

RAILWAY (METRONET) AMENDMENT BILL 2022

Second Reading

Resumed from 24 March.

HON TJORN SIBMA (North Metropolitan) [3.24 pm]: I rise on behalf of the opposition to deal with the Railway (METRONET) Amendment Bill 2022. This is one in a series of bills effectively giving a head of power. It is an enabling act for the construction of rail; this is how we do things in the Western Australian jurisdiction.

There is absolutely nothing exceptional about this bill. It is not controversial to the degree that the legislation is in any way controversial. Where the issues are and where the interest lies is on the implications of the passage of the bill, which will hopefully provide some legitimacy to my speech in the second reading debate. In the course of the second reading debate, I will provide a broad overview of the genesis and development of the Metronet project overall but will focus on the specific dimension under consideration here. Ordinarily, I would attempt to go through a helpful process of identifying some of the five or six areas that I seek clarification on. However, I will probably take a slightly different tack this time in recognition of the fact that the Public Transport Authority, among other transport agencies, will be appearing at budget estimates next week and I think it is more appropriate that the more technical interrogation of matters takes place at that opportunity, and we may well come back to the Committee of the Whole House stage after the winter recess to clarify any areas that remain outstanding.

The act provides the statutory authority for the government to do a number of things simultaneously. One is the rebuilding of the Armadale line, which is I think 130 years or so old. In essence, this is a very ambitious project to come out of the bill. It will attempt to do quite a lot all at once. That might give the government an indication to the tenor of this address, which is to be very careful, cautious and pragmatic about doing this. This project involves the removal of about a dozen level crossings, which I think would come as a blessed relief to the communities concerned. I will use the opportunity to ask how many other level crossings exist outside of this project scope within the metropolitan area. I am obviously familiar with some along the Fremantle to Subiaco line, but I will address that later.

Probably the most interesting engineering dimension of this project, which will obviously have a bearing on land use planning and activation of space, is to elevate the rebuilt Armadale train station and the link through Victoria Park and Cannington. I think that project is particularly ambitious. It will very obviously affect other transport and land use infrastructure and utilisation for those local government authorities and the communities therein. The bill will also enable the construction of six new stations at Byford, Armadale, Carlisle, Oats Street, Queens Park and Cannington. I assume that there will be some implications, too, because once we start making amendments at one part of the line there will be consequential implications on where other lines and spurs intersect. I think there will be implications as well for the Beckenham and Thornlie stations. If memory serves me correctly, I think the Beckenham station was only recently rebuilt, in the last decade or so; I might be wrong about that, but I look forward to hearing the Leader of the House's second reading reply speech correct me where it can.

The most controversial dimension of this project, though, is not the project itself, but the obvious disruption that all creative activity generates. In late February this year, the Minister for Transport and the Premier—foreshadowing, somewhat, the introduction of this bill into the other place—noted that the consequences of getting on and doing this would mean that the Armadale line would have to endure a prolonged temporary shutdown of some 18 months' duration. If my timing is right, I believe that that commences at the beginning of 2023 and should take us into the middle of 2024.

I do not know whether that is a realistic time line. I hear differing commentary around that. Some people whose stock in trade is infrastructure delivery believe that that is probably undercooking it somewhat. I am not necessarily sure. An understanding of some of the assumptions and preconditions that have gone into that assessment are worth drawing out in some way. When it was announced, regrettably, it came as some surprise, obviously, to the affected commuters, but also to at least three local government authorities that will be impacted. Some surprise is always expressed at these times and claims are made of a lack of consultation, and to some degree, to be realistic and pragmatic, we have to take those claims with a grain of salt. To the minister's credit, she has said that she is at least giving them a long time to prepare for that.

However, I have attempted to ascertain the optimum outcome, because effectively, as a chamber and as a public, we are expected to take on trust that assertion that that is the least-worse option. That is effectively the proposition that we have been asked to consider. I do not know whether that is true or not, so I have sought clarification of that through the customary fashion. Obviously, when we construct these kinds of questions and put them in without notice in the course of question time, we speak a political language, and some of the language is loaded, obviously, but the essence of the question remains a sound and proper one. I have not had responsibility for providing opposition oversight of Metronet for very long—it has probably been six or seven weeks—but once I got that responsibility, I took it upon myself to ask a series of questions in early April about this shutdown. I think they are

germane to this issue. It will be impossible for the minister to answer me today, but those questions can at least be anticipated in the estimates hearings next week.

