

STANDING COMMITTEE ON ESTIMATES AND FINANCIAL OPERATIONS

2016–17 ANNUAL REPORT HEARINGS



**TRANSCRIPT OF EVIDENCE
TAKEN AT PERTH
THURSDAY, 15 FEBRUARY 2018**

**SESSION TWO
PUBLIC TRANSPORT AUTHORITY**

Members

**Hon Alanna Clohesy (Chair)
Hon Tjorn Sibma (Deputy Chair)
Hon Diane Evers
Hon Aaron Stonehouse
Hon Colin Tincknell**

Hearing commenced at 11.33 am

Hon STEPHEN DAWSON

Minister representing the Minister for Transport, examined:

Mr MARK BURGESS

Managing Director, Public Transport Authority, examined:

Mr KEVIN KIRK

Executive Director, Finance and Contracts, Public Transport Authority, examined:

Mr RICHARD SELLERS

Director General, Department of Transport, examined:

Mr ANTHONY KANNIS

Project Director, Metronet, examined:

Mr RICHARD FARRELL

Principal Policy Adviser, Office of the Minister for Transport, examined:

The CHAIR: On behalf of the Legislative Council Standing Committee on Estimates and Financial Operations, I welcome you to today's hearing. Can the witnesses confirm that they have read, understood and signed a document headed "Information for Witnesses"?

The WITNESSES: Yes.

The CHAIR: It is essential that all your testimony before the committee is complete and truthful to the best of your knowledge. This hearing is being recorded by Hansard and a transcript of your evidence will be provided to you. It is also being broadcast live on the Parliament website. The hearing is being held in public, although there is discretion available to the committee to hear evidence in private. If for some reason you wish to make a confidential statement during today's proceedings, you should request that the evidence be taken in closed session before answering the question. Agencies have an important role and duty in assisting the Parliament to review agency outcomes and the committee values your assistance with this.

Minister, have you got a brief opening statement?

Hon STEPHEN DAWSON: I do not, Madam Chair.

Hon DIANE EVERS: My questions relate to pages 28 and 29, and the comments on the reduction in the use of road and rail services. I am interested to know whether there have been any surveys or engagement with potential commuters. Are we actually going out there and trying to find out why they are not using the system?

Hon STEPHEN DAWSON: Thanks, member. I will ask Mr Burgess if he can provide a response to that.

Mr BURGESS: It is interesting that our best year in terms of patronage was 2012–13, and since then we have done a lot of work, particularly with our colleagues in Treasury and Transport, trying to work out what the issues are. We also do talk to our passengers. I think your question is: have we had specific engagement and surveys on this issue? We have a wider one, which is the public satisfaction monitor and so on, which obviously covers some of those issues. I do not think there is

any turnoff on public transport. That is my sense. Our satisfaction ratings are as high as they have ever been—94 per cent on train and 89 per cent on bus—and dissatisfaction ratings are really low. We have rolled out more bus services and more train services in terms of the new rolling stock. I do not think it is an issue of the quality of the service delivery. What we did note with our colleagues in Treasury is that almost all of the public transport outcomes can be directly paralleled to what has happened in the economy. Since that 2012–13 high, standard boardings—that is, people who are full-fare paying and therefore related to jobs—have dropped about 17 per cent. Concession boardings—kids going to school, pensioners travelling for their various needs and university students—have dropped by only one per cent. At the same time, as you will be aware, the state population has actually gone backwards, because we have had some of that reversal from the boom, if you are allowed to use that word. Even though population has dropped a bit, our concession boardings have hardly changed. It is all about standard boardings, which is mainly job-related travel. We know there are various measures—the property council and others—but there is around a 21 or 22 per cent office vacancy rate in the CBD. A key part, particularly of the train business, is the morning mass transit into town and in the evening carrying people out. Train boardings in particular have been hit by the job market in the CBD.

Hon DIANE EVERS: I notice on page 101 in your KPIs for usage that it has dropped. Given that you said you know why it has dropped—due to the economy—it seems that the targets have all gone down again for next year. Is that because you are expecting the economy to fall further? It seems like around the world everybody is pushing to try to get more people on. I know the government is investing half a million dollars, I think, in advertising how wonderful it is, which is not even a drop in the ocean. Why would the targets be dropping further, when I would assume that we are actually trying to get more people onto public transport?

[11.40 am]

Mr BURGESS: We work with Treasury on setting those targets, as much as anything, for bodies such as Parliament to have realistic targets.

We could shoot for the moon, I guess, but we are trying to come off a base where we have had five years of consecutive drop. We are trying to be realistic and not set targets that we cannot achieve. I have to be honest; we are not seeing it as yet. We will probably have some artificial inflation. We are doing very well out of the stadium so we are carrying lots of people. That will do good things for our patronage. One of the interesting observations of various people, including the minister, in fact, is being on a train and seeing people coming away from the stadium not knowing things like where the door button is on a train. These are not regular users, but they are people who are now being exposed to public transport and will hopefully go, “This ain’t so hard.” It is a useful measure to actually encourage people to think about public transport.

Hon STEPHEN DAWSON: Member, can I assure you that obviously the government, and particularly the minister is doing everything she can to ensure that people are using public transport in this state.

Hon DIANE EVERS: It is interesting you should mention the stadium. I guess it just shows what happens if you do not build lots of parking places near where people want to go and they find other means. I am interested to hear—but it would not be a part of this particular hearing—how we are going to get more people on there in addition to spending half a million dollars to tell them how wonderful it is.

The CHAIR: I will make a note of that, too, for the committee’s consideration.

Hon AARON STONEHOUSE: I refer to page 7 and plans to build a new station at Karnup on the Mandurah line. Are you able to expand further on these plans and give them a little context. For

instance, what is the time frame and what are the projected costs? I would be interested to know if the business case for Karnup has been compared to that of, say, Golden Bay where there is already a growing community in need of a transport hub. Could you speak to that?

The CHAIR: Again, I just point out that that is a broader question than the annual report, but let us see what the agency is able to provide us with.

Hon STEPHEN DAWSON: We are obviously very happy to be as helpful as we can be. I will ask Mr Kannis if he is able to provide an answer to that one.

Mr KANNIS: The construction of the Karnup station, which was provisioned for when the southern railway line was constructed, is part of the program of new stations. There has been no estimated cost made of the project. Pre-election, it was identified in a group of a number of new stations to be constructed. That work is happening at the moment to identify the estimated cost. I am not in a position to give you that at this point in time, but it is something that would be considered during the budget process.

Hon AARON STONEHOUSE: I have a general question around the falling patronage we have seen over the last couple of years and the emergence of on-demand transport services or quite disruptive services. With the emergence of on-demand transport, has the authority looked into its impact on patronage across WA and has any modelling been done around that? I am also wondering in a more general sense whether the authority has looked at ways of integrating on-demand ride services with the services that the PTA provides themselves—say, on-demand ride services to connect between bus routes and train routes and so on? Can you speak to that at all?

The CHAIR: Just keep in mind the former advice I have provided that if there is work done in the 2016–17 year in relation to that, can we have a discussion about that and any other information you have prepared and brought with you.

