

**STANDING COMMITTEE ON ESTIMATES AND  
FINANCIAL OPERATIONS**

**2014–15 BUDGET ESTIMATES HEARINGS**

**TRANSCRIPT OF EVIDENCE  
TAKEN AT PERTH  
THURSDAY, 12 JUNE 2014**

**SESSION THREE  
PUBLIC TRANSPORT AUTHORITY**

**Members**

**Hon Ken Travers (Chair)  
Hon Peter Katsambanis (Deputy Chair)  
Hon Martin Aldridge  
Hon Alanna Clohesy  
Hon Rick Mazza**

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**Hearing commenced at 3.16 pm****Hon JIM CHOWN****Parliamentary Secretary representing the Minister for Transport, examined:****Mr REECE WALDOCK****Chief Executive Officer, examined:****Mr MARK BURGESS****Managing Director, examined:****Mr KEVIN KIRK****Executive Director, Finance and Contracts, examined:**

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

**The Witnesses:** Yes.

**The DEPUTY CHAIR:** Everyone has indicated that they have. Witnesses need to be aware of the severe penalties that apply to persons providing false or misleading testimony to a parliamentary committee. 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. The hearing is being held in public, although there is discretion available to the committee to hear evidence in private, either of its own motion or at a witness's request. 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. Government agencies and departments have an important role and duty in assisting Parliament to scrutinise the budget papers on behalf of the people of Western Australia. The committee values your assistance with this task.

[Witnesses introduced.]

**Hon KEN TRAVERS:** The minister has announced the letting of the contracts associated with the extension of the Victoria Park bridge at the stadium, both the road and footbridge, into the new station. I think, from memory, it was about a \$54 million contract. Does that concur with what was predicted in the project definition plan for the new stadium? I cannot match it back to the amounts that were listed in the project definition plan for what the estimated costs would be. Are those different components matching with what you predicted, or has there been an increase in the tender prices?

**Hon JIM CHOWN:** I think that question should actually go to the next session, for Main Roads.

**Hon KEN TRAVERS:** No, my understanding is that PTA is the lead agency on that matter.

**Hon JIM CHOWN:** The director is more than happy to respond to the question.

**Hon KEN TRAVERS:** If you are now telling me that PTA is not the lead agency for transport at the stadium, I am happy to hear that, but my understanding is that it is an aggregated contract that was managed by the PTA. Is that correct or not?

**Mr Waldock:** PTA is the lead agency but, of course, all the road-related projects are being managed through Main Roads, as they should be. In the transport project definition plan, it shows as

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\$54 million and, indeed, we have gone to the market with the clear expectation that the contract price with the design and construct will be for no more than \$50 million, and —

**Hon KEN TRAVERS:** I am not talking about the new bridge across the river, I am talking about —

**Hon JIM CHOWN:** Are you mixed up between the pedestrian bridge and the bridge widening? You mentioned the pedestrian bridge in your question.

[3.20 pm]

**Hon KEN TRAVERS:** No, I actually mentioned Victoria Park and the pedestrian bridge over to the racecourse, which is \$4 million, and then there was \$10 million for the widening. I may have used \$54 million when it was actually a \$32 million project announced the other day.

**Mr Waldock:** That project has been let to Lend Lease Abigroup Ltd. I am not actually sure; I might ask Mr Kirk if he has the numbers on that. My understanding is that it was not \$54 million —

**Hon KEN TRAVERS:** No, I think that is where I may have confused you. That was the footbridge, but the actual project was \$32 million.

**Mr Waldock:** Can I just clarify what was around the \$32 million?

**Hon KEN TRAVERS:** Let me put it this way: in the project definition plan there was listed road works on the peninsula and the existing pedestrian footbridge, which is the one across to Belmont Park. Those two amounts add up to \$14 million, so the contract that was let recently to do those elements of work was significantly more than \$14 million. Is that a sign that you have put other works into that contract, or is there an increase in the cost over what was predicted?

**Mr Waldock:** There were other works. What we initially intended to do was the first span of Victoria Park Drive, to allow the new up main from the stadium to be allowed, so we are going to do a first span and then go over to Main Roads to do the other work, which is the additional spans and extensions to the bridge on the stadium side. We went to the market and got a price; it was too expensive so we integrated both of those bits of work on the bridge, which is a single bridge, and that was the one that Abigroup won—an extended project, not just of the first span of the bridge, but the additional spans as well into one, so we have reduced the integration issues and brought them together. My understanding is that, indeed, we are right on budget, so we have managed, by doing that, to keep within the budget. If you would like greater detail, I am happy to provide that as a supplementary question.

**Hon KEN TRAVERS:** I would appreciate that as supplementary information.

[*Supplementary Information No C1.*]

**Hon KEN TRAVERS:** If that is the case, why has the East Perth railway station upgrade been dropped? Always part of the original planning with the \$149 million for railways and stations was the upgrade of the East Perth railway station. What has caused that to now be dropped as part of the stadium project?

**Mr Waldock:** I will ask Mr Burgess to expand, but there are two separate projects. For some years, I think even previously during Alannah MacTiernan's period, we actually did have an upgrade of the East Perth station, which was —

**Hon KEN TRAVERS:** It was funded and then it was taken away, Mr Waldock, if I remember correctly. It is near your workplace. If you go out there, you will see the big gap between the train and the platform that needs to be fixed.

**The DEPUTY CHAIR:** Perhaps, rather than giving the director general instructions on where he might go and have a look at things, let him answer the question that you actually asked him.

**Hon KEN TRAVERS:** I was just assisting him!

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**Mr Waldock:** I thank the member for that bit of memory! Certainly, we had that station upgrade on the books for some years. We continue, as you would be well aware, to look at our capital works upgrades, and that project has gone back. Nevertheless, within the stadium project with or without that upgrade, and that is still planned in the future, we were always going to do significant works around the station to make it suitable for the number of people that our modelling has shown may actually arrive at the station by foot from the stadium. Mr Burgess has greater detail on that and perhaps I could pass it over.

**Mr Burgess:** As the director general indicated, the East Perth station works for the stadium for the purposes of clearing passengers away post an event from the stadium is still in the project. I have approximate figures because clearly the amount allocated to the stadium is a package of works. When you go to the market, sometimes you get buying games, and, as we do with every project—I think every project we have ever done, whether it be Mandurah or Butler—you do get some ups and downs on different packages of work and you can therefore readjust. But approximately we have about, on my recollection, \$13 million for works at East Perth and there is another \$13 million, I think it is, that has been deferred to the year outside the forward estimates. So, the work that is the priority for the stadium works to clear people away is essentially track work, some overhead and signalling around East Perth, so that we will have the ability to switchback trains at East Perth and also store a six-car set there post an event. So, that track work, the overhead, signalling and COMMS would all occur, and that would leave us, based on our broad estimates, about \$2.3 million to do various bits of work at the station. So, the \$13 million that has been deferred outside the forward estimates was, as you correctly point out, member, the money that had previously been put into the budget to do an upgrade at East Perth, depending on the scope of that upgrade. Let us pretend for a moment that the stadium was not happening. Based on our more recent experience of station upgrades, that may have been a number that would not have quite done the upgrade we wanted, and so we have continued to work and talk with Treasury about what that number would be. Let us go now and say the stadium is in. When you combine it with the money that was there for the stadium works, we could probably get a better East Perth solution, so we are continuing to talk to Treasury. If we can get that money, which is currently in the year outside the current forward estimates, we would like to do probably more work at East Perth if we can so that we get a better outcome, particularly for Transwa passengers. We get a reasonable amount of correspondence about the footbridge. It does not meet current disability standards. It met disability standards when it was built. Not all of our stations happen to sit right next to our Transwa facility where people are carrying baggage up and down and so on. I think I have mentioned before that various of us, including myself, occasionally help passengers with stuff when you come off the East Perth station and you help people up with their bags up those ramps. So, we would like to actually do more work at East Perth, and if we could get the additional money, it would be a more complete, I guess, piece of work on East Perth station. But the work that we need to clear the crowd post a game is certainly catered for within the stadium budget.

