

**Division 38: Department of Transport, \$190 161 000—**

Mr D. Scaife, Chair.

Ms R. Saffioti, Minister for Transport.

Mr P. Woronzow, Director General.

Mr I. Cameron, Managing Director.

Mr P. Parolo, Chief Financial Officer.

Mr P. Seares, Managing Director, Westport.

Mr P. Laing, Senior Policy Adviser.

[Witnesses introduced.]

**The CHAIR:** The estimates committees will be reported by Hansard and the daily proof will be available online as soon as possible within two business days. The chair will allow as many questions as possible. Questions and answers should be short and to the point. Consideration is restricted to items for which a vote of money is proposed in the consolidated account. Questions must relate to a page number, item or amount related to the current division, and members should preface their questions with these details. Some divisions are the responsibility of more than one minister. Ministers shall only be examined in relation to their portfolio responsibilities.

A minister may agree to provide supplementary information to the committee. I will ask the minister to clearly indicate what information they agree to provide and will then allocate a reference number. Supplementary information should be provided to the principal clerk by noon on Friday, 2 June 2023. If a minister suggests that a matter be put on notice, members should use the online questions on notice system to submit their questions.

I give the call to the Leader of the Opposition.

**Mr R.S. LOVE:** Thank you, chair, and I thank the advisers for their attendance here today. I start off by asking some questions around the situation in the Kimberley, as this is one of the more vital issues that we face at the moment. I see that part of the ongoing activities in the Kimberley is the item “Ex-Tropical Cyclone Ellie—Derby—Broome Air Services”, which will conclude at the end of this year. Can the minister explain what that service is providing?

**Ms R. SAFFIOTI:** Sorry, what page are we referring to?

**Mr R.S. LOVE:** Sorry; it is page 572 of budget paper No 2 in the “Ongoing Initiatives”.

**Ms R. SAFFIOTI:** Is it the “Derby—Broome Regular Passenger Transport Air Service” line?

**The CHAIR:** There is a line item that says “Ex-Tropical Cyclone Ellie—Derby—Broome Air Service”; is that right?

**Mr R.S. LOVE:** Yes. That is the one.

**The CHAIR:** It is about halfway down the page.

**Ms R. SAFFIOTI:** As part of improving connectivity through the Kimberley, we have funded and subsidised a Derby—Broome air service. That became operational around 18 months ago. That is, as I recall, a \$119 each way flight from Broome to Derby. It was something we trialled then extended.

As part of our response to the Kimberley floods, we increased the number of flights. On that page there are two ongoing initiatives. There is the ex-tropical cyclone Ellie Derby—Broome air service, and, post the floods, we provided an additional subsidy and an increase in the number of weekly flights. On top of that, we extended the subsidy for the service for the next three financial years. On the same page, about three lines above, it shows the “Derby—Broome Regular Transport Air Service” with \$450 000 per year. There are two parts to that issue. We commenced the trial in August 2021. It was for 12 months and we have extended it for another three years. Post ex-tropical cyclone Ellie, we increased the number of weekly services because of the connectivity issues.

In relation to the Kimberley, there is a low-level crossing that is open. I was there a few days ago and it was like it was peak hour. It was very well used. By the end of May, or early June, the second low-level crossing will be open to allow for freight connectivity. The extra air services were to improve connectivity at the time of the Kimberley floods.

**Mr R.S. LOVE:** I would like to ask about the Westport program. I refer to the “Details of Controlled Grants and Subsidies” table on page 586 and the item “Westport”. Can I have an update on the progress of the Westport program? Can the minister outline what the commitment of \$5 million to investigate relocating vehicle shipping operations resulted in? Was there an outcome from that expenditure?

**Ms R. SAFFIOTI:** In relation to passenger vehicles, the ability to move trade from Victoria Quay would free up a lot of space in Victoria Quay. We have always said that in looking at the Fremantle port, it makes a lot of sense to start the revitalisation from Victoria Quay. We have seen the Gage Roads development. We have funding to further activate around Gage Roads and then we have the Fremantle passenger terminal and there are hectares of land that are being used for roll-on roll-off vehicles. We are undertaking some studies; they have not yet concluded. In particular, we are undertaking consultation with industry, because making sure industry is comfortable with any proposed new location is a key factor. We have to look at the entire economic cost of undertaking the project. When many vehicles leave a ship, they sometimes rest on Victoria Quay for many days before going to another facility in which they are cleaned and made ready to send to car yards. We are looking at the entire movement of the vehicles, not only when they get off the ship, but also to the next stop, which is normally in a processing yard in which they are cleaned, checked and then moved to car yards. We are talking to industry and work is being undertaken. A number of options are being examined but, of course, we are very keen to see whether Bunbury can be the location for that trade.

**Mr R.S. LOVE:** In the same table, \$2 million is allocated to investigate the feasibility of relocating livestock shipping from Fremantle. What were the recommendations? Has that been completed? What is the situation there?

[9.10 am]

**Ms R. SAFFIOTI:** Money has been allocated. The Department of Primary Industries and Regional Development led some work, which we have been involved in, but we have not seen this as a priority—well, the work has not concluded.

**Mr R.S. LOVE:** I think the minister was about to say that the government did not consider it a priority. Is that what was on the tip of her tongue?

**Ms R. SAFFIOTI:** No. If the member looks at the range of things that we are working on around Westport, cars would be the bigger priority—I say that very honestly—because of the amount of space and the impact that cars will have on the future development of Victoria Quay. It is a lower priority than vehicle movement.

**Mr R.S. LOVE:** Further to the Westport program—it might be a different question, chair, so I seek your indulgence—there is a line item that outlines expenditures for Westport in the development of a business case on page 572 of budget paper No 2. There is also the line item “Enabling Works”. Can the minister explain what the enabling works of \$7 million, which are listed on page 572 under “Westport”, refers to?

**Ms R. SAFFIOTI:** What page was it?

**Mr R.S. LOVE:** It is on page 572, under “Westport”, which is under “Ongoing Initiatives”. There is the line item “Business Case” and then “Enabling Works”, with a budget of \$7 381 000.

**Ms R. SAFFIOTI:** That relates to some of the ongoing work that has been undertaken to enable works relating to Westport, including legislation, which we have announced, and environmental assessments. That includes undertaking all the referrals and other assessments for the freight corridor and other geotech investigations to support the business case development.

**Mr R.S. LOVE:** Where is the bucket of money for the purchases of land et cetera that are required for the Westport project? I understand that Westport has undertaken the planning around Anketell Road et cetera.

**Ms R. SAFFIOTI:** It is in the table “Statement of Financial Position (Controlled)” on page 587 of budget paper No 2. There is a line item called “Restricted cash”. That restricted cash has all the special purpose accounts with hypothecated revenue or accounts set up through a mechanism of a special purpose account. That holds a Westport SPA. It is under the line item “Restricted cash”, which in 2022–23 was around \$505 million, and then it drops to around \$377 million. That holds the money for the land acquisition. That is held in a special purpose account by the Department of Transport. Through our land purchasing function across the transport portfolio, negotiations are undertaken and purchases are made for projects, in particular the Anketell corridor.