Hon STEPHEN DAWSON: I will ask Mr Burgess to provide a response. Madam Chair, we take your guidance in terms of the parameters. Member, if you do not get as much as you want in terms of this answer, I am very happy on a subsequent occasion to organise a briefing for you if you have an interest in this area, but I will ask Mr Burgess to give a response.

Mr BURGESS: In terms of the fiscal year, there is nothing concrete in the annual report about it. Is it in our headset? Yes, it is. We have 11 bus contract areas, and some of those obviously operate in the outer parts of the metro area where there is potential. Having said that, potential may exist in the inner parts of the metro area. Do we think Uber, to mention one, would have a significant impact on us at the moment? No, we do not. It is an extension of the taxi system in many ways. It deals with smaller numbers and we are about mass transit largely. Having said that, as I mentioned, we have 11 bus contract areas and three contractors. Two of those contractors are involved in trials on the east coast and internationally on on-demand. It is very much a trial. We talk to them all the time about how those trials are going. This morning, I had an early morning board hook-up of the UITP, which is the international public transport association, Australia and New Zealand. One of the subjects talked about at that board meeting was how the trials are going. In fact, there will be a session in a couple of months with very specific briefings from New South Wales. They and Queensland have led the way in Australia on trialling some on-demand services. It is really at the margins because it is not truly on-demand. Most of it you have to book hours ahead, if not a day ahead, so it is not really on-demand at the moment. But we are watching very closely what happens in those jurisdictions. In terms of what equipment you need to do it, typically it is around a software system, a booking system, then how effective is it? One of the interesting dimensions to it is, and certainly for the ones in New South Wales, is that you pay for the on-demand service; it is not part of your public transport ticket. For government, that would be a significant consideration if the on-

demand service, which will obviously cost an amount of money and will carry smaller numbers of people. If that was to be rolled into the public transport ticket, the revenue impacts versus cost impacts would warrant close consideration.

Hon COLIN TINCKNELL: I would like to revisit that line of questioning I was going to look at before. The director general heard my comments before. It is regarding page 63 where there is no line in regard to the payment of Merredin transfer fees, as per the 1967 agreement between the state government and CBH. I have quite a few questions on this, so could I ask those please?

The CHAIR: Just to clarify, it was a question asked in a previous hearing with the Department of Transport and it refers to an agreement in 1967 between CBH and the state government. It is about a series of payments that are not showing up in the account. Could we get an update on that why it is not showing in the financial statements?

Hon STEPHEN DAWSON: I am happy for the member to ask his questions. I daresay we will probably have to provide an answer by way supplementary information, so I take it on notice. Can you ask your questions in this session for Hansard and for the rest of us, and if there is any answer we can give now, we certainly will. Otherwise, we will provide you the information with our supplementary answers.

The CHAIR: They may not have come prepared to answer that specific question. Is there a need or why are there not any —

Hon STEPHEN DAWSON: To be fair, Mr Burgess was not in that last session. If the member does not mind giving us the question again —

The CHAIR: That is why I explained it.

Hon COLIN TINCKNELL: Were any payments made in regard to the Merredin transfer fee in the 2016–17 financial year? That is my first question. Do you want me to keep going?

[11.50 am]

Mr BURGESS: I believe it would be better if we took it on notice, but the information I can provide you at this stage is that there was legal advice to the government of the day around it and my understanding and recollection is that the responsibility for the payment transferred with the sale of the business to the below-ground leaseholder, but I put that out there subject to confirmation and better —

The CHAIR: Okay, so let us take B1 as confirmation of whether the debt was transferred to the new owner of the rail line.

[*Supplementary Information No B1.*]

Hon COLIN TINCKNELL: My follow-up questions were: If the answer is no, when was the last payment made? Was there or was there not an agreement between the government and CBH to cancel the Merredin transfer fee? If the answer is yes, when was that signed; and, once again, if the answer is no, is the government liable for back payments? That is basically what I need to know.

[*Supplementary Information No B2.*]

Hon COLIN TINCKNELL: I am done with that. My next set of questions are all to do with SmartRider, generally referring to page 20 of the annual report and also page 30 of the annual report. I will start with page 30 and my first question is under “Reliability”. Which regional town bus services do not have a SmartRider ticketing system?

Mr BURGESS: We are probably better off taking it on notice. My response is: all of the larger regional towns have SmartRider, but in order to be very specific, I think we are in nine what we call regional towns and I think there might be a couple at the bottom end in terms of population size.

Hon COLIN TINCKNELL: I am happy with that answer.

[Supplementary Information No B3.]

Hon COLIN TINCKNELL: Is there a further plan to roll out the SmartRider ticketing system to further services, further towns?

The CHAIR: Just keeping in mind that that is a future question, but I will hand that to you, minister.

Mr BURGESS: Effectively, the Transperth bus contract model, which has been internationally recognised as a very successful contract model and recently almost copied into Singapore, has been rolled out to the regional towns. Similarly, the SmartRider model has been rolled out to the regional towns and for those where it has not been rolled out, it will be; that is the intention. Similarly, they have the same livery and the “Trans” name—TransAlbany, TransBusselton, TransGeraldton—all the same service standards.

Hon COLIN TINCKNELL: I refer to page 45, “Case Study”, for this question. I ask for an update on the upgrade of the SmartRider ticketing system. You have virtually done that; that was my next question, so I am pretty happy with that. Following on this line of questioning, obviously free travel on public transport is currently utilised by WA seniors, aged, disability pensioners and carers and at certain designated times by veterans and at all times via the SmartRider card. If those eligible do not have a SmartRider card, is free travel still available to them with the presentation of an ID card or can they buy a cash ticket?

Mr BURGESS: Ever since we rolled out SmartRider, a very successful product, we have made it to key groups like seniors, and it is free. We encouraged and engaged with the office of seniors and gave them the machines to make the new cards, because the state seniors’ card used to be a different sort of card. We provide the ticket product, they print the seniors’ card on one of our SmartRiders so on one side it will say you are a senior but it has the chip inside and it is a senior’s SmartRider at the same time, for free. Similarly, we have that arrangement with schools. We have a bureau service that provides all the cards to schools. They put in the request and within 48 hours or so, they have the cards back. Since the government has done that in such a positive way, our preference and our policy position has been that the SmartRider is the proof of concession. The reason we do that is we have back-office exchanges, so we nightly exchange data with Centrelink and if someone falls off an entitlement and is no longer entitled to concession fares, their card reverts to standard. Similarly, we have exchanges of data with universities and other tertiary institutions to make sure that if someone falls out of uni, they do not get the entitlements. We have never been the agency to bestow a concession entitlement on someone; we recognise other institutions, so in the case of veterans’ affairs, they decide which category of veteran someone is, and different categories of veterans get different entitlements. We honour, I guess, the entitlements of other agencies as per agreements with government over many years. You are right; we use the SmartRider as proof of concession. We do not really want to see your university card. You can buy a cash ticket at concession rates and show us your tertiary student SmartRider that says you are actually a tertiary student, and we can check whether that is still valid. You may not have value on it, you may not use it to pay for your ticket, but that will be the way we check whether you are entitled to it.

Hon COLIN TINCKNELL: You have answered my next three or four questions on that area, so that is great. I am really, really pleased with that answer. Is it true that it currently costs the general public

about \$20 to obtain that SmartRider card—\$10 for the card and about \$10 for a minimum fare? Is that right?

