

**STANDING COMMITTEE ON ESTIMATES AND
FINANCIAL OPERATIONS**

2015–16 ANNUAL REPORT HEARINGS

**TRANSCRIPT OF EVIDENCE
TAKEN AT PERTH
WEDNESDAY, 2 NOVEMBER 2016**

**SESSION ONE
MAIN ROADS WESTERN AUSTRALIA**

Members

**Hon Rick Mazza (Chair)
Hon Peter Katsambanis (Deputy Chair)
Hon Alanna Clohesy
Hon Helen Morton
Hon Sally Talbot**

Hearing commenced at 9.31 am**Hon JIM CHOWN****Parliamentary Secretary to the Minister for Transport, examined:****Mr RICHARD SELLERS****Director General/Chief Executive Officer, Public Transport Authority, examined:****Mr PETER WORONZOW****Acting Managing Director, examined:****Mr DES SNOOK****Executive Director, Metro and Southern Regions, examined:****Mr PHILIP D'SOUZA****Acting Executive Director, Finance and Commercial Services, examined:****Mr TONY EARL****Executive Director, Network Operations, 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's 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 and departments have an important role and duty in assisting the Parliament to review agency outcomes, and the committee values your assistance with this. If you have an opening statement, we do not have time; we have only an hour today. So, if you do have an opening statement, give it to Hansard to incorporate in *Hansard*.

We will kick off with some questions. Hon Stephen Dawson.

Hon STEPHEN DAWSON: Thank you, chair. Parliamentary secretary, through you, page 56 of the annual report has a table headed "Sustainability Assessment in Projects and Operation". At the very bottom of the table it has the Perth Freight Link project. I want to ask some questions about that. In particular, I want to ask about the Roe 8 contract that has been signed recently and the Stock Road interchange. When does the department expect to sign that additional project, and what is the budget for the Stock Road interchange?

Mr Sellers: It is a variation to the contract that has been negotiated over the period since we signed the original contract. It is actually one that I will pass over to Peter Woronzow, who did that negotiation and signed it recently.

Mr Woronzow: The Roe–Stock interchange is valued in the order of \$110 million. The contract for Roe 8 is an alliance contract and the variation to bring that interchange into the alliance contract was signed on Thursday of last week.

Hon STEPHEN DAWSON: Thank you. Sorry commissioner, I should have congratulated you on your recent appointment as well. Welcome.

In relation to the Stock Road interchange, has the all the land required for the interchange been acquired? Is all the land required either under the existing MRS or planning control areas?

Mr Woronzow: All the land has been acquired, and all the land for the interchange is within the MRS.

Hon STEPHEN DAWSON: Are you able to give me a cost for the acquisition of the land?

Mr Woronzow: No, I have not got it with me. We will take it on notice; we can provide it.

[Supplementary Information No A1.]

Hon STEPHEN DAWSON: I move to page 48 of the document, which describes the Whiteman Yanchep Highway. Has the route definition study been completed for that project?

Hon JIM CHOWN: Sorry, I missed that.

Hon STEPHEN DAWSON: It is page 48, the Whiteman Yanchep Highway. Has the route definition study been completed for that project?

Mr Woronzow: No, it has not. The planning study is still in progress.

Hon STEPHEN DAWSON: Do you have a time line that you are working to in relation to that?

Mr Woronzow: Indicatively, we are working towards between three and six months.

Hon STEPHEN DAWSON: So that is three to six months from now?

Mr Woronzow: Yes, from now.

Hon STEPHEN DAWSON: Has that project been submitted to the WA Planning Commission for MRS amendment?

Mr Woronzow: No, it has not. Recently, we completed community consultation. We have got a number of potential alignments that we are still working through the merits of, taking into account the community consultation. Once that is done, within the next three to six months we will present that to the WA Planning Commission.

Hon JIM CHOWN: The report actually states pretty clearly that once the study is completed, a submission or a proposal will be going to WAPC.

Hon STEPHEN DAWSON: Absolutely; I appreciate you pointing that out, Mr Parliamentary Secretary. However, this is the annual report for 2015–16, and obviously we are now in November 2016, which is some months after, and that is why I was trying to clarify where the issue is at. But I appreciate your kind interjection.

Page 29 of the annual report talks about the great southern region. What planning has been undertaken in relation to the Albany ring-road and stage 2 of that project?

Hon JIM CHOWN: I think a fair bit of planning has been undertaken in regard to the outer ring-road for Albany stage 2. I cannot recall the actual figure amount for that planning, but I think it is up to a P90 and it is dependent on a submission to Infrastructure Australia. IA is not accepting submissions currently, and new submissions are likely to be going forward in late 2016–17 for the next round.

Hon STEPHEN DAWSON: Is that the extent of the answer? You say a great deal of planning has been undertaken. Can you quantify that? What actually has happened?

Hon JIM CHOWN: Concept design is complete for the ultimate dual carriageway, and preliminary design and revised cost estimates are complete with an initial single carriageway.

Hon ALANNA CLOHESY: Sorry, parliamentary secretary; I am having trouble hearing what you are saying and absorbing what you are saying because you are going so quick, so I guess Hansard might be having a bit of a problem, too. Can you start again?