On 5, 6 and 7 April in this house I asked a version of this question —

I refer to the announcement by the Premier and the Minister for Transport on Sunday, 20 February informing the public of the government's decision to shut down the Armadale line for up to 18 months, including the statement "While a number of shutdown options were examined, the extended shutdown was the preferred option".

- (1) On what date was the decision made to shut down the Armadale line for up to 18 months?
- (2) How many shutdown options were examined and what were they?
- (3) Will the minister table the advice that led to the preferred option being selected; and, if not, why not?

The very fact that I am raising this issue in this forum in the context of this bill is because I did not receive an answer. I thought that was a reasonable series of questions to put. I followed up the following day, 6 April, probably in a slightly more agitated way and I again put the question to the minister, but the minister refused to provide an answer that was helpful at all. I tried a third time on 7 April, but I included an additional question and asked who provided the advice—the Public Transport Authority, Main Roads or whether it originated from some other third party, potentially a private sector party. I did not know. But the essence of the inquiry remained the same, and it was obviously not answered. If it had been answered, I would not be raising it in this context. I will put a proposition to the house. There must have been a determination or realisation at some stage that there would be quite a significant disruption to delivering this project. I think that is likely, because the project concept has morphed, evolved or grown over the course of the last four to five years. Probably the most challenging dimension to this is the decision for elevated rail through Victoria Park and Cannington. I looked at the budget line and that dimension is not projected to be completed until the 2025–26 budget out year, so it is still some time away, but I will go back to that.

There was a point that this dimension of Metronet became slightly bigger than *Ben Hur* and there would invariably be a commensurate increase in the scale of disruption. I am simply interested in understanding that decision-making process, because, as I referred to earlier in the day, a lot of these major components in the overall Metronet umbrella have grown in terms of their projected capital cost. We can be reasonable about this and we do not need to be unduly political, but Metronet's original formulation in early 2017 was effectively a \$3 billion project with some pretty clear demarcations about its limits—the Yanchep rail extension, the Morley–Ellenbrook line, the Thornlie–Cockburn Link, and the Byford extension, which is germane to this bill, although it goes a bit beyond Byford now to Mundijong. I do not know whether that was the original concept or there has been a little bit of growth in doing that. It is probably very good for the residents of Serpentine–Jarrahdale, so I do not decry that, but it is very important to recognise that Metronet overall has grown with the level of its subprojects. If memory serves me well—I am going back to 2017–18—there was a very clear determination by the government at the time to bring in another piece of legislation, the Infrastructure Western Australia Bill 2019, which established a standalone agency to look at strategic infrastructure needs in the state. In a way, that seems strange, because it was to advise the government on what its capital works allocation should be.

There was a decision of government not to refer Metronet projects to that process of internal scrutiny and assessment. I am going completely off memory, but there was a slight adjustment when we pointed that out and it was then announced that no stage 1 Metronet projects would go through that process but subsequent Metronet projects would be subject to that process of internal state-focused scrutiny in a way that made sure we were making resource allocation in a sensible and economic way. The language about stage 1 and stage 2 Metronet seems to have dissipated and we now have this amorphous umbrella that covers a lot of other projects that are not rail projects; they are road projects that bear some intersection with the railway but also some cyclepaths. I do not make any value judgement on that, but we are dealing with a peculiar beast that is overall 300 per cent larger than the original concept.

A consequence of growing Metronet overall and growing the bits that constitute the overall organism is that it will be more expensive and it will cause more disruption. By attempting to do all of it at once the government will invariably rub up against constraints in the system, whether they be labour constraints, capital constraints, sheer physical constraints or supply side issues with availability and the cost premium for critical materials for construction. We are at that point now and face some very challenging economic and financial headwinds. In light of all of that, there will be an enduring focus in this debate, as there was in the other place, about the government's ability to manage the risk exposure. That is important because when we take all the individual elements that constitute what will be permitted via the passage of this legislation, we are talking about at least a \$2 billion capital cost. That includes redoing the rail, extending the rail, removing at-level rail crossings and building five or six new train stations, all within a very compact period. To be inelegant about it, the government has bitten off more than it can chew with its current project scope.