**Mr R.S. LOVE:** I have a further question on that response. Is that the bucket of money that would have also paid for the land for the Yanhep line extension, for instance, or is that different?

**Ms R. SAFFIOTI:** No. We created a special purpose account, not in this budget just gone but the previous budget. As I recall, we budgeted \$400 million to undertake early land purchases along the Anketell corridor in particular, but not limited to the Anketell corridor. Because we have placed a planning control area across that corridor as we move towards detailed planning of the Anketell east-west link, we wanted to provide certainty for the landowners and their ability to sell and move on with their lives—in particular, those who are facing the Anketell corridor. Money has been provided. Significant negotiations have been undertaken.

**Mr R.S. LOVE:** The funding for that special purpose account came from what source? Was it from the metropolitan improvement tax?

**Ms R. SAFFIOTI:** No, it was from our surplus, not from this budget but the previous budget. As the member would know, with strong surpluses, we provide funding for upcoming demands. We highlighted that Westport was an upcoming demand. Because of our strong financial position, we were able to allocate \$400 million in the previous budget, or maybe even the budget before that, for Westport land acquisition.

**Mr R.S. LOVE:** Could the minister provide an update on the balance of that special purpose account?

**Ms R. SAFFIOTI:** As at 30 June 2023, we expect that balance—the estimated actual—to be \$316 million.

**Mr R.S. LOVE:** Where would I find that in the budget documents?

**Ms R. SAFFIOTI:** It is under “Restricted cash”.

**Mr R.S. LOVE:** So it is in that lump of cash. Is there no breakdown of those restricted assets that the minister can provide?

**Ms R. SAFFIOTI:** I cannot provide the breakdown for the SPAs. It is not in the budget papers.

**Mr R.S. LOVE:** Would it be possible to provide, by way of supplementary information, the balances of that restricted cash, where accounts are held and for what purpose?

**Ms R. SAFFIOTI:** The budget papers show the balance of restricted cash. Did the member want the amount in the SPA for Westport? As I said, by the end of the 2022–23 financial year, we expect it to be \$316 million. That is down from \$399.2 million allocated as of 2022. We have undertaken a lot of land purchases in that term. We will find out whether there is any further information on the SPAs. It might be in budget paper No 3.

I refer the member to the economic and fiscal outlook on page 280 of budget paper No 3. That chapter gives a breakdown of the SPAs. As I said, as part of our budgeting and financing for future demands, we created a number of special purpose accounts, which help reduce the financial impact of major decisions in the future. In a sense, we have created all these little savings accounts to help fund big expenditure items in the future. As the member can see, Westport is listed on page 280. It shows the receipts, payments made and the balance.

**Mr R.S. LOVE:** Just to be clear, \$400 million was allocated directly to the Westport account but it is reported in the documents as part of a larger pool of money, which has other SPAs.

**Ms R. SAFFIOTI:** No. With respect to the finances of the state, when there is an operating surplus, let us say, which we have run, it is like a savings account. We open a savings account for a particular purpose in the future. They are called special purpose accounts. This chapter outlines those special purpose accounts. A special purpose account was created for Westport—primarily for land acquisition. That was created in the 2021–22 budget, as this says, to support the Westport project. It was actually two budgets ago. It is a dedicated account and because it is under a special purpose account, it needs to be held somewhere. This one is held in the Department of Transport. It is then administered through Main Roads Western Australia’s land acquisition purchasing group, but it is a special purpose account and, under the Treasury guidelines, we have to use it for the purpose for which it has been established so we cannot then use this for other things.

[9.20 am]

**Mr R.S. LOVE:** What is the purpose of other restricted cash that is held, because there is a considerable amount even at the end of the forward estimates? There is \$300-odd million sitting there.

**Ms R. SAFFIOTI:** They are not other special purpose accounts. It is restricted cash. In most cases, this would be hypothecated revenue generated from non-tax or not general government business—not through the consolidated account—that is then used for particular purposes. For example, it includes the Perth parking licensing account, which is demonstrated in appendix 5 on page 275 of the *Economic and fiscal outlook*. Restricted cash may include a special purpose account, but it can also include other accounts in which there is hypothecated revenue or revenue governed by other legislation, whether it be under royalties for regions, the Perth Parking Management Act or other purposes, and that can be included in the restricted cash items.

**Mr R.S. LOVE:** Does the minister have a list of what is in the restricted cash items?

**Ms R. SAFFIOTI:** We have a list.

**Mr R.S. LOVE:** Could the minister provide that?

**Ms R. SAFFIOTI:** Right now?

**Mr R.S. LOVE:** Either that or as a supplementary.

**Ms R. SAFFIOTI:** I can do it now. The Perth parking licensing account is on page 275 and shows the current closing balance and the estimates over the next four years. I can go through that. It is in appendix 5. The closing balance in 2022–23 was \$202 million; for 2023–24, it is expected to drop to \$174 million; then it will go to \$214 million, \$256 million and \$299 million. Royalties for regions is restricted cash because it is generated from other sources. We have some royalties for regions funding for some of our projects. In 2021–22, there was \$3.17 million; in 2022–23, the estimated actual was \$1.267 million; in 2023–24, it is \$1.267 million; in 2024–25, it is \$1.267 million; and in 2025–26, it is \$1.267 million. These are the estimates. We have done Perth parking. Westport SPA is done. I refer to Indian Ocean territories. As the member knows, we administer a number of services on behalf of the commonwealth. We receive payments from the commonwealth to administer Christmas Island and Cocos Keeling Islands. The budget in 2021–22 was \$155 000; the estimated actual for 2022–23 was \$155 000; the budget is \$155 000, then it goes on. It is always \$155 000. I suspect paid parental leave is administered and paid through another form of legislation. Paid parental leave is \$34 000 in 2021–22, \$30 000 in 2022–23, \$34 000 in 2023–24 and then it continues with \$34 000 from there. That is in total restricted cash.

**Mr R.S. LOVE:** Thank you, minister.

**Mr P.J. RUNDLE:** Paragraph 6 on page 573 refers to reliable and affordable air services, particularly between Perth and regional centres. Firstly, I want to ask about last week’s announcement about Nexus Airlines. Firstly, will the government provide a subsidy to Nexus Airlines to provide that service?

**Ms R. SAFFIOTI:** Yes. I think we outlined it. I will see whether we have a specific note on that. In the announcements last week, we spoke about two key initiatives through which government will help support the flights.

[Interruption.]