Hon JIM CHOWN: Sure. Planning works have been advanced, and the following activities have been completed: concept design is completed for the ultimate dual carriageway, and preliminary design has been undertaken, and revised cost estimates are included in that planning.

Hon STEPHEN DAWSON: What is the expected cost of that project, parliamentary secretary?

Hon JIM CHOWN: I think the expected cost is around \$172 million currently, which is a wind back of around \$100 million off the initial costings. As I said before, it is at a P90 stage for 2 and 3.

Hon STEPHEN DAWSON: Why the reduction in cost of about \$100 million? Has the project been scaled back or is it as a result of costs going down in the building sector?

Hon JIM CHOWN: Des can probably answer that more specifically.

Mr Snook: The reason it has been scaled back was that the original design was done for two carriageways, and the revised cost of \$172 million is for a single carriageway.

Hon STEPHEN DAWSON: You may have answered this, parliamentary secretary, because you alluded to the need for funding from Infrastructure Australia. Is there an expected time frame for this project or do you have to wait until Infrastructure Australia comes to the party with some funding?

[9.40 am]

Hon JIM CHOWN: That would be correct, yes.

Hon STEPHEN DAWSON: What has been the request of Infrastructure Australia? What percentage of the funding has the state sought from IA?

Hon JIM CHOWN: It is 80 per cent.

Hon STEPHEN DAWSON: So it is a classic 80–20.

Hon JIM CHOWN: Which is a fairly normal ratio for these sorts of things.

Hon STEPHEN DAWSON: Yes. I am aware of that; thank you.

Hon ALANNA CLOHESY: From where to where have you wound it back to a single lane?

Mr Snook: Really, over both stages 2 and 3.

Hon ALANNA CLOHESY: Really?

Mr Snook: Yes. But a single carriageway road will be quite adequate normally for anything up to around 10 000 vehicles a day, so there will be plenty of capacity in that single carriageway from when the road starts.

Hon ALANNA CLOHESY: What is the projected usage for the next five to 10 years?

Mr Snook: I do not have that information with me.

Hon ALANNA CLOHESY: Can we take that on notice?

Mr Snook: Yes.

Hon JIM CHOWN: It will be essentially a heavy-vehicle bypass. Light vehicles will still travel down Chester Pass Road and into Albany itself.

Hon ALANNA CLOHESY: I guess, from my point of view, the structural planning has been done on a dual carriageway. To wind it back to a single carriageway must mean that you have revised your projections as well. We would like to see your original projections and your revised projections, and then what is going to happen to the traffic based on those revised projections.

[*Supplementary Information No A2.*]

Hon STEPHEN DAWSON: If I can turn to page 37 and key projects, in particular the NorthLink WA project. In relation to the plan to reduce Tonkin Highway from three lanes to two lanes around the Guildford Road Bridge, has Main Roads undertaken any consultation in relation to that issue? Have you consulted on it? Have you spoken to industry bodies or road users?

Mr Woronzow: The section of Tonkin Highway that you are talking about is what is referred to as the gap project. The work that we are doing on the Gateway project is three lanes in both directions. The carriageway immediately to the north of where it goes to two lanes is the NorthLink project, which goes three lanes each way. We estimate that the work to put in place a three-lane dual carriageway and expanding the bridge is in the order of about \$265 million at P90 level. We have had discussion with the commonwealth. It is a high-priority project that we have flagged with the commonwealth to fund in the future. The initial feedback we got from them is that they understand the issue there and, for productivity purposes, they acknowledge that it is a high-value project.

Hon STEPHEN DAWSON: Thank you. My question related, though, to whether you had consulted with industry groups or road users in relation to the move from three lanes to two.

Mr Woronzow: As part of the work of both the Gateway project and NorthLink, there was consultation with interested peak bodies. The bodies representing the heavy vehicle industry are well aware of the issue. They are well aware that we are endeavouring to seek funding.

Hon STEPHEN DAWSON: Was there any negative feedback in relation to that move from three lanes to two; and, if so, who was that from?

Mr Woronzow: I think it would be unfair to say it is a negative feedback. They realise that it is a piece of the freight network that needs to be addressed going forward.

Hon STEPHEN DAWSON: So no-one has expressed any concerns about the reduction from three lanes to two?

Mr Woronzow: They have expressed that it is a desired part of the network that needs to be addressed, but to use terminology like “concerns” or some strong language in those regards, no.

Hon STEPHEN DAWSON: What is the expected impact on traffic flows on this section given that Tonkin Highway will be carrying extra vehicles as a result of the project?

Mr Woronzow: We have done some modelling. I do not have it with me at the moment.

Hon STEPHEN DAWSON: Are you able to provide that modelling to us by way of supplementary information?

[*Supplementary Information No A3.*]

Hon STEPHEN DAWSON: I have another question on this issue. Do we know how many extra vehicles Tonkin Highway will carry as a result of the NorthLink project? I presume that would have been modelled too.

Mr Woronzow: Again, it is modelled. I have not got the figures with me but we can provide that.