Because we have had a long week, and because I can sometimes be compassionate, if only taking my own self-interest as a guide —

Hon Sue Ellery: You should think about my interests.

Hon TJORN SIBMA: I do. I will not say that they are foremost in my mind, but they run a pretty close second or third.

Hon Sue Ellery: What are you about to unleash on me though?

Hon TJORN SIBMA: I am not. I do not want to prolong the debate because I think that would be needless. The proof of the government's competence in financial and project management terms will not be in debate on this bill; it will be in the delivery of it. I might just recap some of the issues that emerge as a consequence of that. I will list them in a way that the Leader of the House does not need to take down, but someone might take note of. I attempt to be honest in my dealings here, so it must be said that Metronet overall has grown as well because of the generosity of the previous coalition government. In my estimation, it was overly generous and it funded projects that we would have to look at again if they were to land on our desk today. It does not apply to this particular dimension. I believe that the Morley–Ellenbrook line might have a benefit–cost ratio of something like 1.2. Yanchep might be slightly higher, around 1.3 or 1.4. These ratios are determined by Infrastructure Australia in its evaluation reports. Some of them can be found online and others cannot, which is why I pose the question. I am interested to know what is the benefit–cost ratio on this project. I suspect that the previous federal government decided to fund it because it was BCR positive and what made it BCR positive was probably the removal of those crossings. I suspect that it is not so much what is being done on the railway, but all the subsidiary and ancillary work, which is where the economic value lies. If that is true, I would like to know about it. However, why the BCRs on Metronet and any Metronet component are likely to be a challenge, struggle to build up a case to make them positive and economic, can be seen not so much in the statistics but in the expansion and contraction of our federal electoral divisions.

We went to the 2016 federal election with an additional seat, the seat of Burt. Two elections hence, Western Australia lost a federal seat with the abolition of Stirling and the growth of Curtin and Cowan as some sort of compensation. That is the political reflection of population boom and bust in Western Australia over a decade. My point is this: we are not in a strong population growth scenario at present. I could not tell members what it is, but obviously the border closure and COVID-19 had an external influence on that, and that is beyond anybody's control. The state's population is not growing very rapidly, and pre-COVID-19 and continuing to this day there has been declining patronage on the metropolitan rail network. That decline commenced in 2014 or 2015. Every year patronage had fallen until the impact of COVID, when it obviously fell through the floor. Patronage take-up on the metropolitan rail network is unlikely to recover to its pre-COVID level for a number of years. In fact, that is conceded, although expressed slightly differently, under the Public Transport Authority in budget paper No 2, volume 2. The target the PTA set itself is a recovery in patronage up to around 85 per cent of pre-COVID patronage levels. What is that to say? That is to say that fewer people choose to take the train. There is an argument to say build it and they will come—the Kevin Costner *Field of Dreams* approach to infrastructure financing. If we are guided by that, we might live to regret some of it. However, the point is this: we do not have a significantly large population base. This is not a government's fault; it is a landform, geographic equation. We have a narrow coastal habitable strip in Perth. The Gordon Stephenson plan was adopted in the late 1950s, I think. I am sure people here can correct me. As seminal and important as that plan was, it was almost made redundant within the first five or 10 years because of the economic boom in the 1950s and 1960s, with more disposable income and commuter choice to take the car and the availability of cheap land. Our landform decisions and determinations, and liabilities to some degree, were set 50 to 70 years ago. Over time, Perth has become a commuter, personal car–oriented society. There is a cultural preference to utilise a motor vehicle, and that is reflected in patronage.

What is all this to say? The expansion of the metropolitan rail network is what Metronet is. The government uses the language that it is transformation—it can use any positive adjective it likes—but in utilisation terms, functional terms, I do not see where the transformation truly is. That is not to be pedantic about it. However, when a government effectively gets close to doubling the amount of track that constitutes the rail network that is pre-existing, when it builds a number of additional stations and it does it all at once, and the population does not grow to increase the base level patronage that is required to keep it economic in the terms that we enjoy today, it will have no alternative other than to subsidise the fares recouped. That has been a standing practice of each government. The government has talked about the collapsing in and restructuring of its fare structure. I think that is a very good idea from a commuter basis; it makes perfect sense. But everything we do has a consequence. Invariably, when all of this comes online, if indeed it comes online in the next three to five years, there will be an impact on the recurrent budget of any future state government in at least two dimensions. First, on the operational costs of just running the transport network, which is about service line 1 or 2 and the Public Transport Authority. If we take out the salaries, it is about \$1.5 billion a year. The current rate of fare subsidisation for the next financial year is projected to be around \$800 million. The government is already approaching \$2.5 billion per annum in recurrent costs to run the public