**Ms R. SAFFIOTI:** Listen to that. That could be Nexus! There is a plane flying across now. The first is that Nexus will begin a Geraldton–Perth connection. The Nexus aircraft crew will be based in Geraldton and Broome. Importantly for Geraldton, that means not only will it have additional staff and workers based in Geraldton, but its first flight will be in the morning from Geraldton to Perth, which is really good for the Geraldton business community. It has been really keen to get that. As a result, Nexus will be eligible to be part of our regional airfare cap scheme and I have approved that. Nexus flights between Geraldton and Perth will be part of the \$199 fare cap program. That is similar to the other airline operating there. In a sense, that is one part of the government’s support for regional airfares.

The second part is that Nexus will commence some new interregional flights. It is already running one set of interregional flights, but it is expanding it. I do not have all the reports in front of me. I am sure we will find it. An amount of \$4 million has been committed over four years to support the expansion of the interregional flight network in the midwest, Pilbara and Kimberley. This will commence very soon and provide a direct link between Geraldton, Karratha, Port Hedland and Broome. That is an additional \$4 million. Plus, Aviair, Nexus’ predecessor, also runs a number of other flights throughout the area—for example, it does a bit of Broome. We subsidise that flight between Broome and Derby because we cap the price at \$119, as I recall. Many new initiatives were announced last week, but the two key ones were \$4 million to support interregional flights and the fact that the Nexus flight will now be eligible for the capped flight scheme for its flights between Geraldton and Perth.

**Mr P.J. RUNDLE:** Given that it will be flying over Carnarvon and Exmouth on the way to Karratha and Broome and so forth, was any thought given to it dropping into those locations?

**Ms R. SAFFIOTI:** The government would support and continues to support more connections throughout regional WA. I think Nexus has a pretty ambitious agenda already. It is expanding its planes. It is going from a nine-seater to a 76-seater, so I think that is pretty ambitious. I think Nexus has an ambitious agenda. We will always continue to work with all airlines to improve connectivity. If there are future proposals and the economics stack up and an airline wanted to try new routes, we would be happy to support it. Ultimately, these are decisions for the airlines. As I said, we are very keen to partner with Nexus, and we are partnering with all the airlines on our regional airfare cap scheme. I think we are helping to really improve connectivity across regional WA.

**Mr P.J. RUNDLE:** This paragraph refers to reliable and affordable air services and access to specialist healthcare and the like. Both Esperance and Carnarvon are having trouble with reliability of Rex Airlines, with a period of 10 days in late February–early March when 42 out of 70 Esperance flights were either delayed by more than 30 minutes or cancelled. I know that the minister recently talked about expanding the number of flights. What about the reliability? What is the government doing to improve the reliability of those flights?

[9.30 am]

**Ms R. SAFFIOTI:** The department is working with Rex Airlines. We have benchmarks for on-time performance. We are disappointed with what happened, but we have been working really closely with all the airlines, trying to improve their reliability and reduce cancellations or late arrivals and departures. Post COVID, most airlines have

been through this. A number of the big airlines went through this for a period. We believe it is an adjustment period. We are not happy if our airlines do not meet our benchmarks, but we are very keen to work with them. There are no easy solutions at the moment. There has been a massive increase in air travel across Australia. I saw Qantas' profits, which came out the other day. There is also massive demand for aircraft crew, pilots and baggage handlers. Many of them were let go during the COVID shutdowns and the airlines are all struggling to recover. There is competition for staff. It is hard to get all the appropriate staff and pilots in place. All we can do is continue to work with the airlines to try to improve their performance.

What I have found as Minister for Transport is that, in a sense, we always go through rocky patches. We went through a rocky patch in Geraldton, for example, with the number of flights and basically flights turning up. It was the same in Broome. A lot of our regional ports have been through rocky patches. Of course, in Perth and for people flying interstate, it was also very hard for a while. We go through these periods but then we try to work with all the airlines to correct that. We are not pleased with what has happened with the cancellations. I have heard very loudly from the local members that they are not pleased either. All we can do is work with the airlines to make sure we improve their performance.

**Mr P.J. RUNDLE:** This is having real implications. It is not just about delayed flights. It is about specialist health care. Doctors are signed up for a stint at Esperance Hospital, for example. They turn up on a Thursday or whenever but are told, "Sorry; we can't get you on until the following Friday." It is having an effect on health care. It is having an effect on accommodation providers who had them booked in. The list goes on. As I said, the minister announced that it is great the government is going to put on more flights but the focus has to be on fixing cancellations and delays. That is my emphasis. I gather the licence is coming up later this year. What is the department doing to improve the situation, given that the licence is also coming forth?

**Ms R. SAFFIOTI:** As I said, all we can do is work directly with the airlines that we have under licence currently to make sure we improve their performance. My understanding is, more recently, there has been some improvement in their performance but we will continue to monitor and work with them. There are no easy solutions. As I said, every part of Western Australia has experienced some poor performances post COVID. Geraldton was a particular case where there were a lot of cancellations and a reduced flight network. Of course, now Geraldton is a beneficiary of this new program. We will continue to work with all the airlines to support more reliability and improved performance, particularly with Rex.

**The CHAIR:** Before I give the call to the member for Cottesloe, I want to note that I try not to be an interventionist chair. If the minister is happy to indulge questions that are not strictly in the budget papers, I am not going to interfere. However, we wandered quite significantly from the budget papers there, member for Roe. I want the member to know that in future cases, I might crack down so that we get to other questions related to the budget papers. The member for Cottesloe.

**Dr D.J. HONEY:** Coming back to Westport, minister, I refer to page 572 of budget paper No 2. The Westport business case is under spending changes. What funding models are being considered for the Westport port? For example, is the government going to fund this project entirely from its own capital program or will it consider some form of public-private partnership?

**Ms R. SAFFIOTI:** We are currently undertaking the business case. We have not yet finalised the business case. On public-private partnership, we would not be looking at a privately run port. It will be a government owned and run port. We have had early discussions with the commonwealth highlighting that we believe this is our next big partnership project with the commonwealth. In a sense, Metronet is nearing the end in relation to its rollout and funding. We are looking at Westport being the next big, major long-term project. We are very keen to get commonwealth support. We have not yet gone into any detailed analysis of other funding sources. We are really just working on getting all the approvals and developing the business case.

**Dr D.J. HONEY:** While the feasibility study is being done, there must be a scoping level cost estimate. What is the estimated cost of the project at this stage?

**Ms R. SAFFIOTI:** No, we do not have a scoping level cost currently. We are still doing all the numbers. There are a number of different parts to the Westport project. As we know, there is the land acquisition, which is highlighted in the budget papers. There are also the berths. We are looking at detailed design for the type of berths. They are going through all the assessments and tests of exactly what shape and form the berths will be, including the marine-side infrastructure. There are also land-side intermodals, road and rail. There are a number of different components, which we have not yet completely locked in. It is hard to put numbers out there when we are currently designing the shape and size of the berths and all the other land-side infrastructure.

**Dr D.J. HONEY:** The minister had a highly publicised task force working on this to justify the business case for moving the port from Fremantle to Kwinana. Is the minister saying she has no estimate? Is there no figure in the government's mind at all on the potential cost of this port?