Hon STEPHEN DAWSON: Can you add that to the earlier information?

The CHAIR: We will include that in supplementary information A3.

Hon STEPHEN DAWSON: I have further questions on NorthLink. In relation to the \$251 million allocation for the three grade separations, namely, Tonkin–Collier, Tonkin–Morley and Tonkin–Benara, what is the estimated cost of completion?

Mr Woronzow: Currently, based on the tender prices that we have received—and you have to appreciate that it is relatively early timing in the construction—we are looking at a project underrun. It may be greater than \$20 million. Again, in making those comments, it is early days and completion of the project is still another 12 months away.

Hon STEPHEN DAWSON: That is a significant saving. What is that down to? Is that down to the market conditions changing and the fact that there is not as much work around and prices have dropped, or are there other issues at play?

Hon JIM CHOWN: The savings are yet to be realised.

Hon STEPHEN DAWSON: No, but I mean just in terms of the estimate. It is still a significant estimated saving. What is behind it?

Mr Woronzow: Market forces.

Hon STEPHEN DAWSON: So there have been no other kinds of changes?

Mr Woronzow: No.

Hon ALANNA CLOHESY: So there has been no change to the scope of the works from the original intention.

Mr Woronzow: No. The original scope as submitted to IA and funded by the state and commonwealth governments is unchanged.

Hon ALANNA CLOHESY: Can we have, and I dare say you will probably need to take this on notice, the revised completion dates for each of the three intersections?

Mr Woronzow: We can provide that.

[Supplementary Information No A4.]

Hon ALANNA CLOHESY: Can we also have the budget for each of those separated out? I think we have got \$25.1 million for the three, but could we have the budget attached to each individual intersection?

Mr Woronzow: I have got no problem with doing that.

Hon ALANNA CLOHESY: I want to talk about railway level-crossing upgrades. The 2015–16 budget had \$5 million for railway crossing upgrades. Is that right? Was \$5 million expended?

Hon JIM CHOWN: By upgrades, do you mean grade separations?

Hon ALANNA CLOHESY: Railway crossing upgrade programs. There is a different program at each railway crossing. About \$5 million spent on that in 2015–16; is that right?

[9.50 am]

Mr Snook: Approximately \$5 million.

Hon ALANNA CLOHESY: What is the budget for 2016–17 and the out years?

Mr Snook: It is a similar amount for 2016–17.

Hon ALANNA CLOHESY: About \$5 million?

Mr Snook: Yes. We have had that amount of money for a number of years.

Hon ALANNA CLOHESY: What crossing upgrades were completed in 2015–16?

Mr Snook: I will have to take that one on notice. We did seven; I can give you the numbers, but I cannot give you the specifics.

[Supplementary Information No A5.]

Hon ALANNA CLOHESY: What is projected for 2016–17 and the out years in terms of which crossings are on your list?

Mr Snook: Again, I can tell you that in 2016–17 we plan to upgrade five crossings that at the moment have Give Way signs to flash lights. We will also upgrade eight of the existing level crossings with ordinary flash lights to LED lights, but I cannot give you the specifics so I will have to take that on notice.

[*Supplementary Information No A6.*]

Hon ALANNA CLOHESY: Sorry, I forget how many you said; was it seven?

Mr Snook: There were five upgraded from Give Way signs to flash lights; another eight level crossings that already have flash lights will be upgraded to have LED lights.

Hon ALANNA CLOHESY: On that list, can you give me an expected completion date of what work is to be undertaken, when it is to be completed, and, if possible, the individual budget for each of those?

Mr Snook: Yes, I can do that; I will do that as part of that supplementary information.

The CHAIR: We will include that in A6.

Hon ALANNA CLOHESY: That list will be for 2016–17; have you got a projected 2017–18?

Mr Snook: I have not got a projected 2017–18.

Hon ALANNA CLOHESY: So there is no sort of broad big picture—sorry, pardon the pun—railway level crossing upgrade program that projects five years down the track? That is another pun, sorry.

Mr Snook: Very good—sorry; yes, we do have a plan. At the moment it does not extend for five years ahead. I can give you that information; it might be two years ahead. I could give you that information, but it will not have the specific dates further out.

Hon ALANNA CLOHESY: No; but, it is just an idea of, these are the ones that need to be worked on. That would be handy.

[*Supplementary Information No A7.*]

Hon ALANNA CLOHESY: Is there any reason that you do not plan more than two years ahead for those?

Mr Snook: At the moment with the upgrades, we do the upgrading work from where we put in new level crossing signals or we upgrade the existing level crossing signals to new equipment. We have a five-year program of those that is put out to contract. That contract is put out through Brookfield Rail. We are a number of years into that contract at the moment. We started off with five years, but, as I said, we are a few years into that now. At the expiry in two or three years' time, when we do the next contract, again, by then we will have set up another five-year program that we will put out to contract and we will price that.

Hon ALANNA CLOHESY: Does that mean that somewhere in the middle of next year you will start that planning process again for it to go out to tender, whether the winning tenderer is Brookfield Rail or some other entity?

Mr Snook: It will not be Brookfield Rail; it will be another company such as the United Group or similar to that.