**Hon KEN TRAVERS:** But are you saying that is all around track work and a fairly small amount for upgrading the station? There is no money to provide better access into and out of the existing East Perth station to manage 7 5000 people that your own project definition plan identified the station needed to be upgraded to handle that volume of people?

**Mr Burgess:** That is the way it currently sits, that there was, as I say, roughly \$2.3 million. You have to look at the opportunities, and we have done this on every project we have ever delivered—as I say, Mandurah, Butler and every single project we have delivered. You look for opportunities within the packages of work and sometimes you get ups and sometimes you get downs, and so we may have opportunities across the packages of work to apply more money to East Perth. But certainly out of all the stadium transport works, it is probably the area where we want to look closely at to see if we can achieve more than the current budget would give us.

[3.30 pm]

**Hon KEN TRAVERS:** Are you saying that the \$149.25 million that was identified in the PDP only included the \$11 million for the track works, plus that additional \$2 million; it did not include the upgrade of the station—the modernisation of the station, for want of a better term?

**Mr Burgess:** Yes, member. What I am saying is that there was a known amount, I guess. We knew there was money at East Perth which was going to provide a better outcome at East Perth. That was the other additional amount of money. There is not the same scope at East Perth that there is obviously at the brand-new station we are building, which is much more significant than the station for the actual stadium. That is a much more significant task to take people away than East Perth.

**Hon KEN TRAVERS:** Can I ask for, as supplementary information, a breakdown of what elements were included in that \$149.25 million identified in the PDP—a complete breakdown of what works were included to reach that figure of \$149 million?

*[Supplementary Information No C2.]*

**Hon KEN TRAVERS:** The other question I had about the stadium is: is it still your intention to run the trains, after they have dropped passengers in Perth, to Leederville to turn back the trains, and is that causing any difficulty in terms of the volumes you have got to put through on to the northern line, the Fremantle line and through Perth station?

**Mr Burgess:** We certainly have the scope to do that and, if required, we will do that. There are various operating plans being looked at for the stadium as we get more and more sophisticated in terms of what we can achieve with signalling improvements between the stadium and the city, so that is certainly an option. We will only do it to the limited extent we need to do it.

**Hon KEN TRAVERS:** You will need to do it somewhere, and in the project definition plan you said you will turn them back at Leederville. Is that still your plan or are you looking at an alternative turn-back site closer to the city?

**Mr Burgess:** No; that is correct.

**Hon KEN TRAVERS:** So you are not looking at anywhere near City West for a turn-back site?

**Mr Burgess:** No.

**Hon KEN TRAVERS:** The final question on the stadium that I had was: I think you talk about 27 trains going over the—pardon me if I get this pronunciation wrong—Goongoongup Bridge. How many of those will be going on the up main and how many on the down main? I think you will be running them in both directions on the line that goes out to Armadale during that hour at various times, so how many will be going up and how many will be going down on that side and how many will be going into the city on the normal into-the-city line out of the 27?

**Mr Waldock:** I think the project definition plan did in fact indicate that, and I thought, as I remember, it was in the order of 14 on the up main and 13 on the down main.

**Hon KEN TRAVERS:** Does that provide for trains running normal services out to Armadale? How many of those 13 will be going into the city and how many will be coming from the city?

**Mr Waldock:** My understanding is—I need to be corrected—there would be during the course of a football match four services typically, would there not, going to Armadale? I would have to look at that. I will have to come back with details on that.

*[Supplementary Information No C3.]*

**Hon KEN TRAVERS:** I just did realise I had one last question on the stadium.

**The DEPUTY CHAIR:** This is the third “last question” that you have mentioned, as in the last question three times!

**Hon KEN TRAVERS:** One more and no more! I have got the original photographs that you presented, and there are some on the website of the original iconic bridge across the Swan River,

and the graphic downloaded from the ABC on the night of the recent announcement. It seems that the design and the quality of the bridge has had a significant removal from the iconic status that it once had. Could you explain to us why?

**Mr Waldock:** I do not think it has gone through any quality reduction in terms of the key issues in terms of the spans and the height above the river, nor, indeed, at either end in terms of the various ramps. Where it does look a little bit different is that it has perhaps got less curvature in the design than the earlier concept design. But it is fair to say that I do not think any of us should be at this stage concerned about that. As the member may be aware, we have gone to the market and we have indicated it is a design-and-construct project. We are looking at, as part of the criteria, the best design possible, and aesthetics is a part of that. We believe that whilst it is a pretty tight price—\$50 million—for the bridge, the competition has been enormously strong; in fact, we have gone from an extended list of eight down to four consortia bidding. We believe we will get a fine product at the end of the day, so I could perhaps assure the member that we are pretty excited about what we would expect.

**Hon KEN TRAVERS:** So it will be as iconic and pizzazzy as in those original drawings released as part of the PDP.

**Mr Waldock:** I did not say that.

**Hon KEN TRAVERS:** No; you gave us a new adjective about financial management called “tight” rather than challenging.

**Mr Waldock:** I think we will all be very pleased with the result.

**Hon KEN TRAVERS:** I wanted to ask some questions—I thought I would bring in some photographs to assist me on this one—about the paid parking tax that you are introducing at the end of the month for people at railway stations. At those informal car parks that occur along the railway line—I have got some pictures of both the Maylands and Bayswater train stations; they are probably as good examples as any—a number of people are parking in areas that are clearly not marked bays. Are those people expected to pay the \$2? I am happy to share the photos with you if you want to have a sense of what is going on out there.

**The DEPUTY CHAIR:** Are we going to have these photos tabled and circulated?

**Hon KEN TRAVERS:** I am happy to have them tabled if that assists.

**Hon JIM CHOWN:** Are you referring to cars parking outside of the actual designated car park?

**Hon KEN TRAVERS:** I will take them over so that you can have a look at them.

**Hon JIM CHOWN:** So we are talking about cars parking on the verge of the designated area.

**Hon KEN TRAVERS:** They are next door to the station, and you will see in one of the photographs there has even been bitumen laid against the kerb to provide easier access to what I will term informal car parks. At the Bayswater station, there is a road leading into the car park and there are marked bays for half the road and then the rest of the road is taken up in parking. What I am asking is: which of those parkers will be required to pay for parking and which will not as a result of the new parking tax?

**Hon JIM CHOWN:** I am sure Mr Burgess is fully aware what is happening out there in his car parks, so I am more than happy to let him answer your question.

**Mr Burgess:** To answer the question, clearly there is a government policy position, if you like, that the car parks are a finite resource. I think, broadly, it is understood that it is unsustainable to just keep building more and more car parks; hence, we have taken up most of the at-grade solutions. Clearly, those ones are on the edge of the at-grade solutions; they are on the road verges alongside the car parks. For the first time we are headed towards a decked car park up at Edgewater, which is

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very expensive, and clearly \$2 will not recover the cost of those expensive car parks. They do not recover the cost, to be frank, of the at-grade car parks.