**Ms R. SAFFIOTI:** As I said, there are three or four different components. We have land acquisition, which is in the budget. There is also the Anketell–Thomas Road corridor, for which we are working out the detailed design. The ultimate design will then have an estimated cost. The land side includes the logistic hubs, intermodals, upgrades to rail in particular, and there is also the berth infrastructure, and breakwaters including the need for breakwaters, size of breakwaters, and the size of the berths. All that is currently going through testing and analysis to determine their exact shape and size. That will then help get an estimate to complete a business case cost.

**Dr D.J. HONEY:** I cannot comprehend it. In my entire working career, I have never worked for an organisation that embarked on a project for which it had no idea what the cost was going to be. It is incomprehensible that the minister does not have some cost estimate in mind. I appreciate that it will be refined as the project goes through detailed design, but surely there is, in fact, a number the government has in mind. Otherwise, how was the original business case even established?

**Ms R. SAFFIOTI:** To develop a business case, there is the estimated cost to estimated benefit, and that is what we are working through. In finalising a business case, that is when we get the estimated cost and estimated benefit. It was a recommendation of the Langouant special inquiry into the finances that said governments should not put ETCs on projects until the full scope and deliverability has been assessed. I remember previous governments claiming projects would cost X or Y, and then they were nowhere near that number.

[9.40 am]

**Dr D.J. HONEY:** A sense of *deja vu*, minister.

**Ms R. SAFFIOTI:** No, it was nowhere near that number. The Langouant inquiry said not to put estimates to complete on projects until there was the full scope and their deliverability was determined. We are developing a business case, and that will have the full costs and benefits. That is what the business case is. We are determining a business case, and, in doing that, we will have the estimated cost and estimated benefit to get the benefit–cost ratios.

**Dr D.J. HONEY:** I refer to access to that area. There is planning going on now. I understand there is work going on on Anketell Road. The state's major port will do 90 to 95 per cent of our container freight. At this stage, I understand that effectively the government has bet the bank on one road going into that, which is Anketell Road. Is any work being done to secure alternative roads? I assume that 80 per cent or so will go by road and not rail.

**Ms R. SAFFIOTI:** That is not the assumption we will carry forward. There is a concept just to do what is done at Fremantle and move it. We do not subscribe to that concept because we believe that assessing the role of rail and other ways of moving containers as efficiently from port to intermodals or other logistics hubs is part of the work we are doing now. We are not picking up Fremantle and moving it down the road; we are looking at modern ports, in particular how containers are moved as efficiently as possible, because that is why we want to do this, and also the role of rail or other types of rail-like movements. We are exploring all options, so I do not think the member can say we will move 20 per cent of containers on rail, because that would be very different to what we aspire to.

**Dr D.J. HONEY:** I do not know of a major port in the world where most of the freight is not moved by road. Given that a significant amount of freight will be moved by road, will there be any other major access route into that area other than Anketell Road?

**Ms R. SAFFIOTI:** Anketell Road will be the major one, and, of course, it will be linked to Tonkin Highway.

**Dr D.J. HONEY:** Thomas and Rowley Roads.

**Ms R. SAFFIOTI:** Yes, but it will be Tonkin Highway to a major north–south, east–west freight corridor. It will be a major project with a dedicated freight corridor. I am not sure whether the member is arguing for a freight corridor through the western suburbs or Fremantle, but that is not what we are considering.

**Dr D.J. HONEY:** Rowley Road was the previous designated route but the minister's government allowed houses to be built over the road easement so it was stopped.

**Ms R. SAFFIOTI:** That is incorrect.

**Dr D.J. HONEY:** I wonder whether, for example, there is an alternative to Rowley Road so there is a second major road access into what will be critical infrastructure for the state.

**The CHAIR:** Sorry, minister, just before I give the call, I am ruling this question out of order. It is plainly not in order. We have breached the direction I gave after the member for Roe finished, and we are so far away from the budget papers now that I am ruling that question out of order.

**Mr R.S. LOVE:** I want to ask the minister about page 572 of budget paper No 2, and the line item “Towing Industry Reform” under the heading “New Initiatives”, with \$808 000 expected to be spent and several millions of dollars, up to \$3 million per year, for the next couple of years. Can the minister explain what the funding will achieve and when we will see some meaningful reform in the towing industry?

**Ms R. SAFFIOTI:** The money is dedicated to a project team to develop the regulatory systems and all the business and systems analysis and industry engagement. As the member knows, we took over this component of towing industry reform from the Department of Mines, Industry Regulation and Safety late last year. We took over the reform package. It involves legislative reform, regulatory reform and new compliance activity, which does not exist. In embarking on this, we have taken on a very unregulated industry and moved to a regulatory approach. We are setting up the entire regulatory system. Of course, the main aims will be to introduce maximum charges for towing and storage of vehicle; requiring the authorisation of tow truck drivers, drivers’ assistants and towing services; prohibiting the payment of cash spotter fees; and introducing stricter penalties. We have already introduced some other reforms—for example, the requirement that the tow truck driver has to give the guaranteed cost of moving the vehicle at the site of an incident. We have improved some of the regulatory regime around the vehicle, with what we have the power to do. But we need additional legislative power now to increase standards for the drivers and limit and cap the price of towing and, in particular, storage, which is where a lot of people seem to get bitten. There are costs for towing, but storage costs are astronomical and vulnerable people are then left having to pay a lot of money, as do insurance companies. Insurance companies are not everyone’s best friends but the cost of premiums is impacted if they are being hit with exorbitant costs.

**Mr R.S. LOVE:** Can the minister give a time line for when legislation is expected to be presented to Parliament on this matter?

**Ms R. SAFFIOTI:** We are going through the drafting process now, so it depends how quickly we can get it drafted. We are trying to draft the legislation as quickly as possible. There are a lot of different demands on parliamentary drafting, but we are working very hard at it.

**Mr R.S. LOVE:** Has most of the policy behind the legislation been formulated, and is it just a matter of drafting that into legislation?

**Ms R. SAFFIOTI:** Yes, we have a policy approach that we have announced over the past eight months, and now the legislation and regulations are being put in order to enact the policy. Normally, governments try to reduce regulatory burdens, but this is the opposite in that we are increasing and, for the first time, introducing a tougher regulatory approach to tow trucks. As I said, Transport initially had the responsibility of managing the vehicle, in a sense, not the driver or the other parts of the industry, but we took over responsibility for the policy and getting it drafted from Department of Mines, Industry Regulation and Safety in about the third quarter of last year. We are working away on that.

**Mr P.J. RUNDLE:** I refer to page 581 of budget paper No 2 and the fourteenth paragraph headed “Carnarvon Fascine”, which refers to \$2.9 billion in capital funding currently allocated. What will the money deliver?