Mr BURGESS: For a standard one, that is correct. The basis of that is that that \$10, the card will have \$10 of value on it. We allow someone to travel on the assumption that they have enough of a fare for the minimum distance, so a two-section or one-zone fare. By putting \$10 on it, we make sure that it is not actually profitable to just go and get a new card every day and go to Mandurah. The \$10 is actually yours to use, but we are making sure you do not just get a new card every day because it is cheaper to get a new card every day, if you understand what I am saying.

Hon COLIN TINCKNELL: Yes. What is the cost of producing these cards? Is that an easy bit of information to find out?

Mr BURGESS: It would be an easy piece of information. They are relatively cheap. The ones we will move to with the new SmartRider system that is mentioned will be more expensive.

[Supplementary Information No B4.]

Hon COLIN TINCKNELL: The last question is —

Mr BURGESS: Just to be clear, obviously the cards are a bit different in terms of the base cost of the card and whether it is one through the bureau service to get a school. There is obviously the cost of the bureau service, I guess; just to be clear about which cost we are after.

Hon COLIN TINCKNELL: Just the general public card.

Mr BURGESS: The cost to produce and the info shop to buy, basically.

Hon COLIN TINCKNELL: Yes. How many of those cards have been distributed over the last period of time as per the annual report? How many cards have we produced?

Mr BURGESS: We will probably have to take that on notice.

[Supplementary Information No B5.]

Hon COLIN TINCKNELL: Thank you very much.

Hon TJORN SIBMA: Minister and gentlemen assembled, I refer you to page 72 of the annual report. A matter that springs up during these hearings is the timing of when these annual reports are tabled and the point at which we find ourselves now in the financial and calendar year. Since the PTA has said that it is looking ahead, I would like to use this opportunity to look ahead as well.

Hon STEPHEN DAWSON: If only the world were that simple!

Hon TJORN SIBMA: These little nuggets do not come along very frequently!

The CHAIR: Please, member, feel free to ask away and we will see how we go with this one!

Hon TJORN SIBMA: Thank you very much. The document refers to the pressures in building a Metronet system in a pressing time frame and in a climate of budget restraint. My very simple question is: what time frame is the PTA working to to deliver on Metronet? Presumably, as Mr Kannis outlined during the previous hearing, a range of subprojects fall under this broad umbrella. Can we get some indication as to what time frame we are moving towards?

[12 noon]

The CHAIR: As I pointed out, broad scope—if the information is available. We will see how we go.

Mr KANNIS: The latest official time frames are those that were published by the Labor Party before the election, so they are the latest official target time frames. However, those time frames would

be subject to budget processes and other issues that would affect the time frames for the project. That would be my answer to that question.

Hon TJORN SIBMA: Just to clarify my understanding, and it might be incorrect, so this is potentially for you, minister, the opportunity to correct my understanding of the time frame. My appreciation was that the tranche of projects outlined under the broad Metronet umbrella are to be delivered by 2021. Is that correct?

The CHAIR: Keeping in mind that the minister is the minister representing, so it is unfair to ask questions of policy directly to the minister. However, let us see what advice and the answer that the minister might be able to provide.

Hon STEPHEN DAWSON: It is my general understanding that commitments that were made at the election would be delivered in this first term of government; however, as the chair pointed out, it is not my portfolio, so I cannot give you a definitive on that. That seems to be the general rule of thumb.

Hon TJORN SIBMA: Might I get a sense, as foreshadowed in the statement in the annual report, what the full cost of delivering on that pledge within this term of government might be?

The CHAIR: Again, member, I will accept the question. I will allow the minister to make a response. It is a budgetary question and one probably better directed to budget estimates hearing, but I will allow the question.

Hon STEPHEN DAWSON: Member, no, unfortunately I cannot give you that information. As Mr Kannis previously alluded to, these projects need to go through the budgetary process, so that includes ERC and cabinet. That will happen periodically. Not every project will go through the same time, so over the next few years. Unfortunately, the information does not exist, essentially.

Hon TJORN SIBMA: I am sure it exists, but it is not disclosable.

The CHAIR: Not in the context of these hearings.

Hon TJORN SIBMA: I will have to follow up at some other time. I might end up in the same position that I am in at the moment, but nevertheless, I am compelled to ask on page 55. It deals with two Metronet—I will call them subprojects; I do not know what the terminology utilises, but I will call them that. Presumably, on page 55 under “Planning for the future” it states —

- Progressed planning investigations for a number of METRONET rail initiatives ...

Blah, blah, blah. The next dot point states —

- Progressed finalisation of the Thornlie Line Extension and Yanchep Rail Extension ...

As Mr Kannis outlined in the prior hearing, these are getting priority attention. May I ask what level of progress was attainable within this very narrow time frame and precisely where we are today, if I might?

The CHAIR: Perhaps I can help with rephrasing. What has progressed on that dot point?

Hon TJORN SIBMA: Presumably, there has been more progress since.

The CHAIR: And any other information.

Hon TJORN SIBMA: And any other relevant information.

Hon STEPHEN DAWSON: Certainly, we can provide you with information for 12 June to 30 June 2017, but perhaps Mr Kannis might be able to give you a little bit more information than that.

Mr KANNIS: It has actually been made public that on 2 August 2017, the preliminary business cases were provided to Infrastructure Australia, so they are transmitted. The process that needs to happen after that is the project definition phase. We are in that phase at the moment.

Hon TJORN SIBMA: Thank you. This bears on how another agency deals with this, so by all needs tell me to refer myself and my curious mind to Infrastructure Australia. At what point in the development of the business case or the project definition study does it become a lodgeable document with Infrastructure to the degree with which they record, "We have received a submission." Can I get a sense of that—an understanding of how the process works?

Mr KANNIS: When the project definition document is complete and approved by cabinet, that is when it would be submitted to Infrastructure Australia. However, I should point out that we share the information in draft form with Infrastructure Australia, so it is not like they get it cold. In answer to your question, the official point is when cabinet signs off on the project definition plan.

Hon TJORN SIBMA: Then there is advice transmitted to IA to say that effectively this is the final, formalised, cabinet-endorsed version for your consideration and at that point Infrastructure Australia goes, "Okay, we have received it." The first two projects will be the Thornlie rail extension and the Yanchep rail extension.

Hon STEPHEN DAWSON: Mr Kannis has indicated that you are correct.

Hon TJORN SIBMA: And we are in the middle of that process now, okay, fantastic.

Mr KANNIS: Towards end of that process.

Hon TJORN SIBMA: Towards the end of that process, okay. No doubt we will be advised when the process is completed. Again, this question refers to another agency, but help me understand how this plays out. What is the usual Infrastructure Australia practice or has there been any obligation committed on their behalf to you in terms of dealing with a submission by a certain period of time?

Hon STEPHEN DAWSON: Again, member, you are kind of stretching the boundaries; however, I think we have got Mr Kannis's experience here, so if he is happy to provide some response to that.

Mr KANNIS: The reality is that they have not put a time frame on how long it would take them to review them, but coincidentally the whole Infrastructure Australia board is in Perth today reviewing the locations of our projects.

Hon TJORN SIBMA: What a happy coincidence!