Hon ALANNA CLOHESY: Whoever decides to tender for it?

Mr Snook: Correct.

The CHAIR: On page 30 and at “Railway Level Crossing Upgrade Program”, what is the split between the regional and metro locations in the investment?

Mr Snook: I would have to take that on notice.

[*Supplementary Information No A8.*]

The CHAIR: What criteria was used in identifying which level crossings required improvement and upgrade?

Mr Snook: The criteria we use—there are two different types of work that is done. There is the upgrade where you go from, for example, Give Way signs to flash lights. The second type of work that we do is upgrading the existing railway crossings that, for example, already have flash lights. In the case of the first one, where we upgrade from what we call “passive” signing to “active” signing, we work on the basis of a formula regarding the amount of traffic on the road component and the amount of rail traffic on the railway line. By working that through under the set criteria that we have, we come up with our program to do those upgrades.

The CHAIR: How are the upgrades prioritised?

Mr Snook: On that basis.

The CHAIR: Based on that criteria?

Mr Snook: Yes, that is right. Plus, we also give some strategic overview to it; for example, if there is a particular railway line where we are aware that there is going to be some future increases in traffic and we think that it is worthwhile upgrading that particular crossing at this time, we will do that as well.

Hon ALANNA CLOHESY: Just on that, at what point do you decide that that particular rail crossing should no longer be a railway crossing and requires substantial work to upgrade it to, I do not know, a tunnel, for example?

Mr Woronzow: We call it a grade separation.

Hon ALANNA CLOHESY: Thank you.

Mr Snook: Again, that is based on this criteria of the amount of vehicle traffic on the road and the amount of rail traffic on the railway line. When you get to that stage whereby the railway crossing itself is inadequate, your options are that you could actually close the railway crossing altogether, which is clearly the cheapest way to go but has an effect on the broader community, or you do your grade separation and you do a bridging or a tunnel solution. At the moment, they are the things that we look at before we make that decision. At this stage, though, I guess that is the answer: that is what we do.

Hon ALANNA CLOHESY: Are there any plans for grade separation that we have not asked about yet today?

Mr Snook: Some work is being done to consider within the metro area some future grade separations on the passenger line, but at this stage there are no firm commitments to that.

Hon ALANNA CLOHESY: Can you give me an indication of the range of works that you are considering?

Mr Snook: I would again have to take that on notice.

[Supplementary Information No A9.]

Hon ALANNA CLOHESY: And noting my particular interest in the Bayswater subway.

The CHAIR: Referring to page 33, under the “Wheatbelt Region” and the \$324.8 million that is being spent there. How much of that will be allocated to the treatment of little Bindoon and Bindoon Hill?

Hon JIM CHOWN: Are you talking about the bypass?

The CHAIR: Yes, the Great Northern Highway, stage 2.

Mr Woronzow: We have not allocated any funding for the Bindoon bypass or to address the issue on Bindoon Hill yet. The project has, as you can see, overall funding of \$324 million, but we are currently going through a process that has involved community consultation around a number of routes. We have not decided which one is the preferred route and we have not made that recommendation to the minister yet.

The CHAIR: So is it still being assessed?

Mr Woronzow: It is still being assessed.

The CHAIR: Also on page 33, projects in the midwest, Gascoyne and great southern regions, will they consider the future introduction of 60-metre road trains as a trial?

Hon JIM CHOWN: I would not suggest at this stage, no.

Hon STEPHEN DAWSON: At page 32, under “Road Efficiency” and “Looking Ahead”, there is mention of construction of new bridges including the old Mandurah traffic bridge and the Treendale bridge. I want to ask in relation to the Treendale bridge in particular: when is that project likely to commence; when is it likely to be completed; and, what is the particular amount for the Treendale bridge?

[10.00 am]

Mr Snook: Tenders have been received for that particular contract. Work should start on that particular project soon. Sorry, I missed the other —

Hon STEPHEN DAWSON: When will it commence? What is the time line, essentially?

Hon JIM CHOWN: Early next year, I think, it is due to be completed.

Mr Snook: Yes, so it will start early next year, with completion around 2018.

Hon JIM CHOWN: Oh, is it?

Hon STEPHEN DAWSON: So, soon means starting early in 2017 and completed the year after?

Mr Snook: Yes.

Hon STEPHEN DAWSON: I think this has been committed a couple of times by government. It has been on the table and it has been off the table again. Why has that delay occurred?

Mr Snook: There was some delay due to the cost estimates increasing. We did an initial cost estimate, and then the subsequent estimates were that the price had increased. That issue has been resolved.

Hon STEPHEN DAWSON: What is the amount that is attached to this project?

Mr Snook: At the moment there is —

Hon JIM CHOWN: It is \$24 million —

Mr Snook: It is \$24 million.

Hon JIM CHOWN: — with a contribution from the Shires of Dardanup and Harvey of around \$6 million.

Hon STEPHEN DAWSON: So the \$6 million is on top of the \$24 million.

Hon JIM CHOWN: No, that is in total.

Hon STEPHEN DAWSON: Chair, I seek your indulgence on this. Where in the budget is this project funded from? Can somebody answer that?