[9.50 am]

**Ms R. SAFFIOTI:** In 2020, we announced \$7 million towards addressing access issues at the Carnarvon fascine. One of the first things we did was to relocate Australian vessels in the fascine to the Carnarvon boat harbour. I do not know whether anyone has seen that; it looks pretty good. The state government built 16 new floating boat pens to provide year-round ocean access to the Carnarvon Yacht Club members. We undertook numerous studies. I think that everyone had a view on what and how to dredge. Even I became an expert on dredging after visiting the town a couple of times! We worked with all the relevant parties and we agreed and committed to doing a one-off dredging campaign around the entrance of the fascine, as well as spit stabilisation. Of course, we have seen the movement of the spit over many years. We need to stabilise that so that it does not continue to encroach into the entrance, so we will be doing work to not only dredge but also stabilise the spit to make sure that it does not continue to move and block the entrance. I think we are looking at bringing in some heavy material to stabilise the sand at the spit. We are doing a one-off dredge, and we hope that that together with the spit stabilisation will mean that the fascine can withstand the continued weather in that area.

**Mr P.J. RUNDLE:** When will the work be complete?

**Ms R. SAFFIOTI:** I think it is underway now. I thought it was going to begin in April or May. We are mobilising the dredge. I thought it was going to be in the first half of this year. I think it is underway now, in March. It has started.

**Mr P.J. RUNDLE:** Sorry, in March next year?

**Ms R. SAFFIOTI:** No—now.

**Mr P.J. RUNDLE:** What community engagement has there been to keep people in the Carnarvon community informed about this work?

**Ms R. SAFFIOTI:** Sorry, I will just confirm. We announced the dredging work in March. I am just getting further information from my team. We have announced it. I thought that the dredge was going to start in April or May. Sorry, they are starting to mobilise the dredge as we speak.

How much community engagement has there been? There were a number of town hall meetings. As I recall, there was a meeting earlier this year at which the Department of Transport team informed people about the work. As I said, everyone has a different view on what should be done with the projects, but I think that the overwhelming view—maybe the view of the yacht club in particular—was that we should try to dredge again. As I said, there was a lot of science done and we saw a lot of pictures taken over time that show how the fascine has looked over the last 30 or 40 years. But there has been a lot of involvement with the community, including I think two community forums that were held over the past four or five months, including a description and analysis of options. After all that work was done, the view from the town and the president was that we should try to attempt dredging, and we agreed.

**Mr P.J. RUNDLE:** I think we are about seven or eight years down the road from when the original weather event occurred. Can boats actually access the fascine today?

**Ms R. SAFFIOTI:** I think that the majority of boats were relocated to the boat harbour. A number were relocated to the boat pens that we built. Most boats can access the fascine on a high tide, but not on a lower tide, and that is why the dredging will be undertaken.

**Dr D.J. HONEY:** I am referring to page 575 of budget paper No 2, the outcomes and key effectiveness indicators, and the top line, which is the percentage of containerised freight transported via rail in relation to total metropolitan container movements to and from Fremantle port. As I have recognised in previous estimates, 20 per cent is a significant increase, but that is now flatlining. As the minister knows, traffic congestion of trucks in the area is significant. Does the government have any other plans, or has it just said that it is going to stick at 20 per cent, given that there is likely to be a significant time before a new port is available? Are there other plans afoot to increase the percentage of rail transport of containers?

**Ms R. SAFFIOTI:** Is the member ready for the answer?

**Dr D.J. HONEY:** Absolutely!

**Ms R. SAFFIOTI:** For the movement of containers on rail, we are really proud that we have got to 20 per cent and stuck to 20 per cent. I suppose the next win will be the continued growth, expansion and creation of new intermodals. In looking at how we move forward with both Westport and moving more containers on rail, working under Patrick and the Westport team's authority, we are looking at how we can continue to support the expansion of existing or creation of new intermodals that will work for not only Fremantle but also Westport. In a sense, the key goal is to support new intermodals and expand the capacity of existing intermodals into the future, and that will help drive more containers onto rail from Westport long term, but also more containers onto rail for Freo.

**Dr D.J. HONEY:** Obviously, the minister is very much on top of the issue of the new rail bridge that is being built. What do we expect to get when that new rail bridge is built, so that we have duplication and we are not competing with the passenger line?

**Ms R. SAFFIOTI:** We are going through that design, as the member knows. We are trying to incorporate the feedback of everyone in North Fremantle into that bridge design. I think the key for us is rail capacity, but also intermodal capacity. A lot of work is being done on the source and destination of containers, because that is another key factor in determining how we can support further containers on rail; we need to understand not only where they are coming from, but also primarily where they are going to. A lot of work is being done on that. A number of areas are not serviceable by rail, so the efficiency of using intermodal transport would not work for those areas. I think there are some big districts that do not have very strong or clear rail connections. As I said, we are continuing to look at how we can support the new intermodals more generally. We believe that will help drive more containers onto rail.

[10.00 am]

**Mr G. BAKER:** I refer to page 614 of budget paper No 2, paragraph 8 under "Asset Investment Program". Is the minister able to provide an update on the status of the Lakelands station project, and is the minister aware of any recent commentary regarding the construction of the station?

**The CHAIR:** I might need to say that that is the wrong division, member for South Perth, so we can come back to that. The Leader of the Opposition.



**Mr R.S. LOVE:** I refer to “Driver and Vehicle Services” on page 577 of budget paper No 2. I want to ask a little bit about this section. I see there is a reduction in employees in that sector. Can the minister explain why that is the case?

**Ms R. SAFFIOTI:** During COVID the Department of Transport, through the Driver and Vehicle Services Centre, increased employment under that function to staff a call centre. That call centre, of course, was stood down and some of those people were redeployed across the agency. In relation strictly to Department of Transport Driver and Vehicle Services Centres, there has been no reduction in the teams that are at the front line, delivering driver and licensing services.

**Mr R.S. LOVE:** I have a further question. Minister, I note that there are efficiency indicators that relate to the average cost per vehicle and driver transaction; average cost per vehicle inspection performed by vehicle examination centres and authorised inspection stations; and average cost per driver assessment. With regard to the average cost per driver assessment, would it not also be an efficiency indicator to put the average wait time before someone is actually able to book a driver assessment? I have raised this issue with the minister on a number of occasions. There are people who are going to great lengths to find driver assessment time slots. As the minister knows, there have been instances of harvesting and potential on-selling of those slots by individuals. Can the minister explain why she has not seen fit to put in place some sort of assessment of the average wait time for people to get a driver assessment?

**Ms R. SAFFIOTI:** Our focus has been on trying to address the issue; that is what we have been working on. With regard to the vehicle licensing system, as I have already outlined, we have seen some interrupters, in a sense—however you want to describe it; people gaming the system—which has impacted on the general community. We saw a lot of activity online. I hate to refer back to the bots, but I will, because there are many of them. Initially we went to the driving instructors. Some driving instructors were, in a sense, attracting business by saying they could guarantee people a driving assessment. As a result, they got more business and they then, I think through a third party, managed to secure some driving tests for their clients. It was not illegal, but it was something that was happening.