Mr KANNIS: That just shows the level of engagement and they are not going to see our projects cold. What we provided them in August was not insignificant. It was 600 pages worth of stuff. So, they have reviewed and given us feedback on that already. That is why we are hoping to make that process a bit simpler.

Hon TJORN SIBMA: Brilliant. Again tell me to refer myself to Infrastructure Australia, but effectively, as I understand it, they receive documents, basically ascribe a "submission received" status and then they have another process, presumably running in parallel, that affords priority status to certain economic impacts delivered by these projects. At what time would they update their national priority list to reflect the receipt of the Metronet submission?

Mr KANNIS: They will update that—in fact, I think they are in the process of updating their lists at the moment. If projects are in the system, they will refer to them as "initiatives", but they will not make them priority proposals or approve business cases until they have reviewed them in detail.

Hon STEPHEN DAWSON: Mr Kannis, can I confirm that there is no statutory time line though for them to act within a certain period of time?

Mr KANNIS: No, there is not.

Hon TJORN SIBMA: My final question, just in this line, is that I want to understand how it works. For the moment, when I last checked maybe four weeks ago, you go to the Infrastructure Australia website and they still have the Perth Freight Link up as a priority project. I completely understand it will not bear any reflection on where the government's view on that project is, but for the meantime it is still up there, still recognised as providing significant economic benefits. Is that project going to remain there or will Infrastructure Australia come to the conclusion that the present government does not want to prosecute this, so it will drop off the list and will find something else to replace it with?

The CHAIR: Member, I would hazard a guess that Infrastructure Australia could probably account for the content of its own website, but I will direct the question to the minister to see whether they have any information about the way in which Infrastructure Australia identifies its priorities.

Hon STEPHEN DAWSON: I am not sure we can provide an answer to that. Obviously, as the member quite rightly pointed out, that project is not a priority for this government. In fact, this government does not support the project.

We have a number of projects that we do prioritise and certainly, as Mr Kannis pointed out, work has been occurring since August last year with Infrastructure Australia in terms of hopefully getting those projects to the top of their list. But certainly in terms of when it might drop off their website or whatever else, we cannot comment.

[12.10 pm]

Hon TJORN SIBMA: Staying with Metronet on a slightly different tack, at the prior hearing Mr Kannis identified that remediation of a number of level crossings was also a Metronet component. Elsewhere in your annual report you deal with—I think at page 77—identifying strategies to deal effectively with reducing safety incidents at level crossings. Is it possible to provide some data as to which level crossings the PTA is looking to remediate by priority and time frame and also—there are two bits to this, that is priority and time frame—the other element is which of the ones fall within the Metronet bucket and which would fall in the generalised PTA bucket? Can I get a sense on that?

Hon STEPHEN DAWSON: Obviously, knowing that we are dealing with the 2016–17 annual report, I might ask Mr Kannis for what information he can provide.

Mr KANNIS: To deal with the ones that have been committed to by the government for level crossings, Denny Avenue, Oats Street, Wharf Street and Caledonian Avenue, one of those has been funded in the budget. Denny Avenue at \$69 million has been funded; the others are all subject to the budget process. I do not want to speak on behalf of Mr Burgess, but also there is a review happening of all the level crossings across the public transport system. I believe there are about 31 level crossings across the system. As part of our review of the work that has been promised by the government on the Armadale line, we are not just looking at those three on the Armadale line that have been nominated; we are looking on all level crossings along that line to see what way forward we have. I might be encroaching into Mr Burgess' understanding.

Mr BURGESS: Just to be clear, there was no separate and still is no separate PTA capital appropriation for level crossing removal. Really, the four identified as part of the Metronet initiative would be the first. I cannot remember the last level crossing that was removed in Perth. It was probably Lord Street 14 or so years ago.

Hon NICK GOIRAN: Minister, on page 153 of the annual report is a portion of the financial statements. I just refer you to the third line item under number 18, "Other Revenue", "Advertising income." It indicates that in the reporting period, the advertising income was \$7 852 000. Can you

or one of the officers advise the committee what component of that advertising income was derived from advertisements displayed on Transperth buses?

Hon STEPHEN DAWSON: Member, thank you for the question. We would probably have to take it on notice. I will ask Mr Burgess to respond.

Mr BURGESS: That would cover all of the advertising, member. The buses, the trains and obviously we used to have and still do have a reasonable number of static posters, mainly on the train system. We have also got the digital ones now on the train system. That is the total number. We would have to take it on notice to get the specific bus ones.

Hon STEPHEN DAWSON: Certainly, member, if you are after that, we are happy to provide that.

Hon NICK GOIRAN: Perhaps before it is taken on notice, Madam Chair, it would be best if what could be then taken on notice is an itemised breakdown of the advertising income for the reporting period.

Hon STEPHEN DAWSON: We can provide that information.

[Supplementary Information No B6.]

Hon STEPHEN DAWSON: That is a whole line item, the advertising income—where it has come from and the different portions of it.

Mr BURGESS: Buses and trains and static.

Hon STEPHEN DAWSON: That was correct, member?

Hon NICK GOIRAN: Yes, very good. To the minister, you will see that same line item then compares in the annual report the advertising income to the previous year. There is a \$160 000 decrease in advertising income. Are you or one of the officers able to advise the committee for that difference?

Mr BURGESS: Again, we could take that on notice, but I do not think it is related to any specific change or initiative; it would just be reactive of market fluctuations, how much various companies have to spend. I have had numerous briefings over the years on this source of revenue in terms of companies and how they spend their marketing budgets. Typically, television tends to get top bill, and then radio and what they call the outdoor market—on the backs of seats you see on the side of the road, on bus shelters, all of that. Even though the outdoor industry tries to promote it very hard, it tends to be the lower hanging fruit which will drop off their marketing spend if things get a bit tighter. They seem to think they get better bang for their buck out of TV and so on. That would, I think, just probably reflect a fluctuation in the market at the time.

[Supplementary Information No B7.]

Hon NICK GOIRAN: Further to that then, minister, is there a registry maintained by the Public Transport Authority, keeping a record of all the advertisements that have been approved on Transperth buses?

Mr BURGESS: The management of the advertisements is obviously an outsourced function through a contract, and that would require them to have a record of all advertisements that have been on our buses, trains et cetera.

Hon NICK GOIRAN: But the PTA would not keep a record?

Mr BURGESS: I am happy to be corrected by my business, but I do not believe so. I think we would call on our contractor to supply that record.

The CHAIR: Do you want to take it on notice?

Hon NICK GOIRAN: Not just yet, Madam Chair. Perhaps I could just ask the witness to further clarify that. I have previously asked in Parliament to the transport minister, via the minister representing,

to provide to Parliament a copy of the advertisements that were approved for displays in a particular calendar month. Indeed, I did ask that for the month of April last year, in the reporting period. The minister kindly provided me with a copy of each of the advertisements. There were indeed 45 advertisements approved for display on Transperth buses in the month of April. In order for the minister to provide that information to the Parliament and provide the copies of advertisements, someone must have a record of them.

Mr BURGESS: Certainly. We are happy to take that on notice.

Hon NICK GOIRAN: But at this point we are not sure whether it is the department —

Mr BURGESS: Off the top of my head, I cannot tell you where that record is kept, member.