transport system. I am interested to know what the impact will be when we effectively double that system and we do not have a population or a patronage base to support it. That will invariably invite—well force, not so much as invite—future governments to make some very difficult decisions. Although we do not object to the Railway (METRONET) Amendment Bill 2022, we will use the opportunity to highlight some obvious challenges with not only with this dimension, but also Metronet overall.

I might also ask the government to clarify where it has landed on finalising the contract for this construction. Following debate in the other place, the minister seemed to indicate that the government was very close to landing a final contract decision. I hope that is the case, but obviously this work is being forecast in an environment of exceptional labour market tightness and a risk premium on steel and concrete, the cost of which is about 50 to 60 per cent higher than it was 12 months ago. We are moving into a very high-cost financial environment. An indication, therefore, of the peak construction workforce required to undertake this work and what the availability of labour is likely to be to deliver the project would be very helpful information indeed. An indication of the government's risk mitigation strategies around the materials cost dimension is very important as this project overall is worth about \$2 billion in current 2020 dollars.

Earlier I referred to the announcement about the disruption. I do this again to illustrate the point that if we get to the clause 1 debate—we probably will not get there today; the Leader of the House has gone above and beyond this week with clause 1 debates and we might not get there again today—I might indicate very clearly what I will be seeking during that debate. If it is at all possible, can she deliver the project definition plan for the project overall and its respective elements that will be enabled and authorised by this bill? I would also like an indication of what the benefit–cost ratio for the overall project is likely to be. If that information has been provided to Infrastructure Australia, which has not reported it yet, and can be provided, that would be very helpful. Effectively, that is all I seek.

As I said, the Railway (METRONET) Amendment Bill 2022 will become an enabling act. It is not the kind of legislation that one invests too much rhetorical effort into. It is not an opportunity to reach for the marble. It is actually quite a practical, very concrete piece of legislation. It is simple legislation, but the consequences in financial terms, in commuter terms and on the lives of Western Australians over the next five or so years is certainly not trivial. I look forward to receiving some answers not only next week, but also when we get to the bill after the winter recess in the minister's second reading reply and throughout the committee process.

HON NEIL THOMSON (Mining and Pastoral) [3.54 pm]: I want to rise to add to the comments made by Hon Tjorn Sibma. The Railway (METRONET) Amendment Bill 2022 is quite narrow in its scope. The project itself is a construction project, but the implications are considerable. In terms of the implementation of this bill, some matters are worthy of consideration and going on the public record.

With respect to Metronet in a general sense, the challenge that Western Australia has, particularly metropolitan Perth, is that the government has a deadline and it has to meet certain commitments. As Hon Tjorn Sibma just explained, those commitments may have changed or morphed over time, but in a general sense the government's commitments were laid out during the pre-election period of 2017 and we are now in their delivery stage. What we are seeing across the board in terms of the nature of this government is that its focus on delivery seems to put less emphasis on engagement with communities and local government and on the development of strategic planning frameworks to ensure that the state gets the maximum outcome for its investment. This is a significant investment. When I say significant, it is unprecedented across both federal and state governments. It is an unprecedented investment. There are some risks going forward, and it is important that the opposition raises those as we go headlong into delivering what is a good thing in terms of improved public transport access and the removal of level crossings in particular. Those things are important; nobody will dispute that those things are good. But we have not seen sufficient engagement with local governments. I have heard from senior members of local governments that lie along the Armadale line that there was no knowledge of the 18-month closure until immediately before or at the time of the announcement of it in the media. There are concerns about how the land that is to be freed up will be activated and who will be responsible for its management. We have seen the significant challenges faced by this government when delivering in the land space; we have certainly seen it in my region and with DevelopmentWA. I can only hope that a sufficient assessment will be done on how the planning will be managed going forward. The community is concerned about the potential for overlooking a range of other matters to do with the raised section of the line. Unfortunately, history is littered with many bad designs such as viaducts, if you can call them that, in particular. Unless they are properly activated underneath, they can become a centre for antisocial behaviour rather than a centre of community activation. All those matters need to be considered.