**Hon KEN TRAVERS:** We all remember Mr Waldock's evidence on that matter from last year.

[3.40 pm]

**Mr Burgess:** Exactly. To answer the question, wherever possible our aim within the capital allocations we have got—I think it was of the order of \$8 million, if I recall the amount—to put in more car parks on the heritage lines, and we have done a lot of that. I am sure the member is aware of what is happening at Bassendean and, hopefully soon, what will happen at Guildford. If we had more money, we would formalise as many as we can and then we would charge the \$2 fee. One hopes there will be no confusion come July. If there is no sign there saying a person has to pay \$2, then we will not infringe anyone. It would not be the intention of the PTA to infringe people parking in those areas outlined in the photos presented by the member, which is not to say if it is a dirt car park you will not pay. We have some car parks that are not bituminised but where hard stand has been put down and where it is our intention to make people pay, but it will be clearly signposted if someone has to pay \$2. We will not infringe people if they park in a car park that is not clearly signposted that they have to pay. The long-term intention is to formalise and provide proper hard stand for as many bays as we can as capital allocations come forward in the future for car parking formalisation.

**Hon KEN TRAVERS:** In the case of Maylands, are you saying that you do not expect to have signs up saying that it will be paid parking on that informal area to the Meltham side of the station? Is it not likely then that those informal areas where you do not have to pay will fill up first and to even greater degrees than they currently do, which is what I think I understood you to say? Along that driveway into the Bayswater station where there are areas that are not marked as bays, how are you planning to manage that?

**Mr Burgess:** To some extent yes, it would be true that people might head for the informal areas. Our aim is to formalise car parks as quickly and as sensibly as we can, and that is what we have been doing over a period of time. If any spillover parking occurs on our reserve, we will not infringe people who park down the road somewhere. At the moment, we infringe those who park unsafely, which occurs in various locations. In answer to the member's question; the sensible thing to do to have equity across the board is to formalise the car parks as sensibly and as quickly as we can within the funds available, but there must be the recognition that if there are opportunities—it is possible, as it is done in many places, that we have to put up bollards or logs to stop people parking in places they should not park if it is unsafe, but we will never be able to stop people looking for informal parking areas.

**Hon KEN TRAVERS:** I hope you do not stop people parking in the places they have been parking in for the past two or three years at Maylands and Bayswater.

**Mr Burgess:** I can assure the member that we will be sensible as we possibly can. We are not out to cause pain to the community. The reality is that the car parks are a very valuable and finite asset. Very few organisations provide car parks and do not expect some return. I do not think it is unreasonable for the state to recognise that public transport car parks are a valuable asset.

**Hon JIM CHOWN:** Especially considering that this government has spent over \$60 million on an extra 4 800 car bays and it is anticipated another \$46 million will be spent on expanding car parks along the Midland line and around Bassendean and Guildford. As a government and as the Minister for Transport, we are doing our absolute best to accommodate those people who wish to drive and ride on trains. When we have a number of bus call ports throughout the metropolitan area, most within 500 metres of a residence, we need a cultural shift in some areas where people actually catch a bus to a station as opposed to jumping in their car and driving there. Last Sunday evening there was a very good article with regard to car parks. Hon Ken Travers talked about satellite car parks,

which is not a new idea but it was entertaining. In reality, people are going to some of these car parks prior to seven o'clock because they fill up by then. Why would a person do that if they could catch a bus to a car park and probably leave home 30 or 45 minutes later? There are not many cities in the world that have the number of car parks per capita that the Perth metropolitan area has. I think we have probably more car parks per number of commuters than any other city in the nation. At this stage, the car park issue is being attended to as well as it possibly can by this government.

**Hon KEN TRAVERS:** Whilst we are on the car parking matter, in questions on notice I asked about the operational costs of the new Edgewater train station car park. The answer was that you are still finalising it. I would have assumed, under the strategic asset management framework that is required, that you would have had an estimated cost of the operational costs of that car park and, if that is the case, what was the estimated operational cost of that car park—

**Hon JIM CHOWN:** Can the member recall what question on notice that was because we have about 30 of them here?

**Hon KEN TRAVERS:** It was question on notice 16.

**Hon JIM CHOWN:** The answer is: the estimated operating costs have not been fully finalised and will vary depending on the ultimate design of the structure. I think we will take that question on notice.

**Hon KEN TRAVERS:** Please understand this; I am happy for the parliamentary secretary to take the question on notice but I want him to know and understand exactly what the question is and I want to have confirmation from the agency that it has the information. I am asking not what the final operating costs will be, but what the estimated operating cost was calculated to be as part of the strategic asset management framework. Did they develop an estimated operating cost as part of the development of that project?

**Hon JIM CHOWN:** The answer to the question on notice is; the estimated operating costs have yet to be finalised and will vary depending on the ultimate design of the structure.

**Hon KEN TRAVERS:** Does that mean they did not do any work to identify what the estimated operational costs of that car park were before the government made the decision to proceed with it? Is that what the parliamentary secretary is saying?

**Hon JIM CHOWN:** But they are estimations. As I said, we will take the question on notice.

**The DEPUTY CHAIR:** I think the question has been answered. An answer has been provided and a further indication has been given that more information may be provided on notice. The member may not like the answer and he may want to continue to ask questions around that answer, but let us accept that that is the parliamentary secretary's answer.

**Hon KEN TRAVERS:** This is not question time. I accept that during question time we can ask the questions and members can obfuscate with their answers. During a parliamentary committee hearing we are entitled, and that is why we have estimates committee hearings, to get proper answers to questions. Did the PTA—this question has not been answered—calculate what its estimated operating cost was for this project before the decision was made to proceed with it?

**Hon JIM CHOWN:** We are just talking about the process. The answer is yes, but I will still take the question on notice.

**Hon KEN TRAVERS:** I am asking for that figure to be provided, not what they expect to be the final figure that they are working on at the moment. I want to know when they did that calculation, what they expected it would be. I find it extraordinary that it has not been developed because most of the components are already there, but the final question I had in this area—

[3.50 pm]



**The DEPUTY CHAIR:** I will give that a number because we need to give people the opportunity to respond to these questions taken on notice as supplementary information. We have had significant debate and discussion around it, so there is quite an understanding of what Hon Ken Travers is seeking.

*[Supplementary Information No C4.]*

**Hon KEN TRAVERS:** Based on what is shown in the budget papers, the interest costs alone for that development are \$2.5 million and I assume it will be depreciated over 40 to 50 years, which is another \$1 million approximately in annual operating costs, as well as cleaning, lifecycle maintenance and the rest. On that basis, would a reasonable ballpark figure for the annual operating costs be over \$4 million and probably close to \$5 million?

**Hon JIM CHOWN:** We would have to check out those figures.

**Hon KEN TRAVERS:** It seems interesting that the operational costs are around that figure—the parliamentary secretary would not need to check some of those as he would know them off the top of his head—and the estimated revenue from paid parking across the state is \$6.1 million. Was the decision to proceed with paid parking a requirement for the approval of the Edgewater train station multistorey car park and were the matters considered by cabinet at the same time?

**Hon JIM CHOWN:** No.

**Hon KEN TRAVERS:** So it is an absolute coincidence that the two figures are the same?

**Hon JIM CHOWN:** Correct. These things happen in real life as well—coincidences do happen.

**Hon KEN TRAVERS:** What are the dates that the decision to proceed with paid parking was taken and the decision to build the multistorey train station at Edgewater? We can take that as supplementary information.

**The DEPUTY CHAIR:** We will incorporate those two questions as C5—the date the decision was taken to proceed with paid parking in areas of the network that did not already have it, and the decision to proceed with the Edgewater train station.

*[Supplementary Information No C5.]*

**The DEPUTY CHAIR:** Since we are talking about paid parking, I want to clarify some information around parking at train stations. Is there an infringement notice regime that operates on land owned or leased by your organisation for the purposes of parking around train stations?