The second part was someone who was described as an “entrepreneur”; that might be a nice way of describing him. I think this was in an article in PerthNow about three weeks ago. A 19-year-old had designed a system and was charging \$20 to secure a driving test. He had created a program to swipe all the available driving tests intermittently throughout the day. This is really something that has, not exactly crept up on us, but I was getting feedback—including from cousins and distant relatives—about wanting to gain access to a driving test, so we were very much keen to see what was happening. In doing that work I acknowledge that there have been, and continues to be, people gaming the system to secure driving tests.

More recently we have put some measures in place. We announced a range of measures about six weeks ago, and in the past two weeks we have also announced another change to the system that limits the number of times someone can attempt to secure a driving test to, I think, 15 per hour. That is to try to limit the operation of bots, and we are continuing to work on doing more to completely eliminate them. We hope to have something further to say on this very, very soon. We have already made more driving tests available per day, so we are seeing some results from the work we have done, but the IT teams in Department of Transport are working really hard to eliminate the impact of bots so that everyone is on an equal footing. This is a big priority of ours. I want people to have fair, open and transparent access to driving tests. I do not think we should allow people to make a lot of money by gaming the system and preying on young people who want to get their driver’s licence.

**Mr R.S. LOVE:** I thank the minister and I agree with her sentiment, but I have been raising this issue for quite some time and there has not been any action on it that has actually resulted in meaningful improvements. I understand the situation as the minister has outlined it about bots et cetera taking bookings, but at the end of the day, there is a shortage of test slots. Is that not the underlying cause? Is there a view within the department as to how to actually increase people’s access to assessments within a reasonable time line? What sort of time line does the minister think is reasonable?

**The CHAIR:** I am going to allow the minister to respond to this, but there was a political allegation within the question that is, again, a breach of my directive to stay within the terms of the budget papers. The minister.

**Ms R. SAFFIOTI:** Yes, I think there was a political allegation, and I think the Leader of the Opposition is wrong in saying that we have not done anything. We have, and we are increasing the number of assessors as well. To be frank, with the amount of bot activity or activity that continues to sweep up available timeslots it is very hard to gauge the supply and demand. We cannot get a real picture because there is interruption to the service, but we have recruited more assessors and there are some other decisions that are nearly finalised that will improve the situation. We will be making that public once we go through some other processes. We will continue to work to improve the situation. As I said, we have made some decisions, we are already onto this, and we will continue to work to improve it.

**Dr D.J. HONEY:** Minister, just for my clarity in relation to the assessment of driver’s licences, are the assessors permanent employees of the Department of Transport, or can they also operate as driving instructors on top of their assessment work with the Department of Transport?

[10.10 am]

**Ms R. SAFFIOTI:** They are permanent employees, but we do contract agents for the heavy vehicle assessment.

**Dr D.J. HONEY:** I refer to page 576 of budget paper No 2, the first dot point under “Strategic Transport Policy and Integrated Planning”. It states —

- analysis, planning and implementation of urban infrastructure projects and models to manage future travel demands;

I am especially interested in my electorate area, as the minister knows from questions that I have asked before. Traffic movement, particularly east–west and north–south through the restricted corridor between the river and sea, is becoming enormously problematic. It is the single most issue brought to my attention—more than any other in the area. Has the minister’s department carried out any modelling and has it started to develop any planning to deal with that enormous traffic congestion?

**Ms R. SAFFIOTI:** As I recall, with the change of government at the beginning of 2017 there had been a planning study about the Stirling Highway corridor. Some parts of the metropolitan region scheme were rationalised. Upon entering government, the MRS process was ending and a new MRS was gazetted for the Stirling Highway corridor. In that, they determined areas where there would be some bus priority and other initiatives. There is a reservation across that whole area. It includes what would be an impact on a number of properties. Work has been undertaken. To be honest, it will be a very high cost project because of the values in that area. We understand the concerns and challenges. However, on the other side, due to the way that we are operating the Forrestfield–Airport line, we have now increased the frequency of the rail in that area from Claremont through to Forrestfield. It is every five minutes—actually, I think it is every six minutes. We have increased the number of trains servicing that area, but more generally, it is a very constrained corridor. Of course, the level crossing removals are something that we are keen to continually look at into the future.

**Dr D.J. HONEY:** I was told by a former transport minister that there had been some studies into the potential for tunnels to alleviate the traffic congestion. I accept what the minister has said about the difficulty of, for example, making Stirling Highway six lanes all the way down. In fact, I think the former member and Premier of that area may have sold off some of the necessary easements as well. I accept all of that. That is the situation the minister has been given, but it is seriously becoming gridlocked. Are there any plans to look at contingencies, potentially with tunnels, in that area? Is there any active work? I understand what the minister has said about trains, but it has made no difference—in fact, I would say it has got worse.

**Ms R. SAFFIOTI:** Tunnels underneath Stirling Highway or under the river?

**Dr D.J. HONEY:** As I understand, there were some proposals looked at to go from Stock Road through to the Swanbourne Barracks, sort of bypassing that area, and similarly, to take traffic south of the river to Stirling Highway, closer to the university and avoiding that gridlocked area.

**Ms R. SAFFIOTI:** That concept has been around for a long time. It would be a very costly project—we are talking in the billions. The other problem with tunnels is that when they merge, they merge slowly in a sense, and disconnect the suburb a bit. We see in Sydney that they have to pop out somewhere; as a result, there is always debate on dumping that traffic in a particular area and the disconnection of the area. It is not something that we are working on. As the member knows, our agenda has been full and our next big project is the new port. That is very much our focus.

**Mrs J.M.C. STOJKOVSKI:** I refer to page 573 of budget paper No 2, “Significant Issues Impacting the Agency”. Can the minister please advise what the driving access and equity program has achieved since it began and what measures the Department of Transport will deliver to new regions in 2023–24 to help people overcome the barriers to obtaining their driver’s licence?

**Ms R. SAFFIOTI:** The driving access and equity program is a program we are very proud of. The program was rolled out across regional and remote Western Australia and is now active in 75 locations. So far, 22 vehicles for supervision or instruction have been purchased just in the Kimberley and Pilbara. We have supported 37 people to complete a certificate IV in transport and logistics road training in Kununurra, Broome, Port Hedland and Karratha. This has resulted in 21 new driving instructors in the Kimberley and Pilbara, which is incredible. Over 300 people have been helped with identification documents, 600 learners’ permits have been issued and over 150 drivers’ licences have been issued just in the Pilbara and Kimberley.

We know that in regional WA, having access to a driver’s licence is both quite important to be able to move around and support family, but also in gaining a job. We are very happy with the results so far. We are continuing to roll

the program out through the midwest, Gascoyne and the goldfields. I have heard and seen many stories of younger people, but a lot of older people, too. I heard a story yesterday of a 55-year-old Aboriginal woman who never had her licence; she had her learner's permit a number of times, but never got her licence. She has now got her licence. She was very proud to finally get her driver's licence at 55. To celebrate, she took her daughter out for dinner. Those are the stories that I love to hear. I love to hear the fact that people get independence, get jobs and feel good about themselves, and then feel good about contributing to society through working and supporting their family. It is a great program.

