



**LEGISLATIVE ASSEMBLY FOR THE AUSTRALIAN CAPITAL
TERRITORY**

STANDING COMMITTEE ON PUBLIC ACCOUNTS

(Reference: Appropriation Bill 2007-2008 (No 2))

Members:

**DR D FOSKEY (The Chair)
MS K MacDONALD (The Deputy Chair)
MR R MULCAHY**

TRANSCRIPT OF EVIDENCE

CANBERRA

THURSDAY, 29 NOVEMBER 2007

**Secretary to the committee:
Mr H Finlay (Ph: 6205 0136)**

By authority of the Legislative Assembly for the Australian Capital Territory

Submissions, answers to questions on notice and other documents relevant to this inquiry that have been authorised for publication by the committee may be obtained from the committee office of the Legislative Assembly (Ph: 6205 0127).

WITNESSES

BYLES, MR GARY , Executive Director, Enterprise Services, Department of Territory and Municipal Services	75
ELLIOTT, MR TOM , General Manager, ACTION	75
GREENLAND, MS KAREN , General Manager, Transport Regulation and Planning, Department of Territory and Municipal Services	75
HARGREAVES, MR JOHN , Minister for Territory and Municipal Services	75
MORRELL, MS SUE , Executive Director, Community and Infrastructure Services, Department of Territory and Municipal Services.....	75
WATKINSON, MR RUSSELL , Director, Parks, Conservation and Lands, Department of Territory and Municipal Services	75
ZISSLER, MR MIKE , Chief Executive, Department of Territory and Municipal Services.....	75

The committee met at 9.31 am.

HARGREAVES, MR JOHN, Minister for Territory and Municipal Services

ZISSLER, MR MIKE, Chief Executive, Department of Territory and Municipal Services

MORRELL, MS SUE, Executive Director, Community and Infrastructure Services, Department of Territory and Municipal Services

GREENLAND, MS KAREN, General Manager, Transport Regulation and Planning, Department of Territory and Municipal Services

BYLES, MR GARY, Executive Director, Enterprise Services, Department of Territory and Municipal Services

ELLIOTT, MR TOM, General Manager, ACTION

WATKINSON, MR RUSSELL, Director, Parks, Conservation and Lands, Department of Territory and Municipal Services

THE CHAIR: We will start. Ms MacDonald is on her way and by the time we have gone through the formalities, I am sure she will be here. I am not going to read the privileges statement. Is there anybody here who has not been in the room?

Mr Hargreaves: Madam Chair, everybody that is here has appeared before the annual reports hearings this week and has been advised of that content.

THE CHAIR: Excellent. You will also know, then, to turn off your mobile phones or put them in silent mode, to speak into the microphones one person at a time and, when you first speak, to state your name and the capacity in which you are here. Mr Hargreaves, do you have an opening statement that you would like to make?

Mr Hargreaves: Thank you, Madam Chair. In the interests of time—I know we only have an hour—we will dispense with an opening statement and go straight to questions from the committee.

THE CHAIR: I will start, then. I am interested in the fact that ACTION has a separate section in this appropriation bill. Does that mean that there has been some change in the governance arrangements for ACTION?

Mr Hargreaves: No, it does not, Dr Foskey. It is merely because the amounts of moneys are so significant that we wish to draw attention to the inclusion in the supplementary appropriation.

THE CHAIR: Could you very quickly run through the way that ACTION is administered now within the department? Is it a separate entity? How does it work?

Mr Hargreaves: Certainly. The Chief Executive of the Department of Territory and Municipal Services is responsible to me. Within that officer's range of responsibilities rests enterprise services and community and infrastructure services. Mr Gary Byles is responsible for that part of the world which is responsible for ACTION, and Mr Tom Elliott, as general manager of ACTION, is responsible to Mr Byles. It is part of the department's structure. Previously it was a statutory authority. It has been absorbed into the department.

THE CHAIR: We will stick with ACTION and then we will move onto other matters. Given it is one of the most significant expenditure items in the bill, it seems only appropriate. To start, your speech last week, I think, stated that an all new network designed by international experts will be finalised with the help of the community.

Mr Hargreaves: Yes.

THE CHAIR: I assume that this is action 16 from the climate change strategy. Anyway, it certainly looks as though it belongs there. Who are the international experts, Mr Hargreaves?

Mr Hargreaves: The network designer is a Canadian gentleman with an international reputation. He has done a fair amount of work with other Australian state and municipal bus services, particularly and notably Brisbane City Council. We were impressed by the work that this gentleman did with Brisbane City Council. His name is Jarrett Walker.

THE CHAIR: A couple of my constituents have indicated that they believe that the level of service for their specific area has been reduced in the new network. You might have seen a letter in the *Canberra Times* today in which someone notes that, despite the two new bus shelters, there soon would not be a bus going past them. I am not sure whether all these people are right or not. What mechanisms are there to take their concerns into account and perhaps to tweak the network?

Mr Hargreaves: Firstly, I would like to address the issue of that correspondent in the *Canberra Times*. That correspondent also sent me an email that I received yesterday, and only yesterday. I responded, as I do to all emails from people who express concern to my office but to me specifically, that a senior officer from ACTION will be touch with them and will walk them through the system and also take their concerns on board. I have to confess a disappointment that an item would appear in the *Canberra Times* without any possibility of a resolution of the issue.

On a couple of occasions we have had people contact us and say, “This appears to be the case.” ACTION has gone and spoken to these people, had a look at what they have said and been able to rejig the network to accommodate their concerns. What we have here is the second stage consultation process. The first stage was the online surveys, the at-interchange surveys, on-bus surveys and the work that the Standing Committee on Planning and Environment did. That was the big consultation process, which gave us additional data so that the network designer could come up with Network 08.

Rather than just introduce it straight away, we are introducing it to the general public in two bites before it goes live. The first bite is where it is now. It gives you a very good, long, hard look at it. It shows you the bus routes. We have indicated that the frequency of service has increased, the connectivity has been improved and a lot of the bus routes have actually had additional services added to them. We want people to see how it does affect them individually because we know that some people who live in the parliamentary triangle will go to work at Brindabella Business Park or go to the eye hospital. There are some extra services in Gungahlin. They are going to be really

thrilled with it, but we do not expect to have much feedback on that. You do not.