**Mr Burgess:** Yes. Roughly, ballpark, there are 20 000 car parking bays on the train system, and roughly 5 000, so about one quarter, are paid parking right now and on 1 July they all become paid parking. We have had the ability ever since the PTA act came into effect in July 2003—Westrail had it before that—to infringe people who either do not pay in a paid area or park inappropriately, on kerbs or in an unsafe manner.

**The DEPUTY CHAIR:** Does the PTA contract that task out or is there a dedicated team within the department that does that?

**Mr Burgess:** It is a team within the agency.

**The DEPUTY CHAIR:** I do not know whether you have the information on hand, but could you provide the revenue generated from infringement notices on an annual basis over the past three years?

**Mr Burgess:** Certainly, we can provide that.

*[Supplementary Information No C6.]*

**The DEPUTY CHAIR:** How many FTE are in that infringement area?

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**Mr Burgess:** A number of work groups can issue the infringements. It can be done by transit officers, which is a bigger workforce but they tend not to do that and it is mainly car park attendants. I will give the exact number, but it is in the low thirties.

**The DEPUTY CHAIR:** We will incorporate that into C6. I understand people might do more than one role, like the car parking attendant at Greenwood station that I say hello to all the time.

**Hon SAMANTHA ROWE:** What hours will the security people work? What time will they start operating in the car parks and what time will they finish?

**Mr Burgess:** That does change and I know that has attracted some attention. My recollection is that we have a morning shift and an afternoon shift of car park attendants at the moment. They are at a select number of stations. I have the list of stations if the member wants to know at the moment.

**Hon SAMANTHA ROWE:** Yes.

**Mr Burgess:** They are clearly only where we have paid parking. In the current setting, paid parking is only at very large stations, typically where we have more than 600 bays. It commenced before the time of the PTA, but the number has grown, and obviously when the Mandurah line was built it went to most of the stations on that line. At those big stations, about one-third of car parking was put aside and made secure and made paid parking. It was only those paid stations that had a car park attendant there on a morning shift and afternoon shift. We are changing the strategy clearly come July when all the parking at all stations is paid; therefore, we have been working with the car park attendants, essentially to change their role and they will become roving teams that check all the car parks, because necessarily if we have paid car parks we need enforcement, otherwise people would abuse it. They will have to get to all the stations. We have worked that out with them in terms of the tours they will conduct. They will not check every car every day, but nor does a car parking inspector in the city check every car that parks in the city; we just need sufficient coverage to make sure that the right culture and approach is taken by car park users at the stations. There has been some coverage, so we would hope the bulk of people use a smart card to pay for their parking. There will still be cash opportunities, but a smart card is the preferred option. We are changing the way people will pay for their parking. The machines will be more centralised, which is necessary given that the entire car parking area becomes available for paid parking only. As people go to the station they will use their smart cards, press a button, tag and pay for their parking and continue on their normal journey the way they do today. That will mean we do not need car park attendants on the two shifts, which is what the member was asking about. We need them in the morning/early afternoon, so it will be a different time frame. I think the question implies that car park attendants have a security role. Any of our staff members has a security role in the sense of casual security, but our car park attendants are not employed as security officers; they do not have powers to tackle unusual behaviour. The primary security role is that of the transit officers, and they get most of their information from our central monitoring room where the cameras are, which people have seen on television. It is the transit officers who do the security function on the system.

**Hon SAMANTHA ROWE:** Can I clarify the exact hours they will operate?

**Mr Burgess:** Their current hours over the two shifts are five to nine. I will need to come back with the new hours of operation, if that is okay.

*[Supplementary Information No C7.]*

**The DEPUTY CHAIR:** I will ask a question about the new role that will require them to attend more than one car park at more than one station during their normal working day. Can you clarify whether these people will be travelling between car parks by private motor vehicle or by the train system?

**Mr Burgess:** By rail.

[4.00 pm]

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**Hon KEN TRAVERS:** Can I just follow up on a comment that Mr Burgess made there. You mentioned there was about 5 000 bays that are currently charged, out of 20 000, and I think you —

**Mr Burgess:** It is a broadbrush. I can correct that, if you like.

**Hon KEN TRAVERS:** Yes, and you said around 25 per cent —

**Mr Burgess:** Some 5 875.

**Hon KEN TRAVERS:** Yes, around—in fact, I think it is probably closer to 27 or 29 per cent, but we are not splitting hairs here. It is interesting you say that, because I heard on a number of occasions now one of your public relations people say on media that it is 40 per cent. So I am assuming you are correct and they are not and you will make sure they will use the correct figures in future.

**Mr Burgess:** I would put the money on me!

**Hon KEN TRAVERS:** Yes, I would too, because I found it!

**Hon JIM CHOWN:** Some 40 per cent in the north-south area.

**Hon KEN TRAVERS:** That is a qualification then he needs to give when making those comments.

**Hon RICK MAZZA:** I refer to page 825, “Spending Changes”. There is entry there for the *AvonLink* of some \$400 000. I just wonder what the spending changes were on the *AvonLink*?

**Hon JIM CHOWN:** Would you mind repeating the question.

**Hon RICK MAZZA:** The question that I have is, the spending changes that you have got noted on that line item of *AvonLink* for \$400 000, what was the spending changes?

**Hon JIM CHOWN:** The spending is to continue with the *AvonLink* until a business case is presented to government in regard to whether the line is continued or discontinued.

**Hon RICK MAZZA:** So it is an interim amount to keep it going for the time being, is it?

**Hon JIM CHOWN:** Correct, yes, till the end of this month.

**Hon RICK MAZZA:** Sorry?

**Hon JIM CHOWN:** Till the end of this month.

**Hon RICK MAZZA:** The end of this month?

**Hon JIM CHOWN:** Yes. If the member remembers correctly, I mean, prior to this being established, there was a plan to actually have a coach replace the *AvonLink* proposal, and that coach would run twice a day. Since then, there were some issues in regard to people who believe that the patronage would increase, and the service was continued pending a business case to be presented for consideration as to whether the *AvonLink* service would continue or not.

**Hon RICK MAZZA:** All right. So that report will be available, when?

**Hon JIM CHOWN:** I am not sure when the report will be available. The service will continue until the decision is made in regard to the business case. I cannot answer when the report is likely to be made public, but it is certainly intended to be presented to government fairly soon.

**Hon RICK MAZZA:** All right, so the service is going to continue for longer than—next month, and until such time until the report is out. You do not have a time line on that yet?

**Hon JIM CHOWN:** Yes, the report is with Department of Regional Development and Lands and we would expect it to be made public very soon.

**Hon RICK MAZZA:** Okay. The other question I have is a bit further down page 825. I refer to “Repairs to Damaged Railcars” of \$2.7 million. What is the nature of those repairs and damage?

**Hon JIM CHOWN:** Mr Burgess may know more about that than I do. It is on the same page, is it, member?

**Hon RICK MAZZA:** Yes, just a few lines down from the *AvonLink*—a third from the bottom, in fact.

**Hon JIM CHOWN:** Thank you.

**Mr Burgess:** Member, there were two incidents which I think that the money relates, and Mr Kirk is just checking that it is not any further than that, but I think it just the two incidents. We had two trains collide; one, basically, braked as you would normally brake. But you may remember it got a bit of media attention with regard to the famous millipede incident. So he braked as he would normally brake up at Clarkson, and he slid for some time and that was just obviously a fairly unfortunate incident; it was fully investigated. There was no fault found with the driver, and so he hit another parked train and so that is part of that damage. And separately, I think, that also picks up—we had a fire on one of the trailer cars in an air-conditioning unit on the *Prospector* train. It was in its depot, and in a start-up sort of fashion—it had been started, and there was a fire and so that has required some work to fix that up. I think that is both—that picks up both of those incidences as I recall.