Hon NICK GOIRAN: Have you got responsibility for this contract or the outdoor advertiser?

Mr BURGESS: Me, as the PTA? Yes.

Hon NICK GOIRAN: As part of that area of responsibility, are you able to indicate how easy it would be to access that information?

Mr BURGESS: Of all the advertisements?

Hon NICK GOIRAN: In a particular calendar month.

Mr BURGESS: Yes. My sense was we had actually supplied a lot of the advertisements in various months.

Hon NICK GOIRAN: With respect to the month of April 2017, the performance by the minister and the department is exceptional. I am just wondering how easy it was to provide that information to Parliament.

[12.20 pm]

Mr BURGESS: Again, I will take the question on notice. I am not sure how much workload was involved in supplying it.

The CHAIR: Member, if you could just be clear with the minister and Mr Burgess what it is you actually are asking for, and then perhaps we can—what is your goal in this—provide the information in a much more clear and smooth way.

Hon NICK GOIRAN: The first thing that we need to know is whether a registry is maintained. Has that been taken on notice already?

The CHAIR: No. You suggested that we hold that until you finish your line of questioning, but it is getting a little bit confusing so we do need to be a little bit clearer.

Hon NICK GOIRAN: I think we should take on notice then whether a registry is maintained.

The CHAIR: Yes—registry is one.

Hon NICK GOIRAN: And who maintains that.

The CHAIR: Who maintains it.

Hon NICK GOIRAN: Thirdly, if we can then take on notice how much time is required to access that registry to provide to Parliament one month's worth of advertisements.

Hon STEPHEN DAWSON: I am happy to take all three on notice.

Hon NICK GOIRAN: Yes, they are all taken on notice. That is excellent. Just to help you with your question to me, Madam Chair, as to where all this is going —

The CHAIR: That is three. We will take all that as B8.

[*Supplementary Information No B8.*]

Hon NICK GOIRAN: I was advised by the minister, in response to another question, that the minister provided information for April and provided information for May. When it came to June, which of course is still in the reporting period, the answer provided to Parliament was —

Providing this level of information —

I should say for the benefit of *Hansard* that I am quoting from question on notice 276. I will continue —

Providing this level of information is an extremely time consuming process, as the Member appears to be requesting a schedule of all advertisements appearing on every Transperth bus each month.

And the answer goes on. I think it would benefit the committee to find out how time-consuming this process actually is.

The CHAIR: Can I suggest a way forward on this? You have already asked that question and we have put that on notice.

Hon NICK GOIRAN: Yes.

The CHAIR: Is there anything specific about that for —

Hon NICK GOIRAN: If the witnesses are happy with the context and happy to take those questions on notice, then I think we are done with respect that portion of the questioning.

The CHAIR: Okay.

Hon STEPHEN DAWSON: Mr Burgess just wants to clarify something.

Mr BURGESS: There is a crew every night that goes to bus depots, take signs off, and puts new ones on. I am not sure what the level of detail is required as how long a sign was on a bus for in a particular month or —

The CHAIR: No, I think the member is pointing out the perceived inconsistencies in the answers that have been provided to Parliament, and so he would like some clarification. You were able to provide the answers for two months, and then on a third month the answer was that it takes too long and it is too labour intensive. He is asking how long does it take to collate that information, and what is the impost on the agency to collate that information for one month.

Hon NICK GOIRAN: Extremely well summarised, Madam Chair.

The CHAIR: Yes.

Hon STEPHEN DAWSON: Yes, absolutely. We are happy to provide that information by way of supplementary, and obviously I will give the member the answer to the question he wants.

Hon NICK GOIRAN: Further on this —

The CHAIR: Sorry. Just to clarify, all of that has been put into B7 and B8.

Hon NICK GOIRAN: Minister, what is the criteria for determining whether an advertisement on a Transperth bus is prohibited or not?

Hon STEPHEN DAWSON: Thank you. I will ask Mr Burgess to comment. We may well have to take this on notice and talk to the people who do it on behalf of state who have the contract, but I will ask Mr Burgess to respond.

Mr BURGESS: To contextualise it, the company, my recollection is, has the same contract in every city of Australia. Some years ago one other company broke into that market—JCDecaux instead of

APN—but my recollection is that it is now APN. I could be wrong; one city may be out of step. That is all about having market power in terms of you go and engage with Cadbury and Coca-Cola or whoever, and you can sell the ads on the buses or trains around the country. It is a fairly substantial outfit. It is not like they are sort of having a go at this, so to speak. They are reasonably accomplished. What they do is abide by the Australian Advertising Standards Bureau, who would be the same people who control content in other places as well. Typically, if a member of the public has an issue with an advertisement around Australia that they see, they would take that up with the Australian Advertising Standards Bureau. Having said that, the government sought to remove, for example, alcohol advertising, and that is the process occurring. We have tied that to contractual renewal, so that is happening sooner on the train front than on the bus front. It will happen at the natural end of the bus contract, which I think is next calendar year, and the train contract alteration is this calendar year—that is my recollection. Alcohol was a specific issue that the government asked us to address, and in negotiations with APN, that has been addressed.

Hon NICK GOIRAN: Does APN decide what is prohibited and what is not?

Hon STEPHEN DAWSON: Member, we will have to take that on notice. I think it is actually national standards, but I will have to take the answer to that on notice and we will provide the answer by way of supplementary.

[Supplementary Information No B9.]

Hon NICK GOIRAN: You might not need to take it on notice.

Hon STEPHEN DAWSON: Have you got the answer there?

Hon NICK GOIRAN: Madam Chair, with your indulgence, I might just provide a copy of the Public Transport Authority's advertising policy to the minister. I am happy to provide you with a copy as well.

The CHAIR: So you are asking for that information to be tabled?

Hon NICK GOIRAN: Well at least be referenced by the relevant witness.

The CHAIR: We need to table it. Is it a public document?

Hon NICK GOIRAN: It was provided to me in response to a previous question in Parliament.

The CHAIR: So it does not need to be tabled because it is already—sorry. Was it provided to you in the context of a question you asked in this committee or in the context of a question that you asked in the Parliament?

Hon NICK GOIRAN: It was tabled in the Legislative Council on 6 September 2017.

The CHAIR: So a question that you asked in the Parliament?

Hon NICK GOIRAN: Yes—well, tabled there in whatever context.

The CHAIR: Okay. So it does not need to be re-tabled. We can circulate this document. It is entitled "Public Transport Authority: Advertising Policy".

Hon NICK GOIRAN: Minister, you will see there that this document has been signed by the managing director, Mark Burgess. Its active date is January 2017, and the review date is January 2020. It sets out the criteria 5.4 on prohibited advertising. Is that the list that the APN must comply with to determine whether something is prohibited or not?

Mr BURGESS: Correct.

Hon NICK GOIRAN: Now —

Mr BURGESS: So this would be reflected through the contract arrangements.

Hon NICK GOIRAN: All right.

The CHAIR: Member, I just point out that you have one and a half minutes left.

Hon NICK GOIRAN: You mentioned that alcohol was now going to be added to that, so does that mean that this policy will be changed or has already been changed since the date this was tabled?

Hon STEPHEN DAWSON: I will ask Mr Burgess to respond.

