

SOUTHERN RAIL PROJECT, BUDGET

1392. Ms K. HODSON-THOMAS to the Minister for Planning and Infrastructure:

I refer to the article in today's *The Australian Financial Review*, and the minister's admission today, that the Government is to concede a further \$100 million-plus cost blow-out on the southern rail project, and that these additional project costs above the Government's revised \$1.4 billion budget have been factored into the Government's mid-term budget review.

- (1) Can the minister confirm that the Government cannot deliver the project within the budgeted \$1.4 billion as she promised?
- (2) Given that the budget for this project was revised upwards from \$1.1 billion to \$1.217 billion in July 2001, and again to \$1.4 billion in May 2002, and now to \$1.5 billion, how can the people of Western Australia have any confidence in the Government and the minister to deliver this project within any responsible budget limits?

Mr E.S. Ripper: That's a misleading question. You didn't escalate the figures.

Ms K. HODSON-THOMAS: How many times will the Treasurer escalate it?

Several members interjected.

Ms A.J. MacTIERNAN replied:

(1)-(2) Yet again -

Several members interjected.

Ms A.J. MacTIERNAN: Here we have the old lie that somehow or other -

Withdrawal of Remark

Mr R.F. JOHNSON: Mr Speaker, the Treasurer knows that he has just crossed over the boundaries of the standing orders and the code of conduct in this place. He just referred to the Opposition as a dishonest Opposition. I ask that he withdraw it.

The SPEAKER: His comment is getting close to breaching the new standard in this place. However, I do not think the Treasurer actually said the magic word lie, so I do not think there is a need for a withdrawal.

Questions without Notice Resumed

Ms A.J. MacTIERNAN: I was referring to the old lie claimed by members of Opposition that they would be able to build the discredited Kenwick deviation line for \$1.1 billion based on 1998 figures. We know something about the credibility of members opposite when they made no decision and refused time and again to escalate those figures and to go to the people of Western Australia at the last election with a set of honest figures. The Government has addressed that matter. I will go through the detail again. The proposal of members opposite was \$1.1 billion plus \$70 million - which members opposite always forget - for their busway project, plus the escalation. It is true that ultimately there is a difference between the discredited Kenwick option and our rail option.

Several members interjected.

The SPEAKER: Order, members!

Ms A.J. MacTIERNAN: That difference is \$120 million. What do we get for that \$120 million? We get a railway project that is \$15 million per year cheaper to operate than the Kenwick option; a railway system that will capture 40 per cent more patronage; and a railway system that will not operate at full capacity on the day it opens. The discredited Kenwick option, which sought to bring two railways into one, would have condemned forever the people of the south west and south east corridors to a substandard rail system; that is, a lesser system than that delivered to the people of the northern suburbs. The Government is very proud of this project. After 10 years of talk, we are now ready to start. We will see construction start on this project in the next three months.