**Hon RICK MAZZA:** All right, and that \$2.7 million of damage from those two incidents, was any of that recoverable from insurance?

**Mr Burgess:** We have some insurance—most of the PTA is insured. Government—successive governments over time have considered whether we—all of our insurance is obviously with RiskCover. Successive governments have looked over time at whether we should insure our rolling stock—our rail rolling stock. Our bus rolling stock is insured through RiskCover. Rail rolling stock, we have looked at it many times, as I said, with successive governments and we continue to self-insure on rolling stock.

**Hon RICK MAZZA:** Self-insure, it means, basically, you have no insurance? You are covering yourself?

**Mr Burgess:** We wear the damage, yes.

**Hon KEN TRAVERS:** You still get risk cover to cover the public, though, do you not?

**Mr Burgess:** Correct, just the damage to the trains.

**Hon MARTIN ALDRIDGE:** I was going to ask some questions about school bus services, but the parliamentary secretary has not come with my advisers, so I am not quite sure how able you will be to answer school bus service questions.

**Hon JIM CHOWN:** We will give it a go, Hon Martin Aldridge!

**Hon MARTIN ALDRIDGE:** Okay.

**Hon JIM CHOWN:** If we cannot answer it, we can always put it on notice.

**Hon MARTIN ALDRIDGE:** Sure. I guess I have a couple of specific ones and then a more broad one. I will try to be brief because I know there are other members who have questions. I understand there is a new school bus service that is linking Lancelin with the northern suburbs of Perth. Is that correct?

**Hon JIM CHOWN:** It is too detailed!

**Hon MARTIN ALDRIDGE:** So what I might ask for you to take on notice —

**Hon JIM CHOWN:** Sure.

**Hon MARTIN ALDRIDGE:** — is, if that is the case, when that bus service commenced; the annual cost of running that bus service to government; and whether it is a short-term or long-term arrangement or what the natures of the contracts are? I guess, my more general question, which you

might be able to answer—sorry, Mr Deputy Chair, do you want to give that a supplementary number.

[*Supplementary Information No C8.*]

**Hon MARTIN ALDRIDGE:** Thanks. The other question that I wanted to ask was: in terms of planning new school bus routes, to what extent do you have conversations with the Department of Education? Because obviously, the nature of school bus routes could have an impact on the viability of local schools and the number of students attending those schools based on the options of the school buses. To what extent does the department work with the Department of Education on those matters?

**Hon JIM CHOWN:** In any school bus route, especially in rural Western Australia, a great deal of consultation takes place, not only with the Department of Education, but certainly with the schools that are being serviced by the school bus route. I mean, it does not make sense to not do it without serious consultation and seeking out which is the most appropriate and probably the most efficient route for those sorts of students. I am sure we are all aware that some students actually travel by car to a designated pickup area by a bus; that happens more often than not. But most bus routes do their absolute best to service students throughout rural Western Australia or regional Western Australia on the orange bus routes. So the answer to your question is that a great deal of consultation takes place.

**Hon MARTIN ALDRIDGE:** So it is a consideration then of the department? They look at, I guess, the impact of a new school bus route on the viability of a local school?

**Hon JIM CHOWN:** Yes, I mean, the lead in regard to this matter is probably the education department and we intend to follow their advice.

**Hon MARTIN ALDRIDGE:** Thanks.

**The CHAIR:** I have some questions around bus routes and bus services—not school bus services, but I will hand over to other members first and perhaps I will ask them a little bit later; I am just flagging that.

**Hon DARREN WEST:** Ironically, my question is about bus services in the north metropolitan area! Are there any plans for the establishment of a bus service from Bindoon to the metropolitan area?

**Hon JIM CHOWN:** I will defer that question to Mr Burgess.

**Mr Burgess:** We may follow up with supplementary information, if we can, but my immediate recollection is no, but I think I can certainly follow up on that. We have quite a detailed service development plan that is obviously a tabular document that has a very significant number of projects we would like to do. It picks up all the aspects, I guess, of a bus service change, including whether it means we need additional buses—you know, is it school related or is it more network related? In other words, whole-of-community related and it picks up— I guess, the key driver to some extent is often bus need—it does not mean new buses, and service kilometres. We pay our bus contractors based on service kilometres, and we do have a pretty extensive bus service program that has been going since, I think it was the 2010–11 budget; that gave us a pretty extensive program. So since that time—you know, since—well, since 2008, let us put it that way, my recollection is we have added into the base about 11 million service kilometres since that time, and that is about a 22 per cent increase in the base of service kilometres. There has been a lot. I do not recall seeing in that service development plan a Bindoon bus, but I am happy to check that via supplementary information.

[*Supplementary Information No C9.*]

[4.10 pm]

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**Hon DARREN WEST:** Can you tell us what public transport services are available for the residents of Bindoon who work outside their local communities?

**Mr Burgess:** Bindoon is like a number of cases which sit on the fringe of the metropolitan area. There are a number of them in which, clearly, the community would like more services, or would like services. We have to try to prioritise them with the many demands that exist across the wider metro.

**Hon DARREN WEST:** But do they have any services at all?

**Mr Burgess:** I am more familiar with their school bus services rather than Transperth services. My recollection is there is a bus service. I cannot remember the route number, but I am happy to provide that via supplementary information.

**The DEPUTY CHAIR:** Perhaps we will incorporate that into supplementary information C9. It will include both the idea of whether there is a planned service and the alternative options that are available.

**Hon KEN TRAVERS:** You talked then about the purchasing of additional buses. Where are those buses going to be stored? I note you have the Beenyup depot, but do you have enough storage space for the buses that you plan to buy over the forward estimates or will you require another depot somewhere else to store all those buses?

**Mr Burgess:** You are right, some of the depots are having to be expanded. We have crammed buses into a few spots. For example, I was out at the Bayswater depot last week. We are actually leasing an additional property on the edge of the Bayswater depot. We will push about another 50 buses in there. Do not quote me on the number but it is of that order. We zipped over to the Morley bus depot after that. We have more buses in there. There was some capacity at Morley so we have put more buses in there. The extra buses, where we have been expanding the fleet, we have been putting into depots that had some capacity. Clearly, there is no point putting them in a depot where you are not doing the service improvements. You do not want to dead-run them halfway across the city. Fortunately, there was some capacity at most depots, but you are right—we need the Beenyup depot to come online. We have a bus depot acquisition program in our capital program where we are seeking money to get some additional depots. At the moment we hire land off Water Corp. One of the other pressure points is at Shenton Park. We hire land off Water Corp, which is probably a good use of land. It is in the buffer area around the water treatment site. We have been able to expand there as well. There are other sites we would seek to have in the western suburbs, which is a bit of a pinch point for bus storage as well.

**Hon KEN TRAVERS:** I am unclear whether you were suggesting that you are seeking funding for additional depots or you actually have funding for additional depots over and above the Beenyup proposal?

**Mr Burgess:** There is nothing in the current capital program, but it will be in our bids in the next budget cycle.

**Hon KEN TRAVERS:** What sort of quantum are we looking at? In the budget you have money to buy the buses but not to store them, from what I am hearing. What sort of amount do we need now to store those buses—what sort of quantum?

**Mr Burgess:** It varies very much site by site. We have had some wins over the years. We have picked up a number of depots in the last decade and Beenyup is another one obviously being picked up, again on a long-term lease, from Water Corp. We are building the depot there. That is another one underway. We have to think about our regional areas as well. We have bought land down at Albany to build a depot. In other sites such as Bunbury, we were able to buy the depot off the private operator at the time. It has been a combination of buying depots that were in private hands and finding sites in the areas we needed them and then building the depot. I think the member is

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trying to feel for a cost. As I say, they vary very much case by case, but I think you are typically looking at anywhere between \$8 million and \$20 million for a bus depot—of that order.