But what we do need to hear from are those people who may feel that they are adversely affected. In any network change you are going to get that. But rather than just introduce it and say bad luck, we want them to tell us. If we can do some tinkering around the edges and satisfy their problem, we are happy to do that. That is why we have got the online surveys going again. That is why, in fact, we are asking people to contact us. That is why, in fact, ACTION officers will actually speak directly to the travelling and non-travelling public about their issue.

At this point I would like to express my appreciation and that of the government to Tom Elliott and his officers who individually and personally contact people, either by email or by phone and talk to them about their particular issues. This is a very, very good consultation process.

THE CHAIR: So there is a survey on the ACTION website?

Mr Hargreaves: Yes.

THE CHAIR: What other kinds of consultation are there? What follow-up will there be to those surveys?

Mr Hargreaves: We are going out to the community in public forums. We are actually talking with the community through the community councils and doing those sorts of public forums. The details are up at the interchanges, and the Canberra Connect shopfront is available for people to pick up survey forms. Essentially, we are having as much of a conversation with the community as we can. What we are not doing at this stage of the game is putting a letter in every letter box in Canberra. But we are giving it incredible publicity and the survey forms are for people to tell us exactly what is happening so that we can adjust the thing.

We need to understand this, though, Dr Foskey, and I need to get this message out very, very clearly. This is a very, very good change. The benefits of this new network are quite extensive: extra services, better frequency and better connectivity. But, at the end of the day, this is a mass transit system. This is about getting a lot of people moving along between centres as best we can do it. This is not a taxi system. It is not a system designed for individuals. It is a system designed to get the maximum amount of people travelling, out of their cars and onto the buses, if we can.

So we urge people in Canberra to understand that this is a mass transit system. This is not an individual system. So whilst their particular circumstances may be different, we ask them to contact us and we will talk around it. If we cannot fix it, we cannot fix it.

THE CHAIR: I am sure that other members of the committee have something on this, but which of the planning and environment committee recommendations will be implemented in these changes in the bus network?

Mr Hargreaves: I will have to go back and have a look at it. Off the top of my head, I cannot tell you. What I can tell you is that we took an enormous amount of notice of

what the planning and environment committee said. One of the things that the planning and environment committee said was that we had to have more buses. The government will be putting \$50 million into the appropriation for next year for capital equipment. We have put \$16 million in the budget for this year. That will necessarily go towards providing additional services.

I am advised that our response to the report has not been tabled in the Assembly yet, so I am actually prevented, I am sorry, from indicating which ones we will pick up—because it has not been authorised for publication by the system. I can tell you that in general terms we have accepted the committee's points. It added to the thinking, too. It was a very positive engagement, quite frankly.

THE CHAIR: Indeed it was. Ms MacDonald, do you want to ask any questions about ACTION?

MS MacDONALD: Not at the moment. I am happy for Mr Mulcahy to ask some questions if he would like to.

MR MULCAHY: Thank you. Minister, can you just outline for the benefit of the committee the program you have for vehicle replacement? Is this programmed on an annualised basis? If so, could you tell us what basis?

Mr Hargreaves: There are two main thrusts or planks to this. Let me give a bit of background. The replacement system—we are replacing the buses with cleaner fuel; we are replacing buses with compressed natural gas. But we are also looking at the evolving diesel fuels which are emerging now, which are in some cases even cleaner than compressed natural gas. We are looking at having a policy of a mixture of those two in the fleet. That comes with its challenges, because we need to have fuelling stations, so we have to look at doing some work on a second fuelling station for compressed natural gas. That work is being done. It does not appear in this budget because the work has yet to be finished.

Secondly, with the diesel thing, we have to have the supplies available in the country to actually pick it up. We are looking at how we can jump on the back of that. We are looking significantly at that.

Under the terms of the Disability Discrimination Act, which is commonwealth legislation, we are also required to have 55 per cent of our fleet wheelchair accessible by the year 2012. Our policy now is that whenever we replace a bus we automatically go with clean fuel and wheelchair-accessible buses. They spit out at around \$480,000 to \$500,000 a hit. A difficulty we have is the time line it takes to get them off the factory floor. We do not have a chassis here waiting for a motor and modifications. It is actually a “built from square” to come back to us.

We have an \$8 million provision in the appropriation for 2006-07 for the purchase of 16 buses. They should roll out at about the end of April or May—somewhere around there. We have indicated that in the appropriation bill for next financial year we will be putting in \$50 million over four years to replace 25 buses each year so that we bring the fleet up to a more modern one.

In addition to that, the average age of the buses for turnover is normally about 12 years. We have provided money in the budget to do a total engine refit. When we do a total engine refit on these new buses, we can extend their lives out to 20 years. That provision has the effect of a net increase of 40 buses in the rolling stock.

The reason why we have not announced anything further than the \$50 million over four years is that, at this point in time, we look at a parliamentary term. That is all. Our intention is to do this into the future, but we cannot commit a budget beyond a parliamentary term.

MR MULCAHY: So your normal process has been a 12-year replacement program?

Mr Hargreaves: No, it has not. The buses should have been replaced at 12 years. Half of them should have been replaced by former Liberal governments and former Labor governments. For one reason or another, they were not.

MR MULCAHY: What changed between the budget that we have just passed and this second appropriation, in terms of your approach to vehicle replacement?

Mr Hargreaves: Nothing—in the supplementary appropriation, nothing. We were seeing our vehicle replacement program going from appropriation bill No 1 into next year's appropriation bill No 1. Because this is such a significant change to the ACTION bus service to the community, we have indicated that we are putting around \$3½ million in the 2007-08 supplementary appropriation and \$5½ million into the outyears.

With the bus replacement program, the reason why there is no funding in this particular appropriation is that, firstly, this is a supplementary appropriation on appropriation bill No 1 and, secondly, we will not have the buses themselves until April or May. There is not much point in appropriating moneys for a contract that we cannot satisfy.

MR MULCAHY: Can I just clarify this then. What is now the lifespan for vehicle replacement? Is it 12 years or will it now be 20 years?

Mr Hargreaves: When we have finished this new rollout, we would expect predominantly buses which will be between 12 and 20. It depends on the bus itself; it depends on the motor. Some buses can take a replacement motor, some cannot, and those will be replaced earlier than they would otherwise be. The buses in the fleet where we can replace the motor will go to 20 years. We will get to a point where the life of a bus in our system will be for an initial purchase which will take its life to 12 years; then it will have a total engine refit, and that will cater for another eight years.