Mr Woronzow: I can answer that. It will not appear in our asset investment program because it is not on a main road or a highway. It is just being funded within Main Roads’ global allocations.

Hon STEPHEN DAWSON: Okay.

Mr Woronzow: In essence, even though it is for a physical structure you think is a capital works, the funding is coming from the recurrent funding.

Hon STEPHEN DAWSON: Okay. I appreciate that. Thanks very much. Can I ask, parliamentary secretary, in relation to the Karratha–Tom Price road, there is no mention of it in the annual report

and there is no mention of it in the looking ahead. Is this project a priority for Main Roads? Can I ask, too, has this project been costed previously and what is the dollar figure attached to it?

The CHAIR: What page was that—43?

Hon JIM CHOWN: We might take that on notice.

Hon STEPHEN DAWSON: Again, I am seeking your indulgence, chair.

Hon JIM CHOWN: We will take the question on notice, thank you.

[Supplementary Information No A10.]

Hon STEPHEN DAWSON: Thank you. Chair, at page 40, “Key Projects: Road Maintenance”—do not turn to it; I am just using it as a point to attach my question to. I wanted to ask about “Pilbara region: regional project maintenance”. Can someone tell me what projects are on the table currently in the Pilbara region, in particular in Port Hedland? I have heard that some work is being done by Main Roads in relation to moving a train line or potentially changing the direction or the location of roads around the airport. Can somebody advise me what the status of that work is?

Mr Woronzow: We cannot. We can take that on notice, but in terms of the Pilbara generally, the commonwealth, during the last federal election, made commitments to a number of projects in the Pilbara, which include Wyndham Spur and Maggie’s Jump Up as part of Great Northern Highway out to the Wyndham port, Coongan Gorge on the Marble Bar Road —

The CHAIR: Did you want that as a question for supplementary information?

Hon STEPHEN DAWSON: Yes. If I could have that as supplementary, that would be great.

[Supplementary Information No A11.]

Hon STEPHEN DAWSON: Particularly, I am interested in the work that is happening in Port Hedland around the airport, because I understand that there is work happening—conversations are happening with Main Roads.

Mr Woronzow: We will take it on notice, but I think the work you are referring to—we have got a heavy vehicle productivity program. I think that work relates to providing an area for heavy vehicles to stop and, potentially, break down. We will take it on notice and give you a fuller answer.

Hon STEPHEN DAWSON: Thank you. Can I ask about the Marble Bar–Nullagine road? I understand some work has been done, I think, to Ripon Hills turnoff. Does the finishing of this road appear on any of Main Roads’ projected lists for the next few years?

Mr Woronzow: No, it is in the forward estimates as currently not funded, but we have had some discussions with some of the mining companies that use that road with a view for them making a contribution which may enable us to do some work. But it is currently not funded in the forward estimates.

Hon STEPHEN DAWSON: Can I ask: have you identified the cost of the completion of the project; and, if so, what is the estimated cost?

Mr Woronzow: Yes, we have identified the cost, but I have not got it with me. We will take it on notice.

[Supplementary Information No A12.]

Hon ALANNA CLOHESY: We will stay with roads—key projects. The list of key projects that is in the annual report at page 29, is it possible to get an updated status on—I assume they are still your key projects.

Mr Woronzow: No. These projects are part of our road safety program. Generally, they tend to be smaller projects in terms of funding.

Hon ALANNA CLOHESY: All right. There is the road safety program. What other programs make up all of your projects?

Mr Woronzow: There is state efficiency, with projects such as NorthLink. NorthLink would form part of that program.

Hon ALANNA CLOHESY: So, road efficiency —

Mr Woronzow: There is road safety, road efficiency —

Hon ALANNA CLOHESY: State development.

Mr Woronzow: State development, road maintenance, community access.

Hon ALANNA CLOHESY: And road management.

Mr Woronzow: That is correct.

Hon ALANNA CLOHESY: Okay. That makes up your whole portfolio of projects?

Mr Woronzow: Yes. All of our funding is split into those programs.

Hon ALANNA CLOHESY: Main baskets. Is it possible to get an updated status on each of those—in the annual report, that is great, but what they are now and their completion dates and budget?

Hon JIM CHOWN: As listed here, do you mean?

Hon ALANNA CLOHESY: No, an updated status.

Hon JIM CHOWN: Of?

Hon ALANNA CLOHESY: Of each of them.

Hon JIM CHOWN: Each one of these projects as listed in the annual report.

Hon ALANNA CLOHESY: Yes, across all of the portfolios.

[Supplementary Information No A13.]

Hon ALANNA CLOHESY: So that would be the budget, the expected completion date —

Hon JIM CHOWN: And what has been delivered already.

Hon ALANNA CLOHESY: What has been delivered and when is the next one to be delivered. That would be great. Can I go to Ellenbrook and the bus rapid transit. Where were we at with that? I think the last time we met you were in the process of property acquisition along Marshall Road and had not actually got to that.

Mr Woronzow: I can talk to that. We have been in the market seeking tenders. We have got a very competitive field. We have got five consortiums that provided very good tenders. We have assessed those and we have made a recommendation to award to the minister.