**Hon KEN TRAVERS:** I am not convinced that the Beenyup site is the right site for a depot. I think it is too close to houses up there. My concern is that if you do not get budget allocations, you are going to try to find the cheapest possible location, not necessarily the best location. What really concerns me is that you have the buses coming but no allocation to store them. I understand the difficulties you are in, but it puts you in the invidious position of trying to find locations that may not be the best possible and most optimum locations.

**Mr Waldock:** I think that is a little unfair. We have had a longstanding arrangement with Water Corp to look at opportunities there, not just in Shenton Park or Craigie. We are actually doing a lot of work in places like Alkimos. It is fair to say that whilst we have not got budget funds, we continue to look at where the next would be required. Certainly, where there are government agencies or government GTEs that are looking for uses in their buffer area—I think bus depots are generally very suitable for Water Corp buffer areas—we will continue to plan. We have done a lot of planning with Water Corp over the years, but it is fair to say that there are no budget funds. The good thing about depots historically, although it is not getting any easier, is that we have actually had pretty good success in bringing them on fairly quickly. That is part of what PTA has done over the past 10 years—brought on bus depots reasonably quickly. At this stage we do not see any major issues, although we need to keep at it.

**Hon KEN TRAVERS:** There is a debate about Beenyup because you have gone closer to the houses than the guidelines provide for. In terms of those sorts of —

**Mr Waldock:** That has been well publicised.

**Hon KEN TRAVERS:** I understand the pressures you are under. I actually do understand that. You think I am being a bit hard on you; you can talk to the people at Craigie if you like.

**Mr Waldock:** As you would be well aware, this is an issue not just in Perth—in fact, we do it better than most—but it is an international issue. Some of the greatest challenges to increase bus services, particularly in major cities, is access to land. That is why existing operators within particular geographic areas are almost private monopolies, because nobody else can find a depot site to compete with them when they seek contracts. We have done that pretty well. We have made sure that in all our contract areas there are no barriers to entry for new players in terms of depot sites. It is not easy, but I think we are doing it pretty well. But it is something we need to keep planning for.

**Hon KEN TRAVERS:** If your next depot is in the western suburbs, land is short and it is expensive.

**Mr Waldock:** Indeed. I think we have done pretty well again around Shenton Park and North Fremantle. That will not get any easier either.

**The DEPUTY CHAIR:** Perhaps this is an opportune time for me to ask some questions around particular bus routes in the northern suburbs. The first bus route I am interested in is the now no longer bus route 456 from Greenwood station down to Hillarys Boat Harbour.

**Mr Waldock:** That is a wonderful story, which I will let Mr Burgess share! It is one of expectations being enormously high but on-the-ground patronage being extremely disappointing.

[4.20 pm]

**Mr Burgess:** There was a trial bus route before that as well on the eastern side of Greenwood from Kingsway.

**The DEPUTY CHAIR:** I am about to ask you about that as well.

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**Mr Burgess:** Both have met the same fate in that we have given them a decent trial; in other words, long trials—I think about a year each. I think the one in the east was longer than a year. They failed to meet what we would call the reasonable patronage targets that you would expect to keep the bus service going. It is unfortunate. Clearly, the more recent one to Hillarys was done in close cooperation with the City of Joondalup. Indeed, there was involvement from the facility's owners—the attendants, if you like, at Hillarys—that was assisted by the City of Joondalup. It was not done without the spirit of goodwill and good intent but it certainly has not met the patronage targets that were agreed at the outset which you would expect if you want to keep the service going.

**The DEPUTY CHAIR:** What were those targets?

**Mr Burgess:** I cannot recall them off the top of my head but I can certainly get them for you.

**The DEPUTY CHAIR:** If you can get me the targets and also the patronage numbers, perhaps on a per trip basis.

**Mr Burgess:** Sure. The targets were certainly not unrealistically high; they were quite reasonable.

**The DEPUTY CHAIR:** If we could combine that to one question, that would be helpful for me.

*[Supplementary Information No C10.]*

**The DEPUTY CHAIR:** Anecdotally, it was something that was popular with the community and at the very end of it we had a destination that gets 4.5 million visitors a year from all over Perth, all over Australia, all over the world. You would have expected better patronage.

**Hon KEN TRAVERS:** A slight adjustment to the route and it would be even more popular.

**Mr Waldock:** From memory, I think the patronage was about five per bus.

**The DEPUTY CHAIR:** We will look at the figures. You mentioned the 451 service from Kingsway through to Greenwood. Was any consideration given to combining those two services into one service from Kingsway to Hillarys Boat Harbour via Greenwood station?

**Mr Burgess:** It has been considered before. I can remember having discussions with a former minister about it. When we opened Greenwood station, which was in the election campaign period of 2005, I remember it being discussed at the time when we were building Greenwood. There was a conscious decision taken at the time. You are familiar with the northern suburbs, I know. Typically, the way the northern suburbs system works, the rapid transit system—the train and its supporting feeder bus network—has an interchange at every second station. The way that was originally designed is that there are a series of routes, if I can call them an inner ring, a mid-ring and an outer ring. The outer ring typically goes close to the coast, the outer ring on the eastern side gets fairly close to Wanneroo Road. You have three rings. That is a typical pattern, not quite identical everywhere. When those routes were originally designed—it would have been by Metrobus—they were designed such that they picked up major destinations, major shopping centres, major schools and so on, on the three bands either side. Mr Waldock can take pride in the fact that he challenged the design of those bus routes at a point in time, probably about seven years ago. He brought in people from the east coast and said, “Have we got those route designs right?” We brought in a number of subject matter experts and said, “Is that right or should we have a more arterial focus, coming directly in?” The consensus was—a very strong consensus of a lot of independent people—that they are well designed. Metrobus essentially did get it right many years ago and they work fairly well and provide very good geographic coverage. You need that sort of length of bus route to hit the right spots and pick up decent amounts of patronage at either end because it feeds a train station obviously at either end. Therefore, you end up with a train station in the middle, which is a combination of walk on and cycling and it is predominantly a Park ‘n’ Ride and Kiss ‘n’ Ride station. That is what Greenwood was designed as, quite consciously, when it was built and opened. Subsequently, people have asked the question: could there be a bus interchange built into Greenwood? We have looked at ways you can do that. It is possible. It is quite an expensive option.



At this stage, I think the advice from the agency has always been the bus routes work fairly well either side between Warwick and Whitfords and Greenwood works very well as a Park 'n' Ride. If someone wants to make that a priority project—to design a bus interchange and fit it into Greenwood's—well and good; it could be accommodated. You would lose a fair amount of parking to do it. We have looked at the option of parking buses up on Hepburn Avenue. It does not work. You would have to build a bus interchange there. It would not get the same return in terms of feeder bus; you would affect the pattern to Warwick and Whitfords.

**The DEPUTY CHAIR:** My question is not about a bus interchange at Greenwood but simply to have a bus that pulls into Greenwood station and pulls back out again and does not head back to Kingsway or does not head back to Hillarys but they go between the two points and does not require an interchange. That is what I was asking. Has consideration been given to that being an option rather than having the two standalone bus services? At the moment we have no bus at all that I believe goes to Greenwood station. It offers no real utility for what the parliamentary secretary rightly spoke about before—encouraging people to get out of the habit of driving to the station and perhaps getting them into the habit of walking to the bus stop, getting onto the bus and going to the local station.