MR MULCAHY: So the average age of the fleet in the ACT is going to extend out rather than shorten?

Mr Hargreaves: In a sense, yes.

MR MULCAHY: Chair, I think Mr Pratt is signalling.

THE CHAIR: Yes. Can I just ask a supplementary on that?

Mr Hargreaves: I just want to check that I have not given some misinformation. I am informed that the average age will decrease as our replacement of the buses goes on.

MR MULCAHY: Now you have confused me.

Mr Hargreaves: We have 400 buses, say. We extend the life to 20 years, but a lot of them are sitting at, say, 15 or 16 years now. The average age of the current fleet is going to be up around that number—over 12. When we start replacing them with the \$50 million worth of rolling stock, the average age will go down.

MR MULCAHY: Can you give us a breakdown of the age of the vehicles? Could you supply that?

Mr Hargreaves: Yes. We will have to get back to you.

MR MULCAHY: I do not expect you to know off the top of your head.

Mr Hargreaves: Yes, happily.

THE CHAIR: When we have finished this funding for buying the new buses, will we have more buses—

Mr Hargreaves: Yes.

THE CHAIR: Or is it purely about replacing buses?

Mr Hargreaves: No.

THE CHAIR: When you give the committee the information on the age of the buses that Mr Mulcahy asked for—we are talking about the buses that can have their life extended being the new, green-type buses rather than the older orange buses, are we?

Mr Hargreaves: Not necessarily. It really depends.

THE CHAIR: I do not want to get too difficult.

Mr Hargreaves: We will get you a paragraph on that. But to answer your original question, around additional and extra, the \$50 million will replace buses so that we can satisfy our DDA requirement, and also we are going to have more wheelchair-accessible buses on the street. But the replacement motor program—because it extends the life of an individual bus, that means that the replacement program overtakes that. So for the eight years we have additional buses. The bus replacement program, we were informed, has the rough equivalence of an extra 40 buses.

We have to understand, too, that the new network has additional services on it—quite substantial additional services. That means utilising the buses we have, reducing the amount of dead money and buying new buses.

THE CHAIR: Was your total of 400 buses an accurate number or an estimate of how many buses there are altogether.

Mr Hargreaves: It is an accurate number now. The other thing is that this new network increases the services by 10 per cent, so we have 10 per cent more services on the road. You will notice that, if we have 400 buses now, plus or minus one, and then we get an extra 40 buses because of the motor replacement program, that has gone up 10 per cent. That is how we are going to cater for it.

THE CHAIR: Mr Pratt.

MR PRATT: Isn't it true, minister, that you have already now got more than 100 buses which are 16 years or older? So the question now is: will the 100 new buses over four years be able to keep pace with the expiration of a significant amount of the fleet?

Mr Hargreaves: Yes it is.

MR PRATT: Are you able to catch up with the perceived gap where you have been about 20 or 40 buses behind? As you say, over successive governments there has been a gap. When will you close the gap?

Mr Hargreaves: I cannot give you a time line on that but I can tell you that the gap will close and will significantly close. You can do the arithmetic with 40 buses. I am advised by Mr Elliott that we are hopeful that the gap will be closed by 2012, which will be when the 100 buses are all on line.

MR PRATT: Does that take into account that you are adding new services? So are you going to meet the operational requirement, which is now expanding because you have just said that you are putting new buses on new routes, so not only are you closing today's gap but you have to take into account the added operational capacity needed? Are you sure you can close all of those gaps by 2012?

Mr Hargreaves: The answer to your question is yes. The thing is that just because we put on an extra service does not necessarily mean that we need an extra bus either. It is a combination of additional rolling stock and rejigging bus routes. One of the big and significant changes that we are introducing and doing some work on—I alluded to it in answer to Mr Mulcahy's question—is around the fuel. If we can put another fuelling station, say in Mitchell or somewhere like that—as I said, we are still doing the work on it—we will reduce the amount of dead running. In 2005 we had 30 per cent dead running. If we could get that down to 15 per cent dead running, that means there are 15 per cent more services that we can put on without having an extra bus. So there is a lot of that built into the system.

MR PRATT: Right. I am referring to a reply you gave me to a question on notice. Given that there is a significantly larger number than 100 buses now of 16 years of age whose life will therefore expire in four years, and given that you have a program here of 100 new buses, you are extensively relying on the engine refit to close that gap?

Mr Hargreaves: No. We are relying on the combination of the 100 extra buses coming online plus the extra 16 we have got coming online now, so that is 116 buses, and of course the engine refit. So it is a combination of the two. Remember that when we put the engine refit in it is good for another eight years, so with the extra 116 plus 40 equivalents we are talking about 150 in the space of four years. So, yes, it is a combination and I am confident of it.

MR PRATT: With your program to extend the life of a 12-year-old bus with an engine refit, what Australian standard or any international standard are you working to?

Mr Hargreaves: I could not tell you the number of it but let me tell you that you cannot register the things unless you can satisfy the standard.

MR PRATT: Can you, on notice perhaps, give us the detail of the standard and which best practice you are working to to ensure that the extended buses meet international requirements?

Mr Hargreaves: The bottom line, quite frankly, is that whenever we get a bus or do an engine refit it has to go over the registration pits and it has to, therefore, satisfy the Australian standards that we apply in the ACT about the safety and operational efficiency of a bus. It is nothing unusual. We do not say, "Oh, well, we'll go and buy a bus or build a bus according to this standard." You just have to do that because you cannot put them on the road if you do not.

MR PRATT: Of course. But if you are making a decision to extend a 12-year-old bus to a life of 20 there must be an Australian standard or benchmark that you are working to, engineering and planning-wise.

Mr Hargreaves: The engineering benchmark, quite frankly, is the registration requirements for the bus.

MR PRATT: That is on a periodical basis.

Mr Hargreaves: There are multiple levels of that. You have not only the engine and the work putting the engine into the bus; we have to make sure that the suspension is up to scratch and the wheels, the brakes and the rest of it—all of those features that buses are tested for in the heavy-duty pit examination.

MR PRATT: Sure, but if you have made a decision now to spend a hell of a lot of money on a 12-year-old bus to extend its life out to 20 you must know what standard you are going to achieve rather than simply relying on routine registration checks.

Mr Hargreaves: They are not routine registration checks, let me tell you. That is where the engineering that has been employed to put an engine into a bus is checked. That is the way in which the community can be confident that when they get on a bus it is all right.