Hon ALANNA CLOHESY: When do you think that contract will be signed?

Mr Woronzow: Potentially, sometime this month or early December—either November or early December.

[10.10 am]

Hon ALANNA CLOHESY: Early December. Okay. Then when would you expect the project to commence?

Mr Woronzow: Construction would start December or January.

Hon ALANNA CLOHESY: So sort of like six weeks after the contract is signed, for example?

Mr Woronzow: Yes. The winning contractor would be aware that there is competition and he will have to mobilise and he will have to lock in subcontracting arrangements. Traditionally, there is

a period of one or two months from the time a contractor gets the contract awarded before he mobilises and then starts construction.

Hon ALANNA CLOHESY: So on the project implementation plan, when is it expected to be completed? Say it starts sort of —

Mr Woronzow: Okay. If they start December 2016–January 2017, they will be expected to finish early 2018. That is probably in the order of a 12-month construction.

Hon ALANNA CLOHESY: So it is about a 12-month construction. Okay. What is the total cost of the construction?

Mr Woronzow: The total cost of the construction—that is the contract price. I do not have the contract price with me, and because it is subject to a live procurement process and the contract has not been awarded, I cannot pass that information on. When the contract is awarded, that information will go up on Tenders WA and it will be public knowledge.

Hon ALANNA CLOHESY: Is the cost of the project more than just this contract, though?

Mr Woronzow: It is. So, traditionally, and in this case, there are land acquisition costs, and there are Main Roads costs such as supervision insurance. Obviously, we will have some sunk costs. So we have done some design to give a contractor enough information to actually tender them.

Hon ALANNA CLOHESY: Is it possible to get an idea of those costs across the whole project? It is not the contract—I understand the commercial-in-confidence component there—but the costs of the project as a whole broken down into land acquisition in round figures?

Mr Woronzow: I have no problem giving that information at a high level. The problem is that until the contract is awarded, if we give you the detail, people can work out what the contract price is before we have awarded it.

Hon ALANNA CLOHESY: I appreciate that.

Mr Woronzow: We can provide that information, but it will be at a high level.

Hon ALANNA CLOHESY: A broadbrush sort of breakdown.

[Supplementary Information No A14.]

Hon ALANNA CLOHESY: With the construction, I have to admit that I have not actually got the sort of picture in my head—I am a very visual person—of what it actually looks like. Is it like those that operate in South Australia where there is a separate—walled, even—lane with pedestrian and cycleway access along the side of it and then the road going through? Is that what it looks like?

Mr Woronzow: That is at a high level a reasonable description. There will be a shared path which runs between Ellenbrook and Marshall Road, so it will provide a carriageway each way. If you bear with me, I can probably find the scope of the work and I can give you a broader answer.

Hon ALANNA CLOHESY: That would be fantastic.

Mr Woronzow: The information that I have with me is that it is a nine-kilometre continuous connection for buses between Ellenbrook town centre and Marshall Road. There will be a number of stations along there. I do not have the exact scope in front of me, but there will be a section which will replace Lord Street. If you do not mind, I will take it on notice and we will provide a schematic, and that will provide all the information that you need.

[Supplementary Information No A15.]

Hon ALANNA CLOHESY: So that will include cycleways—the whole scope?

Mr Woronzow: Exactly. We have made sure, and the City of Swan have helped us, in terms of they have made a contribution to make sure that for the whole nine kilometres there is a shared path, which includes a dedicated cycleway, and that is separated from the busway.

Hon ALANNA CLOHESY: Good. I have just got this horrible feeling about cyclists and buses.

Mr Woronzow: That is part of the scope.

Hon ALANNA CLOHESY: Thank you.

The CHAIR: Page 44 refers to a new 24-hour rest area near Two Camel Creek Bridge. Considering that will be a 24-hour rest area, will it be lit adequately for security and amenity of users?

Hon JIM CHOWN: Yes.

The CHAIR: I refer also to page 49 and the introduction of 60-metre road trains. Considering the previous answer, I probably know the answer to this one, but which other routes are under consideration for approval of 60-metre road trains?

Hon JIM CHOWN: Which other routes —

The CHAIR: Other than the Pilbara one that you have got.

Hon JIM CHOWN: At this stage, none.

The CHAIR: That is easy. At page 56, under “Incident reporting and Investigation”, you refer to three environmental incidents related to clearing without an approval. From whom was an approval required, and why was it not sought?

Mr Woronzow: We will take that on notice.

[Supplementary Information No A16.]

Hon JIM CHOWN: You have caught us out.

The CHAIR: That is what I am here for.

Hon STEPHEN DAWSON: At page 93 of the report, the top of the page, on the right-hand side under “Capital Works”, it talks about the strategic asset plan. Can the department provide the committee with a copy of that plan?

Mr Woronzow: No, and the reason why we cannot is that it has been provided as part of cabinet deliberations, so it is cabinet-in-confidence.

Hon ALANNA CLOHESY: That is funny, because you have given that to the committee in the past.