This bill is focused on enabling construction. We see a minister who is very focused on the outcome of building a train line. The minister is very much the sort of minister who likes to put on a fluoro jacket and hard hat and get out there and do it. However, concerns have been raised by senior people in the planning and development sectors, and also in the local government sector. For example, there is a concern that in the focus on Metronet—this huge spend of upwards of \$10 billion—not enough investment is being made in the development of other forms of public transport in the inner and middle-ring suburbs, such as light rail. There is also a concern that not enough

effort is being made in the strategic planning piece that would result in a more active community and enable greater densification in and around the key points and nodes that will be serviced either by Metronet or by the public transport arrangements that will connect into the Metronet network. My counsel to the government is to use a small proportion of this investment for that purpose.

I think the government is biting off more than it can chew and it will not result in an immediate improvement in the public transport piece. We see the data on the patronage of public transport across Western Australia. My understanding is that patronage peaked in around 2014, so it was not a COVID issue, and has been declining ever since. Obviously COVID did have an impact, and some small improvement has been made since that time. However, the question has to be asked about the effectiveness of this spend, particularly in view of the concerns raised about the lack of emphasis on the urban planning piece and the development of alternative transport opportunities.

We are at a critical moment in public transport and transport in general. We are at the cusp of a transport revolution. Things are changing very rapidly. I recall, for example, how quickly things changed in the taxi industry. When I was in Treasury, I worked with a group on the development of a privately-funded buyback scheme. The other members of the group were a person from WA Treasury Corporation, a person from the Department of Transport, and a then member of the Legislative Council, Hon Graham Giffard. The former Minister for Planning and Infrastructure, Hon Alannah MacTiernan, will know all about this. I raise this because in 2002–2003, to the credit of Hon Alannah MacTiernan, for whom I have a great deal of respect, she had the vision to promote the idea of an equitable, privately-funded buyback scheme for the taxi industry. As I have said, I was a member of that four-person working group. In my briefings at the time, I raised the issue—I did not use the term Uber, because at that time Uber was not a term—of the threat that ridesharing would come our way because of the ability for people to digitally connect to what we were talking about at that time, which was minibuses. We were talking in Treasury about how someone could send a text and a minibus would be at their door and they would jump in it. Obviously, if we had thought that through a bit more, we might have thought about Uber, but we did not. However, we knew that change was coming. I know that the taxi industry and the Transport Workers Union were fully behind that. I think it was a great piece of work, honourable member, but it was completely scuttled by another former member of the Labor Party, Brian Burke.

Hon Alannah MacTiernan: He was just the agent. The real villain was Kevin Foley.

Hon NEIL THOMSON: I agree.

Hon Alannah MacTiernan: Unfortunately, the taxidivers were led by Brutus, who betrayed the membership in order to advance the interests of Kevin Foley and potentially themselves. It was disgraceful. I think Brian Burke was just the agent.

Hon NEIL THOMSON: I must say that the sad outcome was that they lost badly, because what happened is that Uber came along. We have had some attempt at repair more recently, but we are talking about a huge reduction in that effort.

Hon Alannah MacTiernan: We did not actually have any new taxi licences; all the ones from then on were leased.

Hon NEIL THOMSON: Minister, I know it well, because I was drafting memos in support of what the minister was doing in making a slight change to the act by bringing in leasing arrangements. That was a piece of genius. I was involved in that, and the minister was supporting it and working on driving that, so we can agree on this.

The reason I make this point is that things change very quickly. Things in the transport sector are also changing very quickly. We now have a new opportunity. It is called autonomous vehicles. It is a digitisation of transport networks. In the next 20 or 30 years, this will completely transform the nature of public and semi-public transport and any form of ride-sharing. In fact, in the planning space, people are thinking about the fact that in 30 or 40 years, people may not own a car. People may just get on the app and a car will rock up and they will jump in it. That car may go along a freeway at a reasonable speed in some sort of convoy, and be powered efficiently, without any fossil fuels —

Hon Alannah MacTiernan: By hydrogen.