MR PRATT: What sort of money would you also be spending on extending the life

of the chassis and the frames of those buses? What is the total bill, in addition to engine refitting?

Mr Hargreaves: It is a bus-by-bus exercise. I am not trying to be evasive here but we have something like five different types of buses at the moment. At the end of the day we will have only two or three. Within those five we have articulated buses, small 40-seaters and bigger ones that take 75. So it really depends on the age, the type and the make of each bus whether or not it is a candidate for an engine refit or a candidate for a total replacement, so it is really a bus-by-bus scenario. We have that sort of maintenance figure built into the base budget of ACTION. I do not see any need to change that.

MR PRATT: Okay. Can you give us some indication on a model-by-model basis what you roughly estimate the bill is going to be to extend the life of the chassis and to extend the life of the frame of the bus?

Mr Hargreaves: No. I cannot give you that but what we will do as a desktop exercise is pick a standard bus out of the fleet, remembering that some of the makes we are getting out of. We have got MAN, Scania, Mercedes, Renault. It makes no sense to have that range of buses. For example, if we are trying to change to clean diesel or CNG and one particular make uses dirty diesel and we want to change that motor and it cannot take clean diesel or CMG, that bus is the one candidate for the replacement. This is what I am getting at by saying it is a bus-by-bus process. But, if you like, we will just take one and say, "What are the economics about replacing it versus dropping another motor in?" Is that what you want?

MR PRATT: I think it is important that we know what the total bill is for this extension of life exercise.

Mr Hargreaves: We can tell you the total amount of money we have appropriated for that. I will get that for you. In fact I will just do that, because that seems to satisfy the—

THE CHAIR: Perhaps you could try and give us a per unit cost.

Mr Hargreaves: We cannot; that is the very point I make. I am sorry, Dr Foskey, I cannot give you per unit because even within a make some of the buses are candidates for replacement and some are not.

MR PRATT: It depends on the damage and—

Mr Hargreaves: Yes, and if one catches fire all of a sudden all bets are off. But I will get the committee the amount of money that we have appropriated for the replacement of motors. Could I also point out, Dr Foskey, with the greatest of respect, that it is not a second appropriation issue—this one was in Appropriation Bill 2006-2007 (No 1)—and it is not even in the 2008-09.

THE CHAIR: Nonetheless it is germane to the topic.

MR PRATT: I have another quick question. The ethanol-powered buses: we have

heard that there were concerns about their power on hills. Has that matter been resolved? Is it a problem or was that simply a furphy?

Mr Hargreaves: Nothing has been brought to my attention. Does Mr Elliott want to answer that?

Mr Elliott: Yes. I understand there have been some ethanol trials in Sydney. They have struggled with their fuel supplier to provide the right level of performance with their vehicles and they continue to test and pilot. I understand they are going to commence a new ethanol blend program pilot in Brisbane. In fact, they are building an ethanol factory in Bundaberg, which will support some of the public transport. There is certainly a commitment to continue research in that area. But at this point I do not think they have the engineering correct and I still think they have power problems with that particular fuel.

MR PRATT: So you are not excited by that concept at this point?

Mr Elliott: It is new, and I think all these things take a while to bed down. But I think there is a fair commitment in the industry to do research into alternative fuels. There is a growing level of investment in those areas, particularly in the fuel companies, who really have the drive behind it.

Mr Hargreaves: Against that background, we are very conscious of the maintenance regimes on too many different makes and models of buses. That really does cause us some headaches. That means our mechanics have to be trained in all of these things. It would be our preference to have just a couple of models of buses and to have two different types of very clean fuel. In terms of our rolling stock, we only have a fairly small bus company compared to the other capital cities.

THE CHAIR: Down the line, new fuels might become more practical. I have heard of a fuel called hythane. Is it economically unfeasible at the moment to consider buses that take fuels like that?

Mr Hargreaves: At the moment it is.

MR PRATT: What about the new diesel buses that you are looking at?

Mr Hargreaves: I will come to that. I am finding it difficult to speak. I am happy to answer, but keep that thought in your head.

THE CHAIR: Yes, one person at a time.

Mr Hargreaves: In fact, keep it in there forever. The problem with emerging different fuels for us is that we only have a fairly small fleet. We have to be cautious about the alternatives that we employ. We will consider these things when we talk about a replacement program. If you are going to do it for 10 buses, you are going to have to do it for 100 buses. Once that happens, we then have a fuel sourcing problem. One of the problems we are having with really clean diesel at the moment is sourcing the fuel and then having the filling stations available. For example, you could have three or four different types of diesel, all of which satisfy good clean emission

standards; we can't do that because we would have to have a filling station which costs a couple of million dollars every time you whack one in. So we have to be careful that we keep pace with the emergence of clean fuel and we make sure that we have a balance in our fleet.

I believe it is an evolving exercise. The thing is—and, in a funny kind of way, it is a really good thing—the emergence of clean fuels is happening at such a pace now that it is very hard to keep up with it. One of the big things that came out of Europe recently was Euro diesel. It is supposedly even better than compressed natural gas in terms of carbon emissions. We could think, “Righto, let's go and buy buses which can take Euro diesel.” But we can't get Euro diesel because there is none brought into the country.

THE CHAIR: It might not be greenhouse-effective to transport it a long distance anyway.

Mr Hargreaves: That may very well be the point, but you can actually get a CNG-fired super tanker. It is the same answer to your question on diesel, really.

MR PRATT: On the diesel question, I presume you are looking at the potential of the Euro diesel powered bus, that type of system—

Mr Hargreaves: Clean diesel, yes.

MR PRATT: even being able to be adapted to alternative fuels?

Mr Hargreaves: What we are talking about, in the 100 vehicles—

MR PRATT: Natural fuels.

Mr Hargreaves: that we are buying over the next four years is having a combination of clean fuel alternatives; therefore they have to have a different motor dropped into each of the buses, obviously, so we would end up, at the end of the day, with a combination of compressed natural gas and the cleanest diesel we can get our hands on and which can have ready suppliers for us.

MS MacDONALD: On the issue of bus types, I am no doubt out of date on this, but a couple of years back I heard a news story about how General Motors in the US was not looking so much at hybrid cars but more at hybrid buses. Do you have any information on that? If such a vehicle were developed, would we be looking at it?