I have met a lot of people who had a lot of interactions with the justice system. In Ashburton—no, it was another group in Port Hedland; I cannot remember the name—I met people who had been in the justice system down here and had moved back up north to get away from some of the people who were probably impacting them. They went through the program to get their drivers' licences because they wanted to get jobs up north to start a new life. It is really achieving results. We have got great partnerships with the organisations that are out there.

**Mr R.S. LOVE:** I refer to page 581, "Maritime Facilities Program". I note that on page 583, there is an amount of roughly \$9 million in each of the forward years for that program. In the discussion on page 581 that I mentioned, paragraph 9 talks about the asset investment program. It states —

Significant projects being delivered in 2023–24 include the Fremantle Fishing Boat Harbour amenities building and services upgrade and the Jurien Boat Harbour high voltage electrical upgrade.

Can the minister explain what that upgrade is and what it will achieve? I might have some follow-up questions on that particular facility.

[10.20 am]

**Ms R. SAFFIOTI:** Sorry, I do not have further details, but we understand that it is to support improved safety and ageing infrastructure.

**Mr R.S. LOVE:** With regard to that facility in the future years, is there any plan to address the ongoing water quality problems that have been long identified and for which the department has a business case, I believe, to rectify?

**Ms R. SAFFIOTI:** There are a couple of issues. The first is the volume of seagrass wrack—it is amazing all these words I have learnt since becoming the Minister for Transport! We have increased the frequency of dredging and trialled other solutions, including trawling and the use of a bubble curtain barrier and aeration device. Further dredging was undertaken in February this year. As the member knows, there is a proposal for more significant works. We continue to seek funding to support the business case. The costs have moved from some of the original costs for the project, but we continue to seek further funding for the project.

**Mr R.S. LOVE:** Has the quality of the water at the marina caused there to be no firm expressions of interest for the areas around the marina that the department is advertising at the moment?

**Ms R. SAFFIOTI:** We are continually working to see whether we can support investment. I am not across whether we have received a firm proposal. I am always keen to see new developments and potentially help support those new developments, but I do not have that information.

**Mr R.S. LOVE:** I refer to page 572, spending changes. An ongoing initiative is the Western Australian bicycle network, including the principal shared path program, for which there is an extra \$5 million. What was that funding for, given that a program has been running for a number of years in the vicinity of \$25 million or more?

**Ms R. SAFFIOTI:** An additional \$5.4 million is to support two key PSPs—Glendalough–Hutton Street, and Mt Henry Bridge–Leach Highway, for Kwinana Freeway. This was administered through the Department of Transport, but the funds were from Main Roads. Main Roads allocated \$2.7 million and the other funds were from the unallocated PSP program to reflect the \$5.4 million, which is administered through the Department of Transport project.

**Mr R.S. LOVE:** Page 586 of the budget documents shows that in excess of \$20 million and up to \$40 million will be spent on the principal shared path program in each of the years moving forward. Has there been any impact on the design of the principal shared path network with the introduction of e-scooters and the like? Has that forced a rethink about the design to improve the safety for users?

**Ms R. SAFFIOTI:** We have already moved to much wider PSPs. I think the standard is at least four metres for PSPs. Some of the older PSPs are not as wide and flat as the new PSPs that we are developing. For example, on the Glendalough bridge over Scarborough Beach Road, which is part of the PSP connectivity program on the Mitchell Freeway, there is a separation of pedestrians and riders of bikes and e-scooters. The conflict between e-scooters and pedestrians is an issue, but we have always had that with bikes as well. When considering the program of priority, the department had three major priorities across the network. One of those was the northern suburbs and the Mitchell Freeway connectivity, because the PSP there was narrow and had to cross back and forth over the

freeway and had other interruptions. The department has created a far better—and it will be—and far more direct link between the city and Warwick Road or Reid Highway. Of course, we know that a lot of people use the Causeway bridge, which is made from the old concrete slabs that my dad used to lay around the place. It is very uneven and narrow and we see there a lot of interaction between e-scooters and pedestrians. That is why we brought in the new Causeway pedestrian link. The third is the Curtin Avenue–Fremantle PSP.

I have checked out the new Bayswater PSP as part of the Bayswater train station redevelopment. In many instances, PSPs are very wide and well lit and are divided with a line down the middle to assist users travelling both ways. The faster forms of transport always seem to disregard the slower forms; that is, motor vehicle drivers disregard e-scooter riders and cyclists, and cyclists disregard pedestrians. There is always a complaint that that interaction does not work. However, we ask everyone to share the road and share the path because we all have to share those. The new PSP designs are very wide and in many instances, particularly in areas of high congestion, there will be a separation of pedestrians from cyclists and e-scooter riders.

[10.30 am]

**Mr R.S. LOVE:** I turn to page 586 of budget paper No 2 and the coastal projects and zone management allocations. I see that there has been a reduction from \$6 million this year down to \$3.6 million in the budget year and then a fairly modest investment in the years after that. What does the minister envisage the demand for coastal protection will be on the department going forward given that about 50 hotspots have been identified? I have to put on the record that a number of those hotspots are in my electorate, so it is of significant interest to people in communities such as Lancelin et cetera. Has any thought been given to the fact that at some point, coastal protection will need to be taken more seriously than it is at the moment?

**Ms R. SAFFIOTI:** The increase was the result of some election commitments. Sometimes in these estimates, we will see a bump up because of dedicated election commitments. The changes from 2022–23 to 2023–24 are the impact of one-off election commitments. This is a major issue. We have secured funding, both through election commitments and other programs, to address the hotspots. It is a major challenge for the nation. On a number of occasions, we have put forward the case to Infrastructure Australia and to both federal governments, particularly the former federal government, to try to set up a national fund to support this issue.

In relation to WA, this is not the total amount that we spend on these projects. For example, a lot of work has been done on some of the top hotspots on Rottnest Island, which were Thomson Bay and South Thomson Bay, and Port Beach. Additional funds have been allocated to that project and other projects up and down the coast. We continually help councils support the science and management of plans. In many instances, there is always a debate between protecting existing infrastructure or a managed retreat. I think that will be a continual issue for us. Luckily, we have been pretty good with infrastructure near the coast compared with what I have seen in Sydney, New South Wales, where a lot of private homes have been impacted. We have not had that situation to the same degree. I note that we have a lot of public infrastructure. In the member's neck of the woods, we continue to monitor the impact on public infrastructure around caravan parks but more generally barbecue areas and roads. My view is that different decisions need to be made for different areas, particularly in situations in which the cost of moving public infrastructure might be less than trying to protect that infrastructure from the ocean.

