



**LEGISLATIVE ASSEMBLY FOR THE AUSTRALIAN CAPITAL TERRITORY**

**STANDING COMMITTEE ON PLANNING, ENVIRONMENT  
AND TERRITORY AND MUNICIPAL SERVICES**

**[\(Reference: Annual and financial reports 2014-2015\)](#)**

**Members:**

**MS M FITZHARRIS (Chair)  
MR A COE (Deputy Chair)  
DR C BOURKE  
MR A WALL**

**TRANSCRIPT OF EVIDENCE**

**CANBERRA**

**TUESDAY, 24 NOVEMBER 2015**

**Secretary to the committee:  
Mr H Finlay (Ph: 620 50129)**

**By authority of the Legislative Assembly for the Australian Capital Territory**

Submissions, answers to questions on notice and other documents, including requests for clarification of the transcript of evidence, relevant to this inquiry that have been authorised for publication by the committee may be obtained from the Legislative Assembly website.

**APPEARANCES**

**Capital Metro Agency..... 135**

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*Amended 20 May 2013*

## **The committee met at 2.01 pm.**

Appearances:

Corbell, Mr Simon, Deputy Chief Minister, Attorney-General, Minister for Health,  
Minister for the Environment and Minister for Capital Metro

Capital Metro Agency

Thomas, Ms Emma, Director-General

Edghill, Mr Duncan, Executive Director, Commercial

Taylor, Ms Melanie, Director, Communications and Stakeholder Engagement

**THE CHAIR:** Good afternoon everyone and welcome to this public hearing of the Standing Committee on Planning, Environment and Territory and Municipal Services, which is inquiring into the 2014-15 annual and financial reports. On behalf of a slightly diminished committee this afternoon, minister, thank you very much for coming along, and to all your officials for coming today.

As you know, today we will be examining the annual report of the Capital Metro Agency. I draw your attention to the pink privileges statement. Could you confirm that you understand its implications?

**Mr Corbell:** Yes, thank you, Madam Chair.

**THE CHAIR:** Thank you. I also remind all witnesses that proceedings are being recorded by Hansard and also webstreamed and broadcast live. Minister, I just let you know that Dr Bourke is unfortunately away today and will not be joining us, but I do think Mr Wall will be coming shortly. Before we open up for questions, would you like to make an opening statement?

**Mr Corbell:** Yes, thank you very much, Madam Chair. Thank you to you and the committee for the opportunity to appear before you this afternoon. I will make a relatively brief opening statement. This is the second full reporting year for the Capital Metro Agency, which was first established in July 2013 with responsibility for planning, designing and delivering the first stage of a light rail network for our city.

Following a successful first year I am pleased to report that the agency has made excellent progress over the past 12 months in delivering what is one of the most significant transport and urban transformation projects undertaken by the ACT government to date. The capital metro projects form part of a longer-term vision and commitment by the government for urban renewal in our city, to create a more sustainable pattern of urban development, and to deliver a transport infrastructure that meets the needs of a growing population.

The introduction of light rail will improve the way people move around our city, while also having the potential to shape the way Canberra grows in a way which is much more sustainable. It will provide almost \$1 billion in economic benefits and it will support three and a half thousand jobs during construction. It will revitalise the city with better and more efficient land use, whilst providing high quality accessible

infrastructure along one of the busiest corridors in our city, the Federal Highway and Northbourne Avenue corridor.

It will also facilitate more active lifestyles and provide a real alternative to driving for many Canberrans. Light rail is more than a transport initiative. It will transform the way the city grows into the future. It will play an integral role in the development of a highly integrated, reliable, convenient and affordable public transport network.

The government made a pledge at the last election to plan, finance and develop the first stage of a light rail network for our city. I and my colleagues remain dedicated to achieving that commitment. Bids from two world-class shortlisted consortia have already been received. The project is well advanced. The environmental impact statement has been completed and the development application—indeed, development applications—have now been lodged. So the message from me is clear: light rail is coming. Construction will commence next year.