Mr Hargreaves: We do not have it factored into our thinking at this point. I do not think that it has developed to a stage where it is viable for us, given the size of our bus fleet. We were talking recently with Mr Mulcahy about the replacement of buses. I will give an example of why it is difficult for us to get our hands on buses. They are built in Queensland, and you have to get in a queue. The previous customer to us ordered 200 buses—that is half our fleet. So if we are only ordering 16 or 20, it is a case of getting back in the queue, because they will satisfy the big orders first. It is the same with this other stuff. I want to make sure that we have a fleet which is as contemporary as we can get, because of all the infrastructure you have to add on at the

top.

Having the CNG buses environmentally was the way to go, and it was a very responsible thing to do, but one of the negative impacts of it was that they can only refuel in Tuggeranong. So if they get to the end of a run in Belconnen somewhere and they have to go back to refuel, they have to go down the parkway totally empty to get their fuel. The bad news part about it was that we only had the one filling station, so you have a positive and a negative applying here. That is why we looked at possibly getting another one established.

MR PRATT: Is there any use in running a tanker?

Mr Hargreaves: Where do you roll the bus up to, to fill the bus up? It is the in-house petrol station which is the issue. It is the same in reverse: if you want to fill a bus up, you go to Belconnen if it is diesel. So we need to look at how we can address the dead running by putting fuel stations in. I am not really keen on having a third fuel, because that means I have to do two more filling stations, at a minimum.

THE CHAIR: I guess the costs and benefits of each of those things need to be weighed against each other. Hopefully, the right solution can be found.

Mr Hargreaves: Can I also advise you, Dr Foskey, that the engines are built in Europe. They are shipped out as buggies and the rest of it is built here. It takes between 20 and 26 weeks to have a bus rolled out for us. Then, to that, you need to add the time for the procurement process, because it is not acceptable for us to look up the Yellow Pages for a bus building company and go and give them an order worth \$25 million. We have to go through the procurement process, and that is independent of ACTION. It is done by the procurement boards. We lay down the criteria; they go away and come back with a contract.

MR MULCAHY: Have you looked at Asia? I understand they are now competitive in terms of manufacture.

Mr Hargreaves: Yes, but part of the problem is the types of fuel that we have to get. It is competitive. Quite frankly, all we do is put down the criteria—what we want the bus to do. It has to be wheelchair-accessible; it has to be one of the leaning buses; it has to take a particular type of fuel; it has to take a certain number of passengers; and it has to comply in its engineering with the Australian standards applicable at the motor registry. They are all put in the contract. With respect to procurement, they can buy it from Antarctica, for all I care, as long as it satisfies our criteria.

MR MULCAHY: If you are getting the chassis and body built in China or Malaysia, using European motors, is that practical?

Mr Hargreaves: Mr Zissler has pointed out to me, quite rightly, that in Asia they can't meet the demands of their own market. When I was in Beijing and Shanghai, talking about public transport there, I was told they are importing buses from Europe.

MR PRATT: They don't have the skills.

Mr Hargreaves: No, they have got the skills. They just buy them.

MR PRATT: They don't have enough of the skills.

Mr Hargreaves: They don't have the factory infrastructure in place at the moment to be able to do that. They are getting there, but they are not there yet. They are importing a lot of Mercedes-Benz buses into Beijing.

THE CHAIR: Can we move on to the related item, the nightlink taxi?

Mr Hargreaves: You are in charge, Dr Foskey. You can do whatever you like.

THE CHAIR: Thank you. We could talk about motors and things for a while by the sound of it. I am interested in what the expenditure for the nightlink taxi actually covers. Are you coming to some kind of arrangement with existing services and subsidising them? Could you please explain how the management of this item will occur?

Mr Hargreaves: Yes, certainly. We have had in place until recently the nightrider service from ACTION buses. It was not particularly well patronised at the end of its time. I can tell you, though, Dr Foskey, that we will continue this year if the nightlink service is not kicked in. It essentially is a series of large taxis which take multiple hirings on specific cab ranks in the city. There will be, in effect, a commissioner to make sure that people are put into the taxis in an orderly fashion, that there is no fighting and that we actually try to apportion taxis. There is a guaranteed fare of \$25 to the driver—is that right?

Ms Greenland: No. What we are guaranteeing under the scheme is a minimum level of income for the operator and the driver of \$80 an hour. The budget that has been put together for nightlink assumes that they will, in fact, make \$40 of that per hour. So we are expecting potentially to pay \$40 per hour over the five hours each night that it will run on Fridays and Saturdays.

The experience in Brisbane where the original nightlink was established and which has been very successful was that by the end of the first 12 months the government there was paying no subsidy because the scheme was actually making a profit and there was no need to actually pay the subsidy.

MR MULCAHY: Are you going to be given access to those figures?

Ms Greenland: We will. There will be very clear reporting requirements. The marshals that the minister has referred to will be putting people together into groups to travel on the taxis. They will be keeping records of all the jobs and what time they went out. Obviously that is necessary in terms of the hourly rate that we are subsidising. We will be monitoring the success of the scheme in terms of where the fares are going and what is coming in.

MR MULCAHY: I must ask you: why would the taxi providers not be offering this service if there is a market there now?

Ms Greenland: I think one of the challenges is the time of night. It is difficult for them to get drivers. The taxi industry has made it fairly clear that getting drivers at all times, but particularly for late night and early morning work is difficult. So this subsidy provides them with an opportunity to increase obviously the level of remuneration for both the drivers and the operators.

MR MULCAHY: Is not one of the single biggest reasons why they do not want to drive because of violence?

Mr Hargreaves: No.

MR MULCAHY: I have heard that from many drivers, minister. I want to know how you are going to deal with violence.

Mr Hargreaves: I want to correct one of the words in the point you made, Mr Mulcahy. You said one of the major reasons is violence. That is not true. One of the major reasons is the lack of income between 12 and six.

MR MULCAHY: I have talked to many drivers, minister, who have spoken of violence.

Mr Hargreaves: You may very well talk to many drivers, but let me tell you so do we, and we talk to their associations. The biggest problem around getting drivers these days is the income. Now, there has been an issue around violence in taxis and violence at taxi ranks and things like that since the first taxi was put on line. Canberra is no different from any other city. Remember, too, that this is a pilot. We would like to see the taxi industry actually make money out of this and the drivers make money out of this and an alternative to people taking their cars home when they have had a few. That is what we really want to see—people getting home safely.