Hon NEIL THOMSON: Absolutely—by hydrogen, or whatever. The problem is what we are investing in. I am not opposed to investment in the heavy rail metropolitan network. However, we are going headlong into a massive investment in tracks and wires. That really is twentieth century technology, and even earlier. I have seen in Berlin networks of electric-powered trams that were built in the 1800s. We are investing very heavily in that. I hope that the smart people in the Department of Transport are pulling back a bit and saying, “Keep your options open, folks. Don’t overinvest in something that may not attract people to the same extent as some of the other options.” We need to move people from A to B efficiently and reduce congestion, but we must have our eyes open and be alert to the future. That is why I shared that story about the taxi industry, because 10 years later the taxi industry was deeply regretting that it had not accepted the very generous offer that the minister opposite had managed to put on the table of an off-balance sheet paid arrangement.

I am not confident in this Minister for Planning. There seems to be a fixation on just build it and build it, and keep putting the price up. As I said, I have my ear to the ground. I am listening to the people in local government. I am listening to the people in the planning sector. I am listening even to the people in the development sector. They are all saying the exact same thing: there is not enough emphasis on strategic planning. We need to think about it within a strategic and holistic framework.

We have a bill here that is just a few pages long, and it seems like not very much. We heard from the honourable member about not needing to go to committee—of course we do not! The bill will enable something, but it is not just a construction project. This is about that ecosystem—I will use the word from our previous discussion, provided to me by the Leader of the House—of the metropolitan region and how we are going to integrate our communities and integrate people with the places they need to go. That is actually what this project is about: integrating people with the places they need to go.

A member interjected.

Hon NEIL THOMSON: Absolutely—we need to have something more about that, because more work should be done. As an example, we saw the work that was done on the train maps in London. The maps used to show the distance people had to travel, and they were quite confusing. In 1936, someone came up with the idea of taking a topological approach to mapping out the stations. That set the standard for how we get to stations. There was a reason for that. For public transport, whether it be a train, even an Uber, a taxi or a tram—whatever form of public transport—the equation is simply the number of steps that someone has to take from their living room to the door of the form of transport, the time they have to sit there, and the number of steps they have to step out. Of course, people should think of it more in a topological sense than in some spatial sense. That is a piece of work that needs to be done. We do not see any of that assessment being done. Again, we are treated like mushrooms in this place. We do not see the detailed assessment, whether it be the benefit–cost ratios, the modelling or the work on planning integration. We just hear that the government is going to build some viaducts and we are told the place will be shut down for 18 months. That 18-month shutdown, by the way, is going to have a huge impact on the internal rate of return. We know that. When we assess the life of the project, because of the discount rate, there will be something like only a 30-year time frame, even though the asset may live longer. That delay is going to have a massive impact. I would like to have had a supplementary document—some sort of green paper—with all that detail in there that says that this is actually all okay. It just does not seem to be right. There is an 18-month delay during which people will have to use other forms of public transport that will be a lot less effective than the train, and that will have an impact on the internal rate of return. I hope that the people in the Metronet unit are doing that work. I hope that the people in the Department of Planning, Lands and Heritage are also doing that work.

I think we have a real risk in Perth. I think we have a fantastic rail network, and, again, I want to honour Hon Alannah MacTiernan for her vision on that, and the many years of work she has done on that, because I think that we have had a much more concentrated process under this portfolio than during the previous Labor government. But I am worried that we are now taking very much a build-it approach, and we are just biting off way too much—more than we can chew—and we are going to saddle ourselves with something that will not fully utilise the full benefit because we have not done the hard work behind the scenes to ensure that we will get the full outcome.

In closing, I want to say this: please talk to local governments. Look at a governance structure of consultation. I have been told that the governance around the NorthLink project, for example, was pretty good. I have been told that something like that should be applied to this project, but it has not been applied, because we are just charging on. We will whack it in, spend the extra money and keep putting the price up. Where is it going to go to—\$15 billion? I do not know. When will it stop?

We should be taking more time to engage, plan and consider the community outcomes, because Perth is a beautiful city, we have world-class transport networks, and the future is coming very soon.

