said, could be impacted either by the Stock Road option or by the minister looking at alternatives such as a tunnel? Can the minister understand that business owner's frustration?

Mr D.C. NALDER: I believe the member is drawing a very long bow. This is a personal storage unit that I have for my family's belongings. It is about 800 metres in from High Street and about one kilometre up Sainsbury Road, off Stock Road. I just want to clarify something. If the member looks at the record, she will see that the Liberals when in opposition were saying that that land should not be sold. If the member looks also at the press releases that Alannah MacTiernan put out in 2008, she must acknowledge that the plan to go along High Street and Leach Highway was in fact the Labor Party's plan. I can tell the member that for the Labor Party to try to shift this onto this government, when this route is its fault and its responsibility, is disgraceful. The Labor Party has not taken responsibility for its own actions. We are trying to sort that out. I have stated upfront that my preference, if we can do it, is to continue with the plan and the route that was laid out back in the 1950s and 1960s, yet the Labor Party does not seem to want to take ownership of that. The member talks about my own personal property, and about how a commercial entity that is leasing out storage would be deeply offended if it

found out that I owned a storage unit. I personally find that a long bow. I do not know what innuendo the member is trying to make out of that.

Ms S.F. McGURK: My point, minister, to answer that question, is that I think —

The CHAIRMAN: Are you asking a question, member for Fremantle?

Ms S.F. McGURK: I will frame it as a question, then. The minister has a ministerial obligation to declare any conflict of interest, whether that it is an actual conflict of interest, a perceived conflict of interest or a potential conflict of interest. The minister owns property—a storage unit—in that vicinity. I dispute that it is one kilometre from Stock Road. I was there only last night visiting one of the businesses in the area. The minister owns a property in that vicinity, and he has an obligation to declare not only I think to the Premier but also to the public that he has a property in that area, so that when he is considering either the Stock Road route for the Perth Freight Link or alternative routes—probably the tunnel that the minister has been talking about—people are aware of that potential conflict of interest.

[Ms W.M. Duncan took the chair.]

Mr S.K. L'ESTRANGE: Point of order. The minister has clearly answered the question and he is being badgered by the member from the opposition. I do not see the relevance.

The CHAIRMAN: I have just taken the chair, member for Churchlands, but in the handing over of the chair it has been indicated that the member for Fremantle has had five questions on this line of questioning, so I will ask her to wrap her question up and we will move onto another matter.

Ms S.F. McGURK: Perhaps the minister could answer again the question that I just put about his understanding of his ministerial obligations and conflict of interest declarations.

Mr S.K. L'ESTRANGE: Point of order. The minister has answered that question.

The CHAIRMAN: I have only just taken the chair, so I will have to ask the minister to repeat what he said before and then we will move on.

Mr D.C. NALDER: Okay. What I will say is that it does not matter which route I take; the use of my property is not affected. It is not affected whether it goes along Stock Road and Leach Highway and High Street. It is not affected if it goes through the Fremantle eastern bypass. I must say it is a unit in a development of units. It is one of about 22 units, I think, on this property. It is just a storage unit, and I own it as opposed to leasing it. It is not impacted. I do not see it as a conflict. I am happy to have a conversation with the Premier about it, but I do not see how there could be a perceived conflict when it is not sitting on the route or will be immediately affected by the route, irrespective of which route it takes.

[9.00 pm]

Mr C.D. HATTON: I refer to the fifth dot point under “Significant Issues Impacting the Agency” on page 810 of the *Budget Statements* that refers to traffic in Perth.

Mr D.C. NALDER: This is about the congestion project.

Mr C.D. HATTON: It is. It concerns the increase in traffic in Perth in the past 10 years due to various factors. Main Roads WA has a number of projects to address the congestion, one of which is the traffic signal optimisation review program. I am interested to know how that program is progressing and which locations it is targeting. Hopefully, it is targeting Balcatta.