Another aspect of this is that the vehicles are large. We have trouble getting wheelchair accessible taxis on the road after midnight. We are coming up with incentive schemes for those. But the wheelchair accessible taxis are ideal for this particular application. So if we can actually have them available because they are actually taking multiple hires, then we get a solution to two problems.

Coming back to your issue about safety at ranks, you will notice in there that there is a capital injection of \$100,000. Firstly, that is around signage. We want people to actually go there. It is also about having CCTV cameras there. We have a place where lots of people are milling. That is usually a safer aspect than a dark taxi rank, say, outside the casino or something like that. It is better lit, it has got the CCTV camera and it has got the physical presence of somebody there who is marshalling.

MR MULCAHY: But no security other than the camera?

Mr Hargreaves: You have got to put this into perspective here. The marshal there does not have power to remove. You can have as many middle guards as you like, but they do not have any powers.

MR MULCAHY: Why don't you put some police on there?

Mr Hargreaves: Hang on a sec. It is part of the police beat. You need to take that issue up with the minister for police in any event because I do not dictate to him what he does with his resources. The recurrent amount in here of \$227,000 includes security guards.

MR MULCAHY: So you will have security guards there, not just people to marshal?

Mr Hargreaves: Remember, too, that this is a pilot. I do not believe that it is the role of government to do this. I think it is the role of the taxi companies to do this. But they are not going to do it. We as a community have a problem. We want people to travel home safely after a night out. That is why the government has decided to pick this up and run with it.

MR MULCAHY: What is the break-up between the outlays on capital equipment there and security services? How much of this is attributable to security services?

Mr Hargreaves: We can see that the security services, the guards, are included in the recurrent costs of \$227,000. Remember, too, that we are not talking about a full-time security guard for eight hours a day. We are talking about over a certain period of time.

MR MULCAHY: Yes. How much of that is the subsidy?

Mr Hargreaves: I will have to get a breakdown for you of the \$227,000.

MR MULCAHY: Terrific.

THE CHAIR: Will the marshal be a salaried position with TAMS?

Mr Hargreaves: At this stage of the game we are still working through that detail.

THE CHAIR: Okay. It sounds fairly crucial.

Mr Hargreaves: Remember that it is a pilot. It is not going to be a full-time member of territory and municipal services staff.

THE CHAIR: How many taxis are we talking about here? Is there the ability, if there is a big demand, for more taxis to be pulled in?

Mr Hargreaves: Dr Foskey, we will have to see. Remember that this is a pilot. We have just announced it. Quite frankly, it is not up to the government to say that we want more taxis. It is up to the taxi companies to respond to the demand that this creates. I really do think that, firstly, the community has so far welcomed this innovation. I would hope that we have support from across all levels of the Assembly for this particular innovation. We will see what the results of it are when we have gone through the new year period. We will see. We are actually putting our money into something and having a go at it.

MR PRATT: Could I ask you, minister, whether this plan also involves pre-payment

at the taxi rank? I understand that is a major issue why you do not get taxis turning up at night, because of the fear of losing fares on the way home, for a variety of colourful reasons.

Mr Hargreaves: Yes, that is true. People do a runner.

Ms Greenland: If I could answer that, it is intended that the marshals would have a role in collecting the fares beforehand. That is how the model has worked very well in Brisbane.

MR PRATT: That will make it work, then.

Ms Greenland: That is right. They basically will collect any cash fares and pass those fares to the driver so there is no issue of people doing a runner at the end of the trip. In terms of fares paid by cards, they will have hand-held terminals. We have had early discussions with both networks, and that is how they see it working—having a hand-held that the marshal can use there on the rank.

Mr Hargreaves: Just before you get off this subject, just for Mr Mulcahy, the shadow Treasurer's information, this pilot is subsidised for 12 months. But clearly the big hit, the big judge of its efficacy is over the Christmas-new year period. This is a 12-month thing. If this is working, we will continue with it. I am quite confident that it will, but we will have a look at it in the course of the 12 months.

THE CHAIR: That is next Christmas? It will not be up and running this Christmas?

Mr Hargreaves: Hopefully it will. But it depends on the arrangement with the cab companies. The government is ready to go now.

MR MULCAHY: Did you answer Mr Pratt's question about how many vehicles will be used, how many cabs will be on offer?

MR PRATT: That was not my question.

THE CHAIR: That was mine.

Mr Hargreaves: I cannot tell you that. You can just add up the number of taxis in town.

MR MULCAHY: No, the number of these subsidised large taxis.

Mr Hargreaves: It is subsidised by stuff going through it—12.

MR PRATT: Surely, minister, it is the role of government to make sure that the place is secure, and that is an issue; it really is. I think Mr Mulcahy is right. It has been a broadly fed back issue. Surely you will be talking to the police minister and, as government, ensuring that you have got the conditions in place to make this program work.

Mr Hargreaves: We have conversations all over the place, as you can appreciate.

MR PRATT: Therefore you will have more police on the beat?

Mr Hargreaves: No. You cannot assume—

MR MULCAHY: I think it cannot be minimised, minister.

MR PRATT: An all-of-government exercise, perhaps.

Mr Hargreaves: Mr Pratt, you can ask me as many questions as you like on matters policing. I am sorry. I have no authority to respond to you.

MR MULCAHY: I do not think that is his point, minister. I think that the point that Mr Pratt is trying to get across is that we would hope that the government in which you are a minister would address this issue. My own children have told me that they have seen people king-hit on the cab ranks and it has been half an hour before police turn up. It is quite an alarming, vulnerable situation sitting in line.

Mr Hargreaves: Madam Chair, I suggest that the member contact the minister for police and talk about it. All I can say to you is that, from our perspective of moving people in their masses, the police have regularly attended. Indeed, I invite you down to the judging of the Movember function this evening. There will be many people in Garema Place this evening for that judging. I can guarantee that you will see police on the beat there.

MS MacDONALD: Are you suggesting that you grew your moustache even more for this?

Mr Hargreaves: No, I am not suggesting anything. I have had this friend of mine for quite some time. Indeed, I shall be the judge. I believe that my moustache is probably more famous than I am.

THE CHAIR: I want to move to another matter.

MR PRATT: It should be a riveting night, minister, if you are judging.

Mr Hargreaves: I will let *Hansard* note Mr Pratt's lack of support for this initiative around men's health.