HON DR BRIAN WALKER (East Metropolitan) [4.15 pm]: I rise to speak on the Railway (METRONET) Amendment Bill 2022. I will not take up a great deal of time at all. The first thing I want to do is thank the minister for a fulsome briefing. That was more than I expected. I thank the minister and her team for that. I discovered at the briefing that I could ask fairly wideranging questions, so a lot of my concerns were allayed at that very, very helpful meeting. It is also fair to say that the staff with whom we were engaging knew their stuff inside and out, or up track and down, I suppose.

A member: They've got a one-track mind!

Hon Dr BRIAN WALKER: Do not bet on it! Metronet is a very important development, especially for my electorate. I think all of us are concerned about whether the outcomes are going to be good. We know that the level crossing removal process has caused some traffic problems and headaches locally, but the minister and her department have met this in a responsive manner. They have tackled those problems and I am quite happy with what they have done.

As has been said earlier, the 18-month closure will be a big headache, but if we look at the options that have been offered, it seems that this one big hit might be better than multiple smaller hits. I can see the logical reasoning for this and I take that on board. I am not a planning person, so I cannot say, but this seems to have been well researched, and I am reassured by that—not happy, but reassured.

Of course, at my clinic in Serpentine, not very far from Byford, I have spoken with people in the area, and I am finding the universal response is that they are happy with the idea. They are very happy to have the train line coming down to their area, and I wonder how much further south it will go in the future, because I know that that area where I work is one of the fastest-growing areas in WA and will require an influx of infrastructure to accommodate the growing population we have. I will watch that build with interest. I drive on the roads regularly so I will see what happens on a regular basis, but at the moment I am simply glad to see that the project is progressing, and it will have the support of our party.

HON DR BRAD PETTITT (South Metropolitan) [4.17 pm]: I will also be brief, but I think this is an important issue. Obviously, as has been said before, the Railway (METRONET) Amendment Bill 2022 is extremely straightforward, but there is some context for this that I think is worth putting on the public record.

It is probably no surprise that I am a big fan of public transport. I think that Metronet as a whole is a really good project. It is one that deserves our support, and it is important as it will give people in Perth good transport choices. But there are reasons to have a critical eye on parts of this project.

There has been a bit of talk by previous speakers about some of the cost–benefit ratios of this project. Obviously, I have only what is available in the public realm, but certainly Infrastructure Australia’s early analysis of this, which was done in terms of the inner part of this project, is actually pretty telling. I raise it in the context of what I hope is a constructive contribution on where I think public transport investment in Perth needs to go. But to outline it quickly, certainly as it was initially proposed in the public realm by Infrastructure Australia, the cost of this project was going to be \$883 million and the benefit was to be \$314 million. We actually had a net present value of negative \$569 million or a cost–benefit ratio of 0.36. I appreciate that that project has since been modified, but I cannot find the modified update. I am not sure how much better it would be, but I think we would all agree that that is not a cost–benefit ratio that we would expect a project of this spend to end up with. There are reasons for that, and that is at the heart of some of my reservations about this project. It is a Metronet project, but it is not really a public transport project. The reason I say that—this comes from the Infrastructure Australia report—is that 4.3 per cent of the project will benefit public transport users, while 90 per cent will benefit road users or those who drive cars. That is okay. There are reasons for that, but let us not pretend that this is a public transport project. It is a project to reduce congestion for car users. It will have some other benefits to do with vehicle incidents and those kinds of things, but they will be marginal. It is largely about reducing congestion for vehicles.

We need to be clear about these kinds of projects. I acknowledge some of my concerns about this project, and they are concerns because, as I said, fans of public transport want to make sure that the public transport that we invest in works and gives us the best bang for our buck. The broader concern about Metronet that I have raised previously is that Metronet is good, but its limitation is that it has so far been predominantly focused on projects that extend the network to the urban fringe. The Armadale project will remove the level crossings and extend the line to Byford. We also have the Yanchep and Ellenbrook projects, and even the Forrestfield project falls into that category. It is predominantly about extending the network. Hon Neil Thomson talked about some of the ongoing problems with that. I think we have to do that; we have to give people in the outer areas transport choices. But if we are serious about creating a city in which people can move around by public transport and have a true choice of not moving around by car, Metronet is not going to work unless it also has a range of projects that simultaneously give people options in the inner realm. At the heart of my reservations about this is that Metronet is heavily weighted towards the urban fringe and is heavily underinvesting in public transport outcomes in the inner ring. If the only outcomes are reducing car congestion in the inner ring and removing some of the level crossings, people will not be encouraged to get out of their cars; people in the inner ring where there is congestion are not being given new options to move in other ways. That is a real concern. There are reasons to look at this project in that light and ask how it could be done better.