The other point I wish to make is that the science of coastal erosion is very important. When I go up and down the coast, I see massive erosion because of a project that was delivered in the past that basically moved or worsened the impact on the coastline. Although I sometimes get a bit frustrated with the time that we take to undertake assessments on coastal projects, putting in a new seawall or whatever without proper plans and science sometimes means that they move and worsen the project or the issue moves up or down the coast. I have seen that occur in some projects. It is not a political statement but sometimes governments say, "We're going to do this to protect the coast", a project is carried out in the short term, and then we dig out the coastline a bit further down. It is very hard to protect against nature.

**Mr R.S. LOVE:** I refer the minister to the heading "Investing in Western Australia's Future" on page 573 of budget paper No 2. Paragraph 10 refers to efficient, safe and resilient supply chains. What is the department's level of activity in trying to determine how to lessen the state's vulnerability, as we have seen with the closure of rail line, not even on the Nullarbor, but in New South Wales, causing problems such as the flooding of various roads, and obviously the Kimberley situation? What emphasis is being put on that? I know the government had a little working group mainly around maritime efforts. What emphasis is there on ensuring a more secure supply chain into our state and through our state? We have a situation now in which basically one skinny road connects to the east. Is there an integrated approach towards improving that supply chain from within the department?

**Ms R. SAFFIOTI:** I will say a couple of things. First, some work has been undertaken by the Australasian Railway Association on the resilience and condition of the east–west rail line. It is not our rail line; it is a government-owned rail line, and some of the track to the east through South Australia is in very poor condition. The Australasian Railway

Association has put forward an investment program. We are very keen to support that. When we look at some of the costs of inland rail across the eastern seaboard, and I suppose the challenges the new Labor government has in proceeding with that project in an economically sensible way, the challenge is big but the numbers for the inland rail are massive. For a small percentage of that cost, the federal government can improve the quality of the rail line. We are not going to ask that the entire rail line be lifted but an assessment has been made on some small improvements. We are very supportive of that approach. Although most of the work will not be done within the state, the federal government would very much support the state.

The member is right; this issue is not just about the major 26-day disruption but the other disruptions from the east coast. We have to be very mindful of the final decision on inland rail and how that will impact east–west transport. We are very much getting across what is happening. Inland rail may have a very big impact on how our distribution centres are supported in the future. I believe that we all need to work together to improve the quality of the rail line.

The second point I wish to make is that we have learnt it is very hard to replace the volume of freight carried on rail with trucks. The volume is massive. The efficiency of rail is incredible. Given that 80 per cent of the packaged goods on our shelves come from over east, it would be very hard to quickly replace that volume using trucks. The major distributors have learnt and now hold more stock. That is a good thing. It probably impacts economics a bit. We very much support the decisions by the major retailers to hold more stock.

The third component is how we can better support other modes of transport. If we look at the north west and the Kimberley, rail is not really a factor. We saw what happened with the Fitzroy River. We need a more resilient road network. Not only are we replacing Fitzroy River Bridge, but we are also turning a number of single-lane bridges into double-lane bridges, which will help withstand flooding.

[10.40 am]

I refer to the impact on communities. It was demonstrated that not only is the major town disconnected, but the communities. Things such as the quality of the airstrip is very important. As part of this work we are undertaking an assessment of the quality and grade of 34 airstrips throughout the Kimberley, because airstrips become a vital connection. Even though a lot of focus was on the actual Fitzroy River Bridge, it was the roads leading to the communities that were flooded and continued to be flooded a lot longer than other parts. We are continuing discussions with the commonwealth about responsibility for what are known as orphan roads. Council does not want to fund them even though they should be, so there is a debate on how we can improve the quality of the roads and the airstrips.

Another component is shipping. Again, as I said, although it is hard to replace the volume on rail, shipping allows us to do volume for packaged goods. We are very much looking at having a better system established ready to move. Last time, we had no established relationships with any of the shipping lines. We had no mechanism to call upon the ships. The member for Kingsley has been very much involved in this work. We are looking at how we can have something that will stand up in a crisis and work for us yearlong, noting that in the Kimberley in particular we will have these disruptions time and again because of the extreme weather conditions. We are looking at how we can support or have a continued relationship through shipping to better move freight. With that comes capacity and capability of our ports to not only export and import what they currently do, but also improve facilities, whether they be in Derby, Wyndham or Broome, to support more general trade.

**Mr R.S. LOVE:** That is all very laudable, minister. Is there a time frame for any of the discussions to come to a conclusion so that some concrete actions can be taken?

**Ms R. SAFFIOTI:** All those actions are underway. The shipping task force is jointly headed by the member for Kingsley and will be reporting. We are linking in with what the federal government is doing. We will see a lot of movement happening there very soon. Work is underway on the two-lane bridges. The contract has been let. Work is underway on Fitzroy River Bridge. Australasian Railway Association has been sending its business cases to the federal government. We are very much supporting that. If the member looks at all the different mechanisms, he will see that we are working across all that. It will not all be done by a certain date because the challenge is massive. We also have two other projects, the Outback Way and Tanami Road, which will improve options for movement across there. Both those projects are in the process of being delivered, too.

**Mr R.S. LOVE:** Will the only outcome that we will receive be the report from the committee that the member for Kingsley is heading? Will that be the foundation of a strategy for a future plan of investment?

**Ms R. SAFFIOTI:** There is investment across ports, investment across roads and investments potentially to support shipping. That is very much reliant on a partnership with the commonwealth because shipping more than anything relies on a partnership across the nation, particularly in relation to how we enhance some shipping lines and also capacity on ships. For railway lines, we will continue to work with the association to support the case for investment in the east–west network.

**Extract from Hansard**

[ASSEMBLY ESTIMATES COMMITTEE B — Wednesday, 24 May 2023]

p244c-256a

Chair; Mr Shane Love; Ms Rita Saffioti; Mr Peter Rundle; Dr David Honey; Mr Geoff Baker; Mrs Jessica Stojkovski; Ms Hannah Beazley

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**Ms H.M. BEAZLEY:** I refer to page 573 of budget paper No 2 and paragraph 6 under “Significant Issues Impacting the Agency”. Can the minister please describe the benefits of the recently introduced regional airfare zone cap scheme for regional residents?

**Ms R. SAFFIOTI:** Yes. Again, we have received very strong feedback from regional residents on this program. It is the first time it has been introduced in the nation. I think it very much supports increased availability and accessibility of flights across the state. In the first six months, 66 000 zone cap fares were used by regional residents. That has increased to over 100 000 for the first nine months of the scheme. In this budget, we have increased the amount of funding to allow the scheme to continue to roll on. The zone cap operates under a partnership with five airlines—Air North, Qantas, Rex, Skippers and Virgin and, of course, now Nexus because of the new Geraldton flight. The feedback, as I said, has been very, very strong. We see this as one of the biggest initiatives to support cost of living in regional WA. It also helps people to make the choice to relocate their family and live and work in regional WA, noting that a regional resident living within 1 000 kilometres of Perth will pay \$199 one way and those living over 1 000 kilometres from Perth will pay \$299 one way.

**The appropriation was recommended.**