Mr D.C. NALDER: When I first became minister a year ago, I had a conversation with Main Roads about needing to be smarter at better utilising our existing infrastructure. I tipped my hat to it, because it had already done all the work. It came out with 48 projects for better utilising our infrastructure, and traffic light sequencing was one of them. Before I became minister, it had started to conduct a trial on Canning Highway between Riseley Street and Henley Street. It found that by allowing a greater flow on the major arterial road and restricting the flow through the suburbs, many cars were stopped from rat-running through the suburbs. The time that people had to wait in the suburbs was lengthened and they ended up with less traffic, so the local traffic ended up waiting the same amount of time. On Canning Highway during peak periods, it got an eight per cent increase in flow with a six-minute saving in time spent travelling. It is now rolling that out across a number of areas. It has been extended on Canning Highway to the Causeway and it is going back to North Lake Road, so it is a much longer area. It is doing it on other roads, including Orrong Road, where it did some early work. There is also Stirling Highway, and Leach Highway is currently being done. I believe it is looking at Karel Avenue. I am trying to think of the other major roads. Essentially, there were nine different arterial roads or major sections accounting for about 90 sets of lights that it wanted to get greater sequencing through. Based on the trials it did, it believed it could get better traffic flow. As I said, it is one of a number of initiatives.

Ms Simone McGurk; Mr Dean Nalder; Ms Rita Saffioti; Mr Frank Alban; Mr Chris Hatton; Mr Peter Tinley; Mr Sean L'Estrange

We have announced another one for the merger trials at a cost of about \$8.5 million. The principle is the same, but this one is to do with the freeways. We have a lot of problems with traffic merging on the freeways. The objective is to keep the traffic on the freeway moving and for the traffic entering the freeway to enter the freeway so that all traffic on the freeway continues to flow. It is a model that is based on a United Kingdom model and was recently implemented in Victoria and we are about to start rolling it out here. They are just two of a number of initiatives around congestion management that we are looking at. It is not just about bigger projects with bigger infrastructure or bigger spends; it is also about how we can do things smarter with what we have got. I am pretty excited by what we are doing. We have a special investment of \$40 million, of which \$28 million is capital and \$12 million is recurrent, to tackle a number of congestion management issues around the metropolitan area over the next year.

Mr C.D. HATTON: There are three major arterial roads heading north–south to and from Perth in the Balcatta electorate. Is the minister aware of any of this traffic signal optimisation review program happening in that area?

Mr D.C. NALDER: There is some work being done as part of our congestion management program on right-turn signals and lengthening lanes. On the traffic signal optimisation review program, I refer to Des Snook specifically.

Mr D. Snook: For traffic signal optimisation, we have looked at Wanneroo Road from Charles Street to Reid Highway and we are also looking at Marmion Avenue from Karrinyup Road to Hodges Drive.

Ms R. SAFFIOTI: My question is about the NorthLink WA project, which is referred to on page 818 of the *Budget Statements*. As the minister will be aware, the original Perth–Darwin highway route was along Lord Street to Gnangara Road north of Reid Highway. One of the complications of the new alignment for the PDH is the uncertainty of Lord Street. The Perth and Peel planning document highlighted that Lord Street will become a Main Roads department road. What process is in place to fix or upgrade the roads around NorthLink and Lord Street in particular, which was meant to have the PDH alongside it but now its entire future will change because of the new alignment of the PDH?

Mr D.C. NALDER: I will go to the managing director to get some detail, but I think that all the people in the northern suburbs will benefit from the new route, which will basically continue along Tonkin Highway. It will take traffic away from Lord Street, West Swan Road and Great Northern Highway. I think this is a great piece of infrastructure, particularly because it will shift the freight off Great Northern Highway. I know that inordinate amounts of traffic head north along Lord Street and West Swan Road at this time. I see it as a great piece of infrastructure that will take pressure off those roads. On Lord Street specifically, I will just see whether the managing director can add any further detail.

Mr S. Troughton: As the member stated, we still see it in that vein as a long-term plan becoming a major route. We are doing some review of our planning on it at the moment. There are some changes in local land use and more development there. We are currently working with the Department of Transport to undertake an assessment, and that work will continue over the next year.

Ms R. SAFFIOTI: Is there any time frame for when the future of Lord Street will be determined and whether it will be a Main Roads–controlled road and also for the funding allocation to upgrade it to a dual carriageway?

Mr S. Troughton: As I said, we are working through the planning. Certainly, one of the things that will make some real changes to it is the 3.5 million people in Perth document. We are really going to delay our decisions on dates and times and when and how until we understand that and we bring that work into our modelling and define that area as it develops.