Mr BURGESS: It will need to be updated, but those changes have not been implemented as yet.

Hon NICK GOIRAN: When will that be happening?

Mr BURGESS: My recollection is within about a month or so on the train system, and I cannot remember when the bus changes. As I recall, it is next calendar year on the bus system.

Hon NICK GOIRAN: I would just like to provide to you and to the witnesses a couple of advertisements that were on Transperth buses in April of last year. These documents have already been tabled in Parliament.

The CHAIR: Were they tabled in Parliament as part of the budget estimates hearings or in response to questions asked on notice?

Hon NICK GOIRAN: You may recall that I earlier said that the minister provided me a copy of all the advertisements in April 2017. This was one of them, and it was tabled by the minister.

The CHAIR: I am asking the question in order to determine whether a document needs to be tabled for the purposes of this committee. So, it was April 2017. Was it in response to a question asked in this committee or in response to a question asked in the Parliament?

Hon NICK GOIRAN: In the Parliament.

The CHAIR: So we do not need to move a separate motion to table this document.

Hon NICK GOIRAN: It was 11 May 2017.

The CHAIR: So it can just be circulated for members' information.

[12.30 pm]

Hon NICK GOIRAN: It was question on notice 3. Minister, you will see there an advertisement for Sexpo that was approved for and was on Transperth buses in April 2017, according to the minister. Can you or the officers advise the committee whether that is prohibited advertising in accordance with the policy?

Hon STEPHEN DAWSON: I will ask Mr Burgess if he can comment.

Mr BURGESS: I thought this had actually already been addressed in the house. When this was raised, clearly it concerned a number of people—not massive numbers, but a number of people in the community raised it. It was certainly directed to be taken down, and it was taken down as quickly as it could be taken down once those complaints were received.

Hon NICK GOIRAN: Can we get taken on notice the date that a decision was made to remove the advertisement and how that decision was communicated?

The CHAIR: To whom?

Hon NICK GOIRAN: To whoever has to take it down.

The CHAIR: To the operators as distinct from the general public or the complainants?

Hon NICK GOIRAN: No, I am not worried about the complainants. A decision was made by somebody to remove this from Transperth buses—a decision I applaud—but that would obviously have to be

communicated to someone to pull them down. I would like to know when the decision was made and how it was communicated to whoever takes it down.

[Supplementary Information No B9.]

Hon NICK GOIRAN: I have got one further question, if I can have the indulgence of the committee.

The CHAIR: If you can do it within 30 seconds.

Hon NICK GOIRAN: Madam Chair, I just want to provide to you and to the witnesses one further advertisement. I cannot tell you whether this has been tabled in Parliament or not; I just simply cannot recall. I am happy for you to table it again now if you wish.

The CHAIR: If it has not been tabled, it cannot be distributed right now. I need a motion to table it—moved Hon Aaron Stonehouse, seconded Hon Tjorn Sibma in favour. It is now tabled and considered public status.

Hon NICK GOIRAN: Thank you, Madam Chair. Minister, through you to the witnesses, this was an advertisement that was asked to be placed on Transperth buses and was rejected. Are you or one of the witnesses able to advise why that was the case and why it would be prohibited advertising?

Hon STEPHEN DAWSON: I will ask Mr Burgess if he is—we are not sure why, so we will take that question on notice.

The CHAIR: We can include it in supplementary information B9 as part of the previous question, given that they are related. Member, unfortunately our time for hearings has concluded.

Hon NICK GOIRAN: I thought we were going until one o'clock, Madam Chair.

The CHAIR: I am sorry; I am pushing you too fast.

Hon NICK GOIRAN: Might I be permitted one further question?

The CHAIR: You have more time than I even anticipated.

Hon NICK GOIRAN: Just to conclude on this point, minister. You have had the opportunity to see the two advertisements. I realise it is not your portfolio and you may not even necessarily wish or be in the position to comment, but I do hope that the point is obvious that it seems absurd that one advertisement can be on a Transperth bus, where the government should be the best of corporate citizens setting an example to the rest of the community, and a complaint is made and it is taken down. Another one, which would seem to be pretty innocuous, does not even get through the gateway. There appears to me at least to be an inconsistency. I look forward to the answers provided to the questions that have been taken on notice. I simply would ask: if those are not satisfactory, would it be possible to get a briefing with those concerns so we can get this issue addressed?

Hon STEPHEN DAWSON: Member, I guess beauty is in the eye of the beholder, so what offends one person may not offend another. However, there are standards. You have helpfully provided a copy of the advertising policy. Mr Burgess, as the managing director, is the person who has signed off on it. If for some reason we are breaching the policy, then certainly it is an issue that needs to be looked at. Without providing comment on the two ads in question, I am happy to raise it with the minister and to bring it to her attention. I am happy for you to approach me on a subsequent occasion if you are not happy with the answers, and I am happy to ask the minister to arrange a briefing.

Hon NICK GOIRAN: Thank you. No further questions, Madam Chair.

Hon DIANE EVERS: Going back to the planning for the stadium and not having the car parking there, I was just wondering: when that was being built, was there any modelling undertaken to determine the cost of upgrades that would have been necessary had you created a considerable car park

there—so the road funding that would have been necessary to upgrade the roads in order to service that?

Hon STEPHEN DAWSON: Member, thanks for the question. I think it is probably a Department of Transport question as opposed to a PTA question. I am not sure if there is any, but Mr Sellers might want to provide some comment. Let us see what Mr Sellers says. You might need to put the question in as part of the supplementary information.

Mr SELLERS: Apologies, but I will not be able to answer the question as it was put, because the premise for the stadium was for public transport to it. In the time I have been involved with the agency there has been no discussion of that point at all, but that has only been a year and a half. Prior to that, we will have a look and give you a written answer on what we can find.

Hon DIANE EVERS: I would appreciate that.

Hon STEPHEN DAWSON: Member, if you do not mind, put it in as a supplementary question and put it in for the Department of Transport—obviously not PTA—and then Mr Sellers has indicated that an answer will be provided through that process. Just to do it properly.

The CHAIR: You are comfortable with that, member?

Hon DIANE EVERS: Yes, that is fine. One other thing: earlier in the questions here it was mentioned that our Transperth model is being copied into Singapore. I am interested to hear more about that and whether there was any involvement on PTA's side of it that might have provided income or recognition at least with the intellectual property of developing that.

The CHAIR: Just for the sake of consistency, these are annual report hearings as distinct from a generalised briefing about the portfolio or a particular issue. However, if the agency has come prepared with information that might be able to assist the member's question, we will ask the minister.

Hon STEPHEN DAWSON: Thanks, Madam Chair. Member, thank you; I appreciate you were responding to an answer that was given earlier on by Mr Burgess. Perhaps I will ask Mr Burgess what answer he can give you to that question.

Mr BURGESS: Thanks minister; thanks member. There was certainly no IP charge involved or contemplated, for good or for bad, other than around the world of ticketing, which seems to have its own unique set of principles. The public transport organisations around, well, not just Australia but around the world tend to be very cooperative in sharing information about delivering services, whether that is contract models or marketing and engagement frameworks with the community and so on, and is reflective of the three-hour discussion I was in this morning with interstate and New Zealand colleagues. The Singapore experience was one where I think they came down here in large groups, up to and including ministers, on probably no less than six occasions over a couple of years, with a number of meetings in our boardroom, briefings—in the same room were ministers and union officials; I can remember that—and also went out to our bus companies. One of our contracted bus companies here in Perth has won work up in Singapore, which is great.