I would like to outline some of the achievements and notable milestones of the agency to date over the past 12 months. First of all, the business case for stage I was released in full to the public in October last year. This was an unusual step for a government to take for a project of this nature, yet one consistent with our commitment to be open and transparent on this important project. The business case outlined a strong case for the introduction of light rail, detailing that investment would deliver nearly \$1 billion to our community in transport, environmental, health and wider economic benefits.

On the same day, the agency invited expressions of interest from potential bidders. The EOI process required the consortia to demonstrate their capability in managing five core criteria: successfully delivering comparable projects, the ability to manage safety, demonstrated understanding of the commercial and risk management framework, strong financial capability, and meeting and understanding the territory's aspirations for the project.

There were four consortia that expressed interest through this stage. This in itself is an outstanding result. It is evidence of strong private sector interest investing in our city. Following a detailed evaluation, two consortia were shortlisted in March this year—the ACTivate and Canberra Metro consortia—to proceed to the procurement and request-for-proposal stage.

Both of these consortia contain some of the world's largest and most respected companies when it comes to delivering major transport infrastructure projects. The make-up of each consortium is reflective of the strong market appetite for this project. Comprehensive bids were submitted by the short-listed consortia on 4 September this year for stage I, Gungahlin to the city and on 2 October this year for the city to Russell extension option.

The Russell extension option was announced in February in response to strong feedback and support from the business and wider community. If included as part of stage I, it will link thousands of people within the Constitution Avenue corridor and Russell precinct to the CBD boosting patronage by 30 per cent along the corridor and providing a viable and attractive option for workers to travel to and from the city during the working day.

This option has been included in our assessment stage processes at this stage to capitalise on the current procurement process and so that the government obtains a robust market assessment of its cost. This will place the territory in the best position possible when making any future investment decision.

Both bids detailing the finance, design and build of light rail are now being evaluated by our integrated assessment team. I have every faith that this team will continue to rigorously assess and test the proposals to ensure value for money for the territory. I expect the announcement of a preferred bidder to occur early next year.

We know that the challenges we face as a city are very real and we need to act now in developing a smart, sustainable and modern city that meets the needs of our current, and also our future, population. Investing in transport corridors has been proven to encourage urban densification. With access to efficient, reliable and convenient public transport, car dependency can be reduced amongst those living within that corridor.

Canberrans need a smart, integrated public transport system that is easy to use, that is convenient and that is affordable, and this is a priority for the government. The most successful public transport systems in the world integrate public transport, and capital metro will be part of such an integration working with, not against, the ACTION bus network in one new agency, which the government has announced as transport Canberra.

This was announced last month. Transport Canberra is due to commence operation on 1 July next year. The new agency will have responsibility for implementing a one ticket, one fare, one network approach across both bus and light rail services. This will create an integrated and seamless travel experience for Canberrans, one where you can step off a suburban bus straight onto a light rail service and get to where you want to go.

In tandem with this, the government has also released the draft light rail network, which is currently open for public consultation to start a conversation on how light rail can be extended across our city. For light rail to achieve the outcomes we seek of it, it is integral that the community have their say on this new master planning framework, the future aspects of the network and other aspects of such infrastructure.

The Capital Metro Agency has also delivered a comprehensive program of community engagement as part of its activities. July this year saw the launch of the place manager program, which is a new initiative putting dedicated CMA staff—and they are fantastic staff—along the stage 1 route in the city, Dickson and Gungahlin.

This initiative takes the discussion on light rail to the next level. It allows people direct access to the project and its managers, whether by appointment or at an informal drop-in session. To complement this, CMA have also established community and business reference groups, which have allowed community and business representatives to have their say about light rail and to get information about the project at regular and frequent intervals. When this initiative was announced, we saw a very strong level of interest from