Mr F.A. ALBAN: Is it not true that the interchanges at Gnangara Road and The Promenade will provide far better access to the NorthLink than residents from Ellenbrook travelling all the way down Lord Street and cutting across Reid Highway to access Tonkin Highway? There would be no need for the bulk of them to ever travel down Lord Street.

Mr D.C. NALDER: That is a very good observation, member for Swan Hills. We are currently dualling Gnangara Road from Alexander Drive to Ellenbrook. Again, a lot of residents travel along Beechboro Road North. The member is correct in the sense that it will be better for a lot of people heading south to get onto the NorthLink as opposed to going down Lord Street. It will take an enormous amount of traffic off Lord Street, so the impact on local residents will not be the same as it would otherwise have been.

[9.10 pm]

Mr P.C. TINLEY: I refer to page 810 again and the Perth Freight Link but more towards the capacity of Fremantle port. Did the modelling used—this is an assumption question—for the Perth Freight Link business

Ms Simone McGurk; Mr Dean Nalder; Ms Rita Saffioti; Mr Frank Alban; Mr Chris Hatton; Mr Peter Tinley; Mr Sean L'Estrange

case assume that container traffic for WA would reach 1.7 million twenty-foot equivalent units by 2032? I want some clarification around the modelling. What is the assumption base?

Mr D.C. NALDER: There are a couple of things to say here. The current capacity of the port—this is something that I debate with the member for Fremantle—shows that it is between 1.3 million and 1.4 million TEUs. I have had conversations with the stevedoring companies and others down at Fremantle port and they suggest that with technology, capacity will continue to grow to the vicinity of the number that the member is talking about, so another 20 per cent to 30 per cent higher than the 1.3 million to 1.4 million TEUs that we are saying. I am just trying to give the CFO a chance to find the details to see whether he can get the basis of the business case. I do not have that detail. I am happy to come back with it if we cannot provide it now.

The member for Fremantle asked a question about the modelling when officers from the Department of Transport were here earlier. Would members like us to answer that? It is caught up in a similar vein.

Ms S.F. McGURK: I thought we were talking about the percentage of freight on rail.

Mr P.C. TINLEY: I want to clarify something, just for the sake of it. I want to know the assumptions behind the Perth Freight Link business case—the amount of TEUs that will be serviced by the Perth Freight Link in future years, say, as of 2032. I am not particularly fussed about the date. Firstly, when will we hit 1.7 million TEUs? Secondly, what will the total capacity be once the Perth Freight Link is completed?

Mr D.C. NALDER: I will hand this question to the CFO to provide some specific detail.

Mr P. Woronzow: We will have to take that on notice. I can answer the earlier question about the 500 trucks on Leach Highway and the assumptions made around the amount of freight carried on rail.

The CHAIRMAN: That question was asked. Will the minister proceed to answer that now?

Mr D.C. NALDER: We will answer it now and then we will take the member for Willagee's question as a supplementary.

Mr P. Woronzow: The number of heavy vehicles on Leach Highway east of High Street is in the order of 3 500 vehicles a day. The modelling assumptions that were used for the amount of trade volumes by rail show that in 2013–14 rail increased its share of the transport task from 13.7 per cent to 14.2 per cent. What was built into the model was that if rail continued to grow at that market share, the government's desired allocation of rail would be reached in the early 2020s, which is an annual growth rate of 14.7 per cent over nine years. Thirty per cent was built into the model.

Ms S.F. McGURK: Can I just clarify that point? Is the adviser saying that it went from 13.7 per cent to 14.2 per cent? If that rate of growth continues, did the adviser say that we will get to 30 per cent by 2020?

Mr P. Woronzow: Yes. It is 13.7 per cent per annum. That was the assumption in the model. We think it was a generous growth rate. Main Roads uses a strategic modelling tool called ROM24. That assumption plus forecast traffic to 2031 was run through the model. That resulted in a likely reduction in general traffic on Leach Highway of 20 per cent and heavy vehicles declining by 30 per cent. Going back to that base of 3 400, a decrease of 30 per cent equated to more than 500 vehicles. For the purpose of the business case, we assumed that 500 fewer heavy vehicles on Leach Highway would result by 2031.