The other issue, which I think is a really big one and applies not just to this project but to many Metronet projects, is that it is not better enabling transit-oriented development or, to put it another way, a proper connection between land use planning and transport planning around train stations. One of my reservations with raising level crossings is that it undermines transit-oriented developments. It is very hard to do a transit-oriented development when a railway line has been raised. I recently had meetings with both the City of Armadale and the City of Gosnells on this issue. It is part of their frustration. Armadale has a really interesting structure plan for what it would like to see in the Armadale city centre, but it assumes that the railway line will be sunk, not raised. The question now is: can some of that infill be achieved with office space and residential apartments when there is a raised structure in the middle of it? It could be done, but it would be much harder. In fact, best practice is not to do that, and I appreciate that that has cost implications.

We have to be careful that we are not designing out density around train stations and walking catchments as we do these things. Train stations are an asset. Good planning means that the 800 metres of land around a train station

is focused on apartments and offices and a mix of other uses that are all within a walkable catchment of the train station. The poorest use of a train station, which unfortunately we are doing too much of, is using those 800 metres for a car park. Unfortunately, that is too often the formula that we follow again and again. It is a waste of what should be a key asset in what we are doing. We have to get better at this. I did a field trip with representatives from the City of Gosnells and we talked about both the Maddington and Kenwick train stations. The local government wants to do transit-oriented developments around those train stations, but there obviously has to be a partnership with the state government to do those. The Kenwick development cannot happen because there is a \$5.6 million sewerage project around the station.

Hon Matthew Swinbourn interjected.

Hon Dr BRAD PETTITT: It is not much more than that. If Hon Matthew Swinbourn has another number, I would love to hear it, but it is not a lot of money, especially when we are talking about a project —

Hon Matthew Swinbourn interjected.

Hon Dr BRAD PETTITT: It would be a wonderful investment if the local government were to partner —

Hon Matthew Swinbourn: Did you see what the City of Gosnells did around Beckenham station?

Hon Dr BRAD PETTITT: We need to see collaboration with local governments —

Hon Matthew Swinbourn: Have you seen the mess it made around Beckenham station with its infill development?

Hon Dr BRAD PETTITT: The point that was made by Hon Matthew Swinbourn is that the City of Gosnells made a mess around Beckenham station, but I would say that this highlights all the more why we need collaboration on infill developments between the state and local government to get good joined-up planning on transport and land use around train stations. I think the City of Gosnells has done some good work on the Gosnells centre; it is good stuff. I know that the state has been involved in it as well. Let us not drop the ball on this. This is an amazing opportunity to address sprawl and get these projects and transit-oriented developments right.

Obviously, I am going to support this bill, but while we are talking about Metronet and the Armadale line, I want to highlight the opportunities that are being wasted and how we could be doing this better. This is big money. These are the kinds of things that we need to be spending it on. I like that this government is focused on delivering more public transport, but we have to do it well and in a way that links up with land use planning and transit-oriented developments and gives people the choice not to get in their car but to move around in other ways. That is when our cities work. I just wanted to put that on the record. Hopefully, as we go forward, we will see more projects that give people those options about how they move around our city.

HON SUE ELLERY (South Metropolitan — Leader of the House) [4.27 pm] — in reply: I thank members for their contributions to debate on the Railway (METRONET) Amendment Bill 2022. President, I need your guidance on how I should do this. I want to effectively adjourn this debate so that when we come back after question time, I can read in bills and I will do my second reading reply then. But I do not think I can move to adjourn the debate because I have closed the debate by standing. I do not know what I am supposed to do.

The PRESIDENT: Leader of the House, you could commence your remarks and seek leave to continue your remarks at a later stage of the sitting.

Hon SUE ELLERY: I thank members for their contributions to the debate.

[Leave granted for the member's speech to be continued at a later stage of the sitting.]

Debate thus adjourned.

[Continued on page 2931.]