Mr Woronzow: Across the sector, I think you will find you will get the same answer. The way that those asset plans are being treated now is that they are bundled up and they are provided to cabinet to endorse them as feedstock into asset investment programs. That document is a cabinet-in-confidence document. We cannot provide it.

Hon ALANNA CLOHESY: Did that whole document go to cabinet?

Mr Woronzow: It is used by Treasury. They will amalgamate them, and my understanding is then it is presented to cabinet to make decisions on what should be funded in budget cycles. It is part of cabinet’s deliberations about what should be recommended for funding.

Hon ALANNA CLOHESY: Has your agency, your minister, or you or your senior executive, sent that to cabinet as a document—as a cabinet submission?

Mr Woronzow: No, we have provided it to Treasury on the understanding that it will be used —

Hon JIM CHOWN: That is just part of cabinet.

Hon ALANNA CLOHESY: So parts of it would be used for Treasury to draw on to do a cabinet submission?

Mr Woronzow: Correct; in terms of what is able to be funded and what cannot be funded in future budgets.

Hon STEPHEN DAWSON: It seems peculiar, though, that you have mentioned it in your annual report. It is a document that goes to Treasury, and then Treasury does something with it, takes bits of it, and then sends another report to cabinet, and yet your original document is covered by cabinet-in-confidence. It seems very peculiar.

[10.20 am]

Mr Woronzow: The document we use —

Hon STEPHEN DAWSON: Has that been a direction from DPC or Treasury that you not do that?

Mr Woronzow: What you will find is that all agencies will give you the same response—that is, what we understand will happen with those asset investment plans, and that is —

Hon STEPHEN DAWSON: Sorry, chair, but this is my first estimates hearing this year, so excuse me for kind of going on about this.

Mr Woronzow: We are not trying to be awkward.

Hon STEPHEN DAWSON: No, but has there been a direction given to your agency that these asset plans not be made public?

Mr Woronzow: Yes.

Hon STEPHEN DAWSON: Who did that direction come from?

Mr Woronzow: It has come from Treasury, because it is used as part of the budget process and they will form part of cabinet-in-confidence discussions.

Hon STEPHEN DAWSON: Has this advice or this direction from Treasury come in writing? Did the Treasurer or the Under Treasurer write to your agency to advise you that this was the case?

Mr Woronzow: No.

Hon STEPHEN DAWSON: So how was the information delivered to your agency?

Mr Woronzow: It has been communicated at officer level.

Hon STEPHEN DAWSON: At officer level. So what level at Treasury is telling what level at Main Roads?

Mr Woronzow: It would be at executive level.

Hon STEPHEN DAWSON: So are we talking about the Under Treasurer to the commissioner or are we talking about lower down?

Mr Woronzow: No, we are talking about people within Treasury that have responsibility for dealing with agencies on a day-to-day basis. Their normal function would be to get the asset investment plans from agencies. They will scrutinise them. They will make recommendations to the Under Treasurer, and the Under Treasurer, in the fullness of time, will get together a submission for cabinet to consider what projects should be funded and what initiatives should be funded within the state's wherewithal to fund them.

Hon STEPHEN DAWSON: Just to be clear, there is no direction from DPC or the Premier's department; this direction has been from Treasury?

Mr Woronzow: Not that I am aware of. The discussions we have had are at officer level between Treasury and Main Roads.

The CHAIR: Do you have any further questions, Hon Stephen Dawson?

Hon STEPHEN DAWSON: I have one in relation to the truck route on Canning Road and the decision by CBH to shift onto rail. How many extra trucks will that mean will be on Brookton Highway and Canning Road from the beginning of November?

Mr Woronzow: Sorry; I missed the reference?

Hon STEPHEN DAWSON: This is in relation to the truck route on Canning Road and CBH's decision that they made recently.

Hon JIM CHOWN: We do not have that information, sorry.

Hon STEPHEN DAWSON: You do not have it?

Hon JIM CHOWN: No.

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

Hon STEPHEN DAWSON: Yes.

[Supplementary Information No A17.]

Hon STEPHEN DAWSON: If I can just be clear, how many extra trucks will that mean will be on Brookton Highway and Canning Road, and I think it is supposed to happen from this week? The second part is: does Main Roads believe Canning Road is suitable for such sized trucks and significant volumes? If you are able to provide commentary —

Hon JIM CHOWN: If it is registered for restricted vehicle access, the answer is yes; and, if it is not, they should not have the trucks on that particular road. It is as simple as that.

Hon STEPHEN DAWSON: I will happily take the first part by way of supplementary, and if that is the answer to the second part —

Hon JIM CHOWN: The answer is that roads throughout the state have to be registered for restricted access by heavy vehicles of various combinations, and if people are using those roads outside the parameters, they will be fined.

Hon ALANNA CLOHESY: In budget estimates, we talked about congested intersections, and you sort of gave us an update on the list of projects and their status. Could you give us an updated list of those projects? Do you have that available?

Hon JIM CHOWN: Are you happy to answer that question, Tony?

Mr Earl: Are we talking about the congestion program?

Hon ALANNA CLOHESY: Yes.

Hon JIM CHOWN: Yes—a status update of the program. Start at the beginning.