Hon DIANE EVERS: Sounds good all round. Maybe we could encourage it in other countries as well that might be interested in this. That is fantastic. One further question. This relates to page 54 with regard to regional engagement. Back to my earlier question about has the public been asked what might increase their usage of it, at the top of page 54 it says that this has happened in regional areas. From that engagement, were there suggestions that have been put in place in the past year to address those, and were there any significant issues that may be implemented in the future or cannot be implemented?

Hon STEPHEN DAWSON: Certainly, member, I am aware as a local member of engagement having taken place in my electorate during that period of time. Certainly as part of the new TransHedland service, which is operating very well and is very popular in the electorate, engagement did take place, but I will ask Mr Burgess if he can provide an answer.

[12.40 pm]

Mr BURGESS: The Transwa one referred to is a very specific piece of business where we have had our own team with some external consultants. Transwa typically operates in the bottom half of the state; Meekatharra and Kalbarri are the northern extremities. We have been out to both local government and the community asking them: Do the services meet what they are after? Recognising there is obviously a capped amount of resources available for the services, are there things we could do that would serve them better with those resources? I think we have briefings next week, as I recall, on some of the outcomes and some of the recommendations of that review, so that is still a work in progress. As the minister alluded to, in the regional centres, which are, sort of, mini Transperth bus models—if can I put it that way—we do the same process there that we do for Transperth. If we are changing routes, planning changes and so on, we go out and have community engagement sessions, typically at shopping centres or community centres. We advertise those and put up maps and ask people to come and tell us what they think.

Hon DIANE EVERS: I am interested to hear how that report goes. I do not know whether it is something that will be made public, but I would appreciate having that information, in particular, in the south west, going through the centre of it. I know you are saying the regional centres are getting this, but it is more the additional services for the Manjimup–Bridgetown area. I would be particularly interested to see whether you have anything for that area and whether anything might be able to be delivered.

The CHAIR: Rather than take that on notice, we might just ask the minister to note, when those reports are concluded, if they are made public, to ensure the member gets a copy.

Hon STEPHEN DAWSON: I am happy to take that on board and bring it to the minister's attention.

Hon COLIN TINCKNELL: My question is going back to the SmartRider cards. One of the categories listed is "Cash and SmartRider initial boardings". Can you provide a breakdown of the percentage of initial boardings for cash fares, SmartRider fares and free travel fares?

The CHAIR: I guess the first question is: is data collected in a way that your question can be answered with how much in 2016–17 was transacted for SmartRiders, how much was transacted for cash boardings and how much was transacted for —

Hon COLIN TINCKNELL: Free travel fares.

The CHAIR: I do not know whether you can calculate free travel, can you? You can. Okay, very clever—SmartRiders.

Hon COLIN TINCKNELL: Just a percentage breakdown.

The CHAIR: So those three things for 2016–17, if that information could be provided to the committee, minister.

Hon STEPHEN DAWSON: Madam Chair, before we give it a number, we may well be able to provide that information now. Bear with us for a second. Unfortunately, no—I think Mr Burgess might have left it on his desk. We can absolutely provide as much of that information as possible. I think we can provide it all. If we cannot provide any of it for any reason, we will let the committee know why, but I am certainly happy to take that on notice.

[*Supplementary Information No B10.*]

Hon TJORN SIBMA: I am interested in bus procurement, railcar procurement and ferry procurement—just to foreshadow areas of interest. I will commence with buses. Page 26 refers to a new bus fleet supply contract. I have a couple of questions around that. The first and obvious one is when does the current bus fleet contract expire?

Hon STEPHEN DAWSON: I am advised that the answer is mid-2019.

Hon TJORN SIBMA: Presumably long lead times are required, which is why it is foreshadowed you are entering into the composition of a new supply contract. Can you explain to me, please, how, without divulging commercial-in-confidence arrangements, the PTA's requirements in the new contract are being drafted and how they differ to the one in operation now? Are you looking for different bus specs? Any information you can provide would be very useful.

Hon STEPHEN DAWSON: Mr Burgess, can I ask what information you can provide in relation to that question, please.

Mr BURGESS: Certainly. A lot of it is covered by Australian Design Rules, so meeting ADRs, and Australia has its own unique requirements in terms of bus width and so on.

The CHAIR: Can I just ask that you ask whether they will be wheelchair accessible.

Hon TJORN SIBMA: Sure. I will ask that.

The CHAIR: Sorry for interrupting.

Mr BURGESS: We will ask for the availability of different sized buses as well. I am really talking around the margins, just over 12-metre buses, and the possibility of what we call mid-size—that is, one metre less; 11 metres—and articulated buses. I have not seen the document yet; it would be being polished and finalised as we speak, because we would be presumably out sometime in the next six months. I am sure the minister will announce it at a point in time. We will be predominantly asking for the latest Euro 6 diesel fleet but with the option of other fuel sources as well. Probably the thinking in the bus world nowadays is more around electric. We trialled a diesel–electric hybrid here a few years ago and, obviously, we have had hydrogen trials in the past as well. Of our current fleet of 1 470 buses, just over 500 are CNG as well. So, we have had experience with all the fuel sources. The contract would allow for that flexibility.

All our buses nowadays are obviously accessible in the sense that there is the very specific accessible wheelchair areas at the front of the bus. On the wider issue of the accessibility, because accessibility is often really about older people, like us, needing to step up into the bus, our buses can kneel as well as lower a ramp. We have always, in WA, gone for the more sophisticated ramp. Rather than the driver having to stop the bus, get out and put manual ramp out, we have gone for the ramp independently operated by the driver.

Hon TJORN SIBMA: When it comes to generally the contracts, presumably there are broad parameters which are consistent from contract to contract. Is the purpose here to replace portions or tranches of your fleet which are coming to the end of their life and type, or is it about building in more buses to supply greater utilisation of the general public transport network? Can you make some observations on that? How many vehicles are we looking at and over what time period?

Hon STEPHEN DAWSON: I will ask Mr Burgess. We are probably not able to give you the number of buses, but certainly we can give you that other information.

Mr BURGESS: In recent years, we have been typically getting 100 to 120 buses a year. An amount of that has been to do with a growth in service kilometres. We have done most of those projects where we are trying to grow into what were the new areas of Perth that developed during that boom period, and so we have most of the growth buses we need now. It is more about fleet

replacement, but if something such as a Yanchep line comes on—there is not a lot of feeder bus services up at Yanchep at the moment—that will result in a growth in the number of buses in that area. So there would be an amount of growth still happening, but predominantly it is about fleet replacement. Our rule of thumb—it is more than a rule of thumb—our desire is a bus that has a life of about 18 years in our fleet. We certainly have buses older than 18 years old, but very well maintained. Broadly, you could look, if the fleet is 1 470 today—if you look at the age of all our buses, it is not a perfect line, I have to say—broadly, one-eighteenth of the fleet needs to be replaced each year.