THE CHAIR: We have five minutes.

MR MULCAHY: Point of order, chair. That is a complete misrepresentation of what Mr Pratt said. He has not said that he does not support it. He has expressed some concerns about—

MR PRATT: Indeed, *Hansard* should record that there may be a surprise for the minister. He needs to be careful about that previous statement.

Mr Hargreaves: I look forward to it. I love surprises.

THE CHAIR: Unless Mr Pratt feels that he needs an apology—

MR PRATT: No, no. It is the rough and tumble.

THE CHAIR: Let us look at the item “Look of the City”. How big is the city for these purposes?

Mr Hargreaves: For the Nightlink service?

THE CHAIR: No. We have moved on to “Look of the City”, an appropriation item in the section on TAMS, \$205,000. Where are the limits of the city for this expenditure?

Mr Hargreaves: I will get Mr Watkinson to give you some detail on it, but essentially it is all the town centres, Dr Foskey. I will just wait until you have finished. It is all the town centres, with a particular focus on the city area.

THE CHAIR: On Civic?

Mr Hargreaves: Yes, but at the same time we are not neglecting the other town centres.

THE CHAIR: Is there any intention to include recycling bins?

Mr Hargreaves: Not in this particular initiative, no. We have had that conversation.

THE CHAIR: Are there any other questions about “Look of the City”?

Mr Hargreaves: Dr Foskey, we have had that conversation already.

THE CHAIR: I know.

Mr Hargreaves: If that was a trick question, I nearly fell into it, I am sorry.

MR MULCAHY: In relation to the bus interchange and bus stop infrastructure, particularly the installation of security cameras—and you are aware that Mr Pratt and I have been—

Mr Hargreaves: Featuring on those images.

MR MULCAHY: —prominent about the safety issues at Woden that have been raised by our constituents. What is your time frame for getting those security cameras installed, and will it be historical monitoring or will it be active monitoring of those locations so that help can be brought in if it is needed?

Mr Hargreaves: Firstly, to react to some of the hysterical mutterings around the security of interchanges, the arrangements that we have with the police, who are just across the road—frequent that particular interchange quite a lot. The interchange CCTV cameras, and I have answered this question yesterday—it is intricately involved in the provision of the CCTV cameras on the buses themselves. Those buses will be equipped with CCTV cameras by the end of the year. We need to understand

that they actually have images of the interchange itself—not just internal to the bus. So our image capturing is a twofold one. I cannot give you a complete date, as I indicated earlier on, Mr Mulcahy, because it is involved in a total program of provision of CCTV cameras right across the city.

MR MULCAHY: Do you have a rough idea of when they will be—

Mr Hargreaves: Not my program.

THE CHAIR: One of the issues raised—

MR MULCAHY: Hang on. That was half the question. So even though it is part of ACTION, you have no idea?

Mr Hargreaves: No, look—

MR MULCAHY: But the other part of the question was: is it historical—

Mr Hargreaves: I am not going to take the verballing and let you get away with it.

MR MULCAHY: You just said you—

Mr Hargreaves: You can verbal committee staff, Mr Mulcahy, but you cannot verbal me.

MR MULCAHY: Minister, I am asking you a question and I expect an answer. The second part of the question—

Mr Hargreaves: You can ask a question—

MR MULCAHY: Chair, would you direct—

Mr Hargreaves: —without actually putting it in words in my mouth. It ain't going to work.

MR MULCAHY: Chair, would you direct the minister to respond to the question. The second part was: is it historical or online? The minister is intolerable, chair.

Mr Hargreaves: I am not going to be verballled; I am not going to have words put in my mouth by a person such as Mr Mulcahy.

MR MULCAHY: It is what we saw in estimates last year, and I put it that this behaviour is out of order.

THE CHAIR: Could you repeat the question that you feel has not been answered, Mr Mulcahy; and could you answer it, please, Mr Hargreaves.

Mr Hargreaves: I will answer it and I will also respond to any preamble that goes with it.

MR MULCAHY: The question relates to the item on page 104 that relates to ACTION bus interchange and bus stop infrastructure. I have asked the minister: when does he expect the rollout of the security cameras in Woden? He has indicated to me that it is not his area. The second part—

Mr Hargreaves: That is not what I said.

MR MULCAHY: That was my understanding; it can be corrected.

Mr Hargreaves: You have misunderstood it yet again.

MR MULCAHY: The second part was: is it historical footage that is being recorded or will it have an online facility to enable authorities to respond to incidents?

Mr Hargreaves: Let me respond to that one—respond to the first one. The issue around the interchanges is intricately involved in the town centres in which they are placed. It would be folly for us to consider—to use Woden interchange as your example—a CCTV camera at the interchange and antiquated and out-of-date CCTV coverage elsewhere in the Woden Plaza area. It has to be an integrated system. Also, we have to make sure that the protocols which attach to that look after third-party privacy. We have to look at who is going to be regarding the images, what is going to happen to the custody of those images and how long those images will be kept before they are recycled. All of those issues have to be dealt with. That is the consideration with this global look at CCTV in the city.

With respect to the imagery, that is being looked at the moment in terms of whether it is going to be monitored constantly by, for example, somebody in the ACTION bus system or whether it is going to be someone in the police—the nearest police station. I can tell you with respect to the CCTV cameras on the buses that they are monitored live.

We have had an incident—and I mentioned this on Tuesday—where the imagery saved a life. The way in which the thing was aligned saved the life of a woman who had alighted from a bus. She went around the front of the bus and would have been barrelling by a vehicle going alongside the bus had the message not been able to be conveyed to the bus driver, who drew the attention of the lady and stopped her from walking into the path of the vehicle. We also can see, live, somebody approaching the bus. You can generally tell if they have something which looks like a weapon in their hand. We can also tell the demeanour of people who are approaching a bus and whether there are groups or not.

The bus driver has the crash buttons, but also we have within the depot the ability to alert the police and/or security guards at the interchange. So the security of passengers and drivers has increased and is augmented significantly. As I say, those things will be totally on all buses by the end of the year.

The CCTV provision across the city is something which is being done as a whole-of-government exercise. I do not have principal carriage of the whole-of-government exercise; you would need to talk to the Attorney-General.

MR MULCAHY: So—I am just trying to get clarification—you do not know the situation as to whether CCTV will be monitored in real time? And, when you said “as part of Woden Plaza”, are you talking about the Westfield system or are you talking about an independent system?