Mr Earl: Currently, what has been delivered is four dedicated exit lanes: Kwinana Freeway at South Street, southbound; Leach Highway, northbound; Mitchell Freeway on Hay Street; and Karrinyup Road —

Hon ALANNA CLOHESY: Sorry, Hansard is recording this, and they are having difficulty and so am I. Is it a list that you could provide us with for what has been completed?

Mr Earl: There are 300 —

Hon JIM CHOWN: It is probably better to give a verbal explanation because —

Mr Earl: There are 300 initiatives in the congestion program, which I will be happy to provide a list of.

[Supplementary Information No A18.]

Hon ALANNA CLOHESY: Can we just clarify what that is? What list did you say?

Mr Earl: I can give a more general statement on that.

Hon ALANNA CLOHESY: Sorry; I just want to know what list the chair has given a number to as to what you will be providing.

Mr Earl: We are talking about 300 low-cost, high-impact initiatives that have been delivered on the street in 2015–16 as part of the congestion program.

Hon ALANNA CLOHESY: In view of the time, can I get the top 20 congested metropolitan state road intersections status update? You provided us with that list at budget estimates. Can we get it updated, please?

Mr Earl: Yes; I will have to provide that.

The CHAIR: That is what we have for A18.

Hon ALANNA CLOHESY: Thank you. Can I also now go to Toodyay Road and get an update. Some of that work has been delayed, particularly around Reen Road–Stoneville Road. Can I get an idea about why that has been delayed and when it is expected to be completed?

Hon JIM CHOWN: Mr Snook.

Mr Snook: The original plan that we had for financial year 2016–17 was that we would be upgrading the intersections at Lilydale Road and then the intersections at Stoneville and Reen Roads. During 2015–16, we were doing the detailed design of both of those intersections and some other intersections along the road as well. As we did the detailed design of the Stoneville Road and Reen Road intersections, we found out that to do the design on those intersections, and in particular at the Stoneville Road intersection, to improve that meant that we had to push into the adjacent passing lane. So we would take out some of that passing lane, and that would mean that the length of the passing lane, which is a west-bound passing lane, would be too short—it would be shorter than standard. In order to address that, we had two options. We could either close down that passing lane altogether, or try to lengthen it. Really, from working with the community, it was not acceptable to close that passing lane. So we had to do some more design to lengthen that passing lane. It is actually quite complicated to do that and we would not have got the detailed design finished in time for the construction season, which is due to start soon. As part of the overall design works we have been doing and the overall discussions we have had with the community, there were a number of other intersections that needed to be upgraded anyway—the community wanted them upgraded as part of the overall project—so we are actually going to transfer the money to those and we will do those intersections this year.

Hon ALANNA CLOHESY: You are moving it down the list, in other words?

Mr Snook: Correct, with the idea that we will have the Stoneville Road and Reen Road intersections ready for construction in 2017–18.

Hon ALANNA CLOHESY: Is it possible, in view of the time, to get the revised list of projects, the scope of work, and the budget for each of them separated out?

Mr Snook: Yes, we will do that.

Hon ALANNA CLOHESY: For Toodyay Road.

[*Supplementary Information No A19.*]

The CHAIR: In view of the time, I have one question, if you do not mind, member. On page 16, you talk about the widespread adoption of electric cars and the fact that the fuel excise will reduce federal money for funding road projects. I have two questions on this. Firstly, have you done any modelling on by how much it will reduce the federal funding for road projects; and, secondly, what is the cost of electricity going to be for recharging these cars?

[10.30 am]

Mr Woronzow: The answer is we have not done any detailed modelling. It is an issue that all road authorities, not just within Australia but around the world, are aware of. It is still yet to be seen the community uptake for electric vehicles and how quickly it is going to happen.

The CHAIR: You referenced it in your report, so it is obviously something that is on the radar. I would not have thought there was a big use of electric cars at this point in time, but it must be of concern to you that you think that the funding is going to be reduced.

Mr Woronzow: You are quite right; it is on our radar. When all road authorities get together, we talk about it. We were fortunate enough to have the American transport secretary come to Main Roads about a month ago and he spoke of awareness of the same issue in the United States. To answer your question, we have not done any detailed modelling on it.

The CHAIR: When do you think you might do some modelling on it if it is becoming a growing issue for the department?

Mr Woronzow: When we see —

Hon JIM CHOWN: A fairly significant percentage increase in electric cars travelling on our roads. That would be the time to do it. At this stage, I would say that it was minimal.

The CHAIR: What would you call significant?

Hon JIM CHOWN: Ten per cent.

The CHAIR: Is that off the top of your head or is that something that has been documented somewhere?

Hon JIM CHOWN: No; that is off the top of my head. I think 10 per cent of electric cars in the metro area would be a big number.

The CHAIR: We will leave it at that. 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, 7 November 2016. 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 beforehand. 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 the hearing. Once again, I thank you for your attendance today. I remind members that the deadline for submitting additional questions is 12.00 pm—midday—on Monday, 7 November 2016, as stated in para 8.2 of the procedure policy. Thank you, witnesses.

Hearing concluded at 10.31 am