**Mr Burgess:** I will take a step back. When I discussed the three bands of bus routes either side, between the bus interchanges, every second station, they are on suburban distributor roads, so they are penetrating into the suburb and picking people up close to where they live. One of the challenges with Hepburn Avenue—you would have driven it much more than I have—is there is a decent setback and, typically, there is not a lot of access from the suburb out to a good boarding environment. It is quite a limited catchment that would get out to Hepburn Avenue and that is probably part of the reason for the 451 and 456 patronage levels that we are experiencing. I am not discounting that one day we could have a bus route from Kingsway all the way along Hepburn Avenue, particularly if we get an efficient bus interchange at Greenwood. As you are aware, it is quite limited as to how many buses you could fit into Greenwood right now. We would have to probably do some redesign at the station to fit a bus in properly, particularly in the peak periods. That would require some work at the station itself. I do not think we are discounting that longer term you could not have a bus route between Kingsway and Hillarys. It does get back to that fact that we only have a finite number of service kilometres and a finite number of buses and what is the best bang you can get for your buck? We have done the trial east and we have done the trial west. Whether you would get a different result if you had the whole thing, I am not quite sure.

**The DEPUTY CHAIR:** Local people tell me you would but we will move on from that.

**Hon KEN TRAVERS:** I understand the PTA charges people rent to access their properties along disused railway lines. I am talking particularly about Dardanup Road in the Boyanup area. The old Boyanup to Donnybrook rail line runs parallel to the road. My understanding is you charge people to access their properties. They have to enter into a lease arrangement with you to cross over the railway line and enter their properties, in some cases using what are effectively firebreaks alongside that railway line. It is about \$1 000 a year. How extensive is this practice and why are we charging people for what essentially is just access to their properties?

**Mr Waldock:** I have been sighting leases for many years. I am surprised that there are many of those. I am surprised it is \$1 000; I thought it would be more of a peppercorn charge.

**Hon KEN TRAVERS:** So would I. That is why I am asking.

**Mr Waldock:** I did not realise we had been tolling for so long in this state. That would have to be some sort of sense of both care and maintenance of the access road and the reserve around the access road.

**Hon KEN TRAVERS:** It is a dirt track.

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**Mr Waldock:** As you probably aware, we are very reasonable, particularly in the country, with our leasing arrangements. In fact, whilst we have enormous railway reserves in the country, it has never been a money-spinner for us; it is very much done on an altruistic basis. It does surprise me but I am more than happy to look that up and respond.

[4.30 pm]

**Hon KEN TRAVERS:** I am happy to provide the details of the exact site. I am happy to have taken on notice how many similar leases. I mean, if someone is using your land to farm on, I do not have a problem with you leasing it or whatever. They cannot get direct access across the railway line to the road that runs parallel because you will not allow access points that close together and, as I understand it, the property has no other access into it other than through this way and it has, basically, just ratcheted it up from \$100 a year to \$1 000 a year to get over what is effectively a disused railway line at the moment.

[*Supplementary Information No C11.*]

**Hon KEN TRAVERS:** Can I turn to the options that have been explored for the airport rail line. When was the decision taken to explore the idea of a full tunnel from the Midland line through to High Wycombe?

**Mr Waldock:** I have not got exact dates, but I am aware that when we talked about the various route options, the three key ones, which were announced some months ago, it was really the issue for us—the actual access across the Great Eastern Highway–Tonkin Highway and, particularly, as we not just move across the Tonkin Highway—as we come out of the airport, as we go towards the river, towards Bayswater, that was always going to be challenging in terms of structures, disruption and particularly future plans for Tonkin Highway to be widened. So, we had a number of key issues we had to think through and on top of that was how we are going to cross the river, which is in that vicinity. I would suggest around about six months ago it was first suggested that one of the options—and at that stage clearly we had not done any detailed costings, but one of the options, given our success in underground railways, particularly in very difficult conditions with palaeochannels for the Mandurah railway project, we thought: why not look at that as an option, given the issues I raised that are major constraints? I repeat: the Great Eastern Highway–Tonkin Highway intersections, the river system and particularly the issue of Main Roads needing to widen Tonkin Highway in years to come. All those things coming together, we said, “Let’s look at that option, the 8.5 kilometres of tunnel”, and that is what we have been working together for the options analysis for the PDP.

**Hon KEN TRAVERS:** Are you saying that was about six months ago?

**Mr Waldock:** From my memory it was about six —

**Hon KEN TRAVERS:** Is that why it missed the March 2013 deadline for the completion of the PDP—you had to go back and do further work?

**Mr Waldock:** I do not think that is the—certainly there are lots of issues. The PDP in this particular case we are finding quite complex and a lot of it is; you are quite right—the geotechnical, the risk issues and the engineering issues generally in terms of, one, defining those, two, attaching a set of contingencies to those in order to go to government with a well-considered project development plan which we can all feel confident that those costings are right and the decision both in terms of the costing but the decision in terms of the best delivery mechanism is also right. So, it is a very complex bit of work. On top of that, we have been doing exhaustive modelling. As you would expect, the modelling is quite complex. Whilst the modelling for Forrestfield is a pretty traditional type of modelling we are the first to say that particularly with the consolidated airport it is a new world of modelling because it brings it together not just sort of land use, but a whole array of different considerations in terms of, you know, intrastate, interstate, overseas, staffing, workers there. It is a very complex issue. So, that is probably why there have been some delays and I take

responsibility for that. But we are continuing to refine those before we go back to government. We want to get it right.

**Hon KEN TRAVERS:** In terms of testing, though, for the original sort of half tunnel route, had you done any work in terms of borehole testing or cone penetration testing of that route for the original half-and-half?

**Mr Waldock:** If you are talking about the original, that was when it was, I guess, a consideration by the government prior to the election. We had done, as we normally do in these things, some preliminary work—preliminary work in terms of routes; preliminary work in terms of costs. But, as I am sure you would be aware, we had not done a great deal of geotech because why would we be doing a lot of geotech until the project had any status? When we do not do much geotech in a sort of P90 framework, we put in significant contingencies. So, the \$2.015 billion, which was the final Treasury figure when they looked at the project—we were comfortable with that.

**Hon KEN TRAVERS:** At that point you had not done any geotechnical work?

**Mr Waldock:** We had put in very substantial contingencies to allow for that.

**Hon KEN TRAVERS:** When did you start doing the geotechnical works on the routes?

**Mr Waldock:** I certainly would not want to be misquoted or misunderstood. My understanding is certainly six, maybe eight months ago, we started doing more and we are still doing an enormous amount of geotechnical work whenever we can. It is a matter of getting windows with the airport et cetera to try to do geotech work because there are negotiations going on in terms of airport relationships and how the project is going to go. So, it is all dynamic. We have been doing geotech work to a greater extent more recently but probably to the last six to eight months.

**Hon KEN TRAVERS:** One of the reasons I ask is—it was very kind of you to give me a document under FOI recently that goes back to July 2013. That shows both the half tunnel and the full underground tunnel and it would appear that the majority of the geotechnical work, particularly the borehole tests, have been done on the full underground tunnel test. So, it had the location of the stations that would occur in the tunnel from Midland through to High Wycombe?

**Mr Waldock:** Last July?

**Hon KEN TRAVERS:** Yes.

**Mr Waldock:** In terms of across both airport land and —

**Hon KEN TRAVERS:** The map I was provided goes from Midland to High Wycombe and has the two routes—the full tunnel and the half tunnel. It was interesting, the borehole testing—maybe they were proposed borehole tests, but the sites that were identified —

**Mr Waldock:** I am happy to come back with details. That is the lesson—we always do as many geotech and bore samples as we can. My understanding clearly is we would have done some, but we are doing enormous amounts now wherever we can because that is the risk factor.