Hon TJORN SIBMA: Does that govern the broad envelope of the contract terms? Is it a long-term contract of say 20 years just a bit beyond the average life and type of an individual vehicle? Is that broadly the scope we are dealing with?

Mr BURGESS: It is closer to a 10-year supply contract.

Hon TJORN SIBMA: Closer to a 10-year supply contract—okay.

Mr BURGESS: In fact, in this case I think the current one with Volvo is a bit over eight or nine years.

Hon TJORN SIBMA: Is it possible to give an order of magnitude of the value of the contract? Perhaps you can reflect upon the value of the current contract, which is presently operative, and do we expect a similar value?

[12.50 pm]

Mr BURGESS: Broadbrush, our current contract will deliver us over 800 buses with Volvo, and roughly a bus is a bit over half a million dollars.

Hon TJORN SIBMA: Okay, so roughly \$400 million. Is that principally acquisition or does the contract term also include maintenance and other components of the operation of the fleet over that time?

Mr BURGESS: There is a warranty that comes with a bus, and clearly there are warranty items that last different amounts of time on the bus, but the maintenance is then undertaken by our contracted operators. We have a small internal team of PTA people, all engineering or mechanically qualified, who go and audit those maintenance processes, and are also responsible for the delivery program.

Hon TJORN SIBMA: Brilliant. I might move on to B-series.

The CHAIR: While you are looking for your position in the annual report, Hon Diane Evers has a question.

Hon DIANE EVERS: I do not want to jump ahead, but there is just one question I have come across. I notice that on page 48 you talk about the school buses that were retrofitted with a child check alarm. Given the situation not long ago when a child was left on a regular bus, I was just wondering if these will be retrofitted into the whole bus system as we go along.

Hon STEPHEN DAWSON: Madam Chair, I am happy to ask Mr Burgess to respond to that one.

Mr BURGESS: On the Transperth buses, we have fairly good practices and processes. The drivers do it for a range of reasons—obviously security reasons as well and not wanting packages left on a bus. They tend to be doing so many bus runs a day that it is ingrained into them, and we do not seem to have issues on the Transperth system. On the school buses, it had become an issue over the years. Whilst most school bus contractors, these are the orange school buses out in the country areas, were very good at checking their buses and so on, there were a number of incidents where children were left on the bus for periods of time—in some cases concerning long periods of time, when, had it been out in the sun, it would have had a terrible outcome. Fortunately, it was not. That led to

this program of putting an alarm at the back of the bus, where, if the driver does not physically walk down the back of the bus and press a button, an alarm will go off when they leave the bus. That is what drove it, but we do not really see the need on our regular route system to put it in those buses.

Hon DIANE EVERS: I thought there was a case just recently when a child was left on a bus.

Mr BURGESS: I think that was in Queensland.

Hon DIANE EVERS: That was in Queensland, but we have not had any incidents, other than in the school buses. That is great.

Hon TJORN SIBMA: On page 23, it is noted that the production start-up of 10 three-car B-series trains for the Forrestfield–Airport Link has commenced. Can I just ask what the cost of that procurement was?

Hon STEPHEN DAWSON: I think we might have to take that question on notice. There is a line item that includes this stuff in the budget papers, but I think it includes a number of other things as well, so if you do not mind —

Hon TJORN SIBMA: That is fine; I understand that.

The CHAIR: Can I have a bit of clarity around the information that is being sought?

Hon TJORN SIBMA: I am seeking the cost of the purchase of 10 three-car B-series trains for the Forrestfield–Airport Link.

[Supplementary Information No B11.]

Hon TJORN SIBMA: It is anticipated that a further 11 sets of the same model are on order and to be delivered from 2018. Since it is foreshadowed in the report, can I ask whether any of those have been delivered as yet?

Mr BURGESS: I am not sure which ones you are talking about. We have got all the trains we are going to get, other than the 10 three-car sets. In broadbrush, member, I can tell you that it is about \$13.5 million for a three-car set, if that helps.

Hon TJORN SIBMA: It does.

Mr BURGESS: The reason it is a bit cloudy in the budget is that it is in an item that includes some depot works as well.

Hon TJORN SIBMA: This is probably potentially more of an operational question, so not one that you can ask at budget estimates, and probably more appropriate in a hearing like this. To return to the Forrestfield–Airport Link, and the 10 three-car B-series trains that will be utilised, is it proposed that each of those sets will be utilised on that line, all within the framed 24-hour period, or are there some in reserve and some in maintenance? How do you factor in the requirement for the number of sets of trains per link? Is there a metric that you utilise?

Mr BURGESS: Those 10 will not be isolated to just doing the FAL services, if that answers your question. They just go into the fleet and provide the capacity to run the network.

Hon TJORN SIBMA: Presumably, the logic is that, to have that link as part of our public transport system, you require an additional 10 sets to ensure appropriate servicing of that link.

Hon STEPHEN DAWSON: Does it relate to the proposed patronage?

Mr BURGESS: It is both; it is certainly both.

Hon TJORN SIBMA: I did not think they were just dedicated to that line; that is fine.

A very small item—a single dot point—on page 26, under “Ferries”, refers to the completion of a business case to procure a new ferry. I presume the business case has been completed. Can I ask what the value of that contract might be, and whether there might be an announcement soon?

The CHAIR: Given all of the possible constraints under which that question could be asked, we will ask the minister to attempt an answer, if possible.

Hon STEPHEN DAWSON: Member, I can tell you that that new ferry was not bought in 2016–17.

The CHAIR: It did not appear in the agency’s accounts.

Hon STEPHEN DAWSON: I understand that the agency is currently evaluating the tenders as we speak.

Hon TJORN SIBMA: Presumably that tender is publicly available, and I can refer to TendersWA if I am so minded.

Hon STEPHEN DAWSON: I am advised that that is the case.

Hon TJORN SIBMA: This is my last question, I promise. Page 87 refers to a figure of \$404 695 paid to Painted Dog Research. Can I ask what research was undertaken and what were the findings?

Hon STEPHEN DAWSON: Thank you for the question, member. I will ask Mr Burgess to provide a response.

Mr BURGESS: The key component of that would have been the annual passenger satisfaction monitor, which is an extensive engagement exercise with Transperth passengers. TransWA does a similar thing, but I am not sure whether Painted Dog did the TransWA work. That would be a large portion of that. That is the 27-year engagement exercise with our passengers asking about every aspect of our service, what we do well, what we do not do well and how we can improve.

Hon TJORN SIBMA: A quick follow-up, if I may. Is Painted Dog a Western Australian-based firm? I am unfamiliar with it.

Mr BURGESS: Yes it is; I think it is located in Newcastle Street.

The CHAIR: On behalf of the committee, I thank you for your attendance today. The committee will forward the transcript of evidence, which highlights the questions taken on notice, together with any additional questions in writing after Monday, 26 February. Responses to these questions will be requested within 10 working days of receipt of the questions. Should you be unable to meet the due date, please advise the committee in writing as soon as possible beforehand. The advice is to include specific reasons as to why the due date cannot be met. If members have unasked questions, I ask you to submit these via the electronic lodgement system on the POWAnet site by five o’clock on Friday, 23 February. Once again, thank you everyone for your attendance today.

Hearing concluded at 1.00 pm