I would also like to add that the average of heavy vehicle crashes in the metropolitan area is about 5.2 per cent. On that section of Leach Highway, the average is about 11 per cent.

The CHAIRMAN: There was also a supplementary question somewhere in the wings.

Mr D.C. NALDER: The supplementary is that we will come back to the member with the capacity of the port and the number of TEUs through to 2031.

Mr P.C. TINLEY: On the assumption that the Perth Freight Link is built. I want to know about the future capacity that the government is building in with the enabling infrastructure, if the minister wanted some context.

The CHAIRMAN: Is the minister happy with that?

Mr D.C. NALDER: Yes.

[Supplementary Information No A26.]

Ms S.F. McGURK: I do not have those figures in front of me. I do not know how many are publicly available. The minister talked about a base figure that the modelling was applied to. What year were those base figures taken from?

Mr P. Woronzow: They were applied from 2013–14.

Ms S.F. McGURK: Is it possible for the details of that traffic modelling to be made available to us? Could that detail be tabled?

Mr D.C. NALDER: We have to be careful at this point because we are in the process of negotiating contracts. We will look at what we can release and release what we can but nothing that may put at risk confidential information that is required for the negotiation of contracts with proponents.

Ms S.F. McGURK: This question relates to how many trucks were using the road in 2013 and what assumptions were made. I did not write down the methodology that was used but the assumptions were made around the use of the Perth Freight Link.

Mr D.C. NALDER: We are happy to provide that. That is another supplementary question. We will provide the information that feeds into the modelling around the number of trucks that we will be shifting from Fremantle, irrespective of where they come from Fremantle; that is, the number of trucks that are moving through the Perth Freight Link.

[*Supplementary Information No A27.*]

Mr P.C. TINLEY: The current budget for the Perth Freight Link is \$1.6 billion, or thereabouts.

Mr D.C. NALDER: It is \$1.57 billion.

Mr P.C. TINLEY: Plus the escalation. I have no doubt that the minister has included escalation. It is becoming apparent that if the government goes with the tunnel, even using the rail tunnel model for Forrestfield of \$2.6 billion, it will exceed the \$1.6 billion allocated. I want to be clear about this. Could the \$1.6 billion for the Perth Freight Link include a tunnel in that cap?

[9.20 pm]

Mr D.C. NALDER: Correct. Do not forget that the Forrestfield–Airport Link is a rail tunnel, which is much smaller than a road tunnel.

Mr P.C. TINLEY: Sure. So it is going to be significantly more for a road tunnel.

Mr D.C. NALDER: The rail tunnel is eight and a half kilometres long, so the road tunnel that we would be considering would be much shorter than that.

Mr P.C. TINLEY: Okay. That will all be revealed. In the cost comparator, the government will suddenly realise that it will have to resume houses and that compensation arrangements will be needed for all the businesses and all those sorts of things that are coming to book —

Mr D.C. NALDER: That is if we go along the original alignment.

Mr P.C. TINLEY: Yes, if it goes along the current planned route. Is the minister confident that if the government does go down that route of stage 2, stage 3 Stock Road, it will still be able to resume the properties and do all the taking arrangements and stay within the \$1.6 billion?

Mr D.C. NALDER: Yes. We are still doing the feasibility of the alternative routes. That is what we are not quite clear on at this point.

Mr P.C. TINLEY: Can the minister say that again?

Mr D.C. NALDER: Yes, we are confident about the current route, which is down Stock Road, Leach Highway and High Street. We are still doing the feasibility of the alternative routes, which is why we cannot say that we can categorically do that at this point. Assuming that we can do that within the same cost, it will then give us an alternative route that will not have an impact on houses and commercial properties.

Ms S.F. McGURK: I have a follow on question. Have any costings been done on the resumption of the businesses along Stock Road? Are there any figures?

Mr D.C. NALDER: Yes, we have. I have numbers in my head but I will let the chief finance officer answer as he will be more specific and accurate.

Mr P. Woronzow: We will be required to acquire 89 properties. The estimated value of those properties is \$168 million.

The appropriation was recommended.

Meeting suspended from 9.21 to 9.28 pm