**Hon KEN TRAVERS:** Whilst we are still on the airport railway line, my understanding is that your submission to Infrastructure Australia proposed at that point was sort of estimating a \$1.4 billion cost for the airport—the one that went in in December 2012 estimated the cost would be \$1.4 billion and you at that point were estimating that you would get a 1.4 BRC on a four per cent discount rate. It strikes me that if you then had a seven per cent discount rate on those figures, you would be struggling to get over one. What has materially changed between the one that was prepared as part of your submission to Infrastructure Australia and where we are today?

**Mr Waldock:** Again, I have not got all those details in front of me, but I do know that we have actually seen Forrestfield particularly being far more extensive, we hope, both in terms of what we originally planned, both in terms of the park and ride capacity and the bus fare services but also in the sort of the 2041, 2051 some significant change in land use as well. So, Forrestfield is certainly

changing. On top of that, as I said, I think what we have done is understood that the consolidated airport needs a lot of work, but I think we are getting a far better feel for the patronage. Finally, I think in terms of perhaps airport west, we now have got a view that that could be a significant TOD development more extensive than we thought. We thought initially that was going to be more of a park and ride, but we think there are far greater opportunities there. There are certainly issues there.

In terms of benefit costs, I think we have actually also better understood how the operations might work, particularly from Bayswater in and what that might mean. As well as that, not just Bayswater in, probably turning some of those trains at Daglish and feeding in, so what we will be getting, of course, is not 10-minute services in that particular patronage area, that catchment area; we will be getting world-class services down to five minutes. I think it is all changing. I am much more confident now when we go through to government we will have a pretty robust PDP.

[4.40 pm]

**Hon KEN TRAVERS:** In terms of the bus rapid transit to Ellenbrook, what work did the department do in terms of modelling for patronage for that project? I am talking about prior to the 2013 election. I assume you are not doing any now seeing as it has been taken off the agenda, but prior to the 2013 election, what modelling did you do on patronage?

**Mr Waldock:** We did a significant amount of modelling as part of the project development, and the patronage did differ a bit. One of the issues is that some of our modelling at the present moment is that we have a number of models, including STEM, and then a sort of later STEM model, which are giving slightly different results; we have got to recalibrate. But we were in the order of, I think, 7 000 all-day boardings, and that was the sort of patronage we were doing our numbers on, as I remember.

**Hon KEN TRAVERS:** Are you able to take that on notice? Again, I am not asking for any modelling you have done since then; I am simply asking for the modelling that was done in preparing the business case prior to the 2013 election on what the patronage was.

[*Supplementary Information No C12.*]

**Hon KEN TRAVERS:** Whilst we are doing supplementary information, we probably should actually give a formal recognition to if you can come back to us on the date that the decision was first taken to explore the full underground from the Midland line—if we can give that a number as well.

**Mr Waldock:** Sure.

[*Supplementary Information No C13.*]

**Hon KEN TRAVERS:** What work did the department undertake prior to the state election on the Thornlie–Cockburn extension?

**Mr Waldock:** I think I am on the record as saying we certainly did a body of work. At the time, it was a body of work which we were doing anyway in terms of—we did say—following some feedback from the federal government and supported by our minister at the time. Unlike other states—and we talk about Victoria where it won most of the IA funding in the first round; in fact, most of the funding in all the rounds. They had a number of good projects on the table, whereas WA was found wanting in terms of having, I guess, what you would class as shovel-ready projects. So we decided some years ago we would not just pick up the key projects, which had been announced, but we would do some work on things like the Yanchep line and certainly things like Thornlie to Cockburn. We were doing some work, and we are on the record for some time as doing a draft master plan or, indeed, a PDP. As part of that, we had been doing that work. To answer your question, we had certainly done enough work, and that had been further developed as part of the stadium project, where it would have been a nice adjunct to the stadium in terms of spreading the loadings from the stadium east as well as west. In answer to your question, we have been doing a bit

but we are still a way off. We will be finishing that detailed bit of work towards the latter part of this year.

**Hon KEN TRAVERS:** On Thornlie to Cockburn?

**Mr Waldock:** Yes.

**Hon JIM CHOWN:** If I could, Mr Deputy Chair, before the session ends, I would like to make a short statement, if that is possible.

**Hon KEN TRAVERS:** I just want to finish off on this matter.

**The DEPUTY CHAIR:** Just finish on this then.

**Hon KEN TRAVERS:** With both the Cockburn to Thornlie, which I think you also submitted to Infrastructure Australia—did you receive before the start of the caretaker period any feedback from Infrastructure Australia about their views on either the airport rail line or the Cockburn–Thornlie line as to whether or not they were disposed to recommend them or whether they thought significant more work would be need to be done and that they were not necessarily acceptable, you know, that they were not likely to recommend them? Did you get any feedback?

**Mr Waldock:** I think Mr Burgess might have a better understanding. My understanding was that they saw the airport one as being, certainly, potential, but a lot of work to be done. In terms of Thornlie to Cockburn, I felt they felt that it was not city-building enough and it was not one of their priorities. That was my sense.

**Hon KEN TRAVERS:** Mr Burgess, do have any sense?

**Mr Burgess:** No, Mr Waldock has got a better memory than I have. I do not remember their comments.

**Hon KEN TRAVERS:** Maybe we could ask if you could check your records as to whether or not you got any feedback from Infrastructure Australia about their views on either of those projects prior to the caretaker period.

*[Supplementary Information No C14.]*

**The DEPUTY CHAIR:** I think the parliamentary secretary indicated that he had a brief statement that he wanted to make on this issue.

**Hon JIM CHOWN:** I will be as brief as possible, Mr Deputy Chair. Obviously, about 240 000 boardings take place on Transperth trains on a daily basis. Just for the record, it has been announced that the Canstar awards have been won, I guess, by Transperth for rail services. This award has been awarded to Transperth in 2011, 2013 and 2014. Canstar, an independent body, analyse and research over 18 000 institutions, policies and products annually, and I think it is just outstanding that Transperth has received this award three times.

**Hon KEN TRAVERS:** Parliamentary secretary, can I just —

**Hon JIM CHOWN:** We have been dealing with this a great deal during this session and I believe it is worthy of putting on the record that Transperth WA for overall satisfaction received five stars; for ticket pricing, received four stars; for reliability and service, received five stars; on-time arrival, five stars; timetable and scheduling, five stars; signage, five stars; safety, four stars; and cleanliness of trains, five stars. If you look at Adelaide, Melbourne, Brisbane, Sydney—the other major cities in this nation—Perth, this result vindicates, or gives a fantastic example of what is happening from a state government perspective for all the patrons that use public transport in the metropolitan area.

**The DEPUTY CHAIR:** That is a good way of ending.

**Hon JIM CHOWN:** I only had a short time.

**The DEPUTY CHAIR:** And it was relatively brief, so thank you for that.

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**Hon KEN TRAVERS:** It is a great advert for what Labor has done in the state!

**The DEPUTY CHAIR:** That will be the end of this session. The committee will forward any additional questions it has to you via the parliamentary secretary in writing in the next couple of days together with the transcript of evidence, which includes the questions you have taken on notice. Responses to these questions will be requested within 10 working days of receipt of the questions. Should you be unable to meet this due date, please advise the committee in writing as soon as possible before the due date. The advice is to include specific reasons as to why the due date cannot be met. If members have any unasked questions, I ask them to submit these to the committee clerk at the close of this hearing. On behalf of the committee, thank you for your attendance today.

**Hearing concluded at 4.48 pm**

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