Mr Hargreaves: What I have said, and I will say it again, is that this—the bit of the CCTV camera to which Mr Mulcahy refers—is being appraised on a whole-of-government perspective. It is within the responsibilities of the Attorney-General. You need to take it up with him. If you have already seen the Attorney-General, I suggest that a question on notice might be the go.

THE CHAIR: This is, as both Mr Pratt and Mr Mulcahy said, of real concern to parents of young people and to young people themselves. The Youth Coalition has suggested that the safety of young people at interchanges would be best ensured by having a live presence there—appropriately trained staff. Has that been or will it be considered?

Mr Hargreaves: I find that somewhat insulting, in a sense, because we do have a presence at interchanges. They are called transport supervisors. These officers take very seriously the safety of their passengers, and they are at all interchanges. We also have the travelling supervisors who rotate between the interchanges. So that process is already there, and we have additional security guards at some interchanges. I need to advise the committee that we are straying so far from the supplementary appropriations that I am having difficulty looking at it.

THE CHAIR: No, we are not.

Mr Hargreaves: Yes, we are.

MR MULCAHY: We are on page 104, Minister.

Mr Hargreaves: You haven’t asked me the question: what is the \$1 million to be applied to? I assume, therefore, that you already know.

THE CHAIR: We were referring to the issues raised in this section, but if there is something that is not in that little summary, we would like to hear about it.

Mr Hargreaves: The idea is that we want to make the interchanges for the moment a safe and attractive place for people to go, so that their journey is a pleasant and safe one. Depending on which interchange you are talking about, there will be a total refurbishment in the passage of time. We need to challenge the notion of the interchange as we know it. We mentioned this last Tuesday—the idea of having a railway station in the middle of a town centre maybe is not the right way to go about it. Maybe the way to go about it is to have what we call bus layovers so that you have, in a sense, a parking bay for up to four or five buses, so that you do not have people milling around who are not the travelling public. So we need to look at that, and we are doing that very significantly. We are doing that in particular with respect to Belconnen.

We have already announced in the media a change to the way in which that will occur.

It will take a bit of time; it takes a certain amount of time to do design work. The same thing applies at Woden. We need to critically examine whether there are alternative ways of moving masses of people without having a place where malcontents can gather.

THE CHAIR: I have seen and been involved in a process to rebuild the Woden interchange. I assume that won't be totally thrown out of the window.

Mr Hargreaves: Dr Foskey, you have just indicated an assumption. I have to say to you I do not think it is appropriate that you just say, "I'm going to assume something," and then leave it hanging there. Your assumption may or may not be correct. It might be a good idea to have it either confirmed or fixed.

THE CHAIR: Do committee members have any more questions?

MR MULCAHY: I am happy to defer to Mr Pratt.

Mr Hargreaves: Time is of the essence, I'm afraid.

MR PRATT: My question is supplementary to Dr Foskey's previous question, which I thought was a very good one, about the presence of personnel at interchanges with respect to safety. It was a very valuable question, and the point was well made by Dr Foskey about people being needed on the ground. In your plans for the safety of interchanges, are you therefore looking at increasing the number of transport officers and staff in those interchanges after last light, Minister?

Mr Hargreaves: There are two things I need to say to the committee. The first is that we have built into the budget an increase in transport supervisors of six staff. So the answer to the first part of the question is yes. The second thing is that the examples that Mr Mulcahy and Mr Pratt give are around community safety; they are around how we actually approach the issue of people's violent behaviour. How do we keep the personal safety of people at interchanges intact? I want to make this absolutely crystal clear: it is not the responsibility of ACTION staff to be intervening around the safety of its passengers and its staff.

MR PRATT: That wasn't my question.

Mr Hargreaves: It may not have been, but the implication has been around for a couple of years.

MR MULCAHY: You just told Dr Foskey she was defaming these people or damaging their reputations when she questioned whether they were the people dealing with the safety issues, Minister.

Mr Hargreaves: These people are not there to act as police officers, Dr Foskey.

MR MULCAHY: Five seconds ago, it was an insult to them, apparently.

Mr Hargreaves: You can bully away, Mr Mulcahy; you do not impress me one bit.

MR MULCAHY: I am not impressed by your performance here today.

Mr Hargreaves: You diminish yourself by your own words.

MR MULCAHY: It is the same carry-on we had in estimates earlier this year.

Mr Hargreaves: Madam Chair, I really don't care about that.

THE CHAIR: Can we just have total silence?

MR PRATT: Minister, they are not there to arrest people; they are simply there to be a witness—

Mr Hargreaves: You are apportioning responsibility for action they are not supposed to carry—

MR PRATT: They are there to provide safety to each other—safety in numbers for your own staff, Minister, because their safety is also of concern here. That is why the question is asked.

Mr Hargreaves: Dr Foskey, Mr Pratt and Mr Mulcahy would have the ACTION officers, the supervisors at interchanges, act as pseudo police officers.

MR PRATT: Did not say that; that is a mislead.

Mr Hargreaves: That is not on. If they have an issue around community safety, they can take it up with the minister.

MR PRATT: That is a mislead, minister.

THE CHAIR: I just remind you that the original question—

Mr Hargreaves: You don't like catching hand grenades, do you?

MR PRATT: It is a mislead.

THE CHAIR: The original question on which the supplementary is based related to appropriately trained staff, and that did not necessarily refer to the commissioners and so on.

MR PRATT: That is correct.

THE CHAIR: That is really where Mr Pratt and Mr Mulcahy are coming from.

Mr Hargreaves: The answer to your question is six.

THE CHAIR: Maybe the people you are talking about are appropriately trained, but I am not sure that was what was meant by the Youth Coalition. We can look into that further.

Mr Hargreaves: Sure; that is what the chamber is for.

THE CHAIR: I am sure it is an issue of concern to the government as well as to members of the committee.

MR PRATT: One hopes so.

THE CHAIR: Thank you very much for coming, Minister and officials. There may be some questions on notice. Please understand that, given the time frame for this inquiry, we do not expect to get the answers back but we would like them.

Mr Hargreaves: Could I express my appreciation for the work of my officers who have done the work around not only preparing for this hearing but also for the supplementary appropriations. They are sterling officers, and I wish to acknowledge that.

The committee adjourned at 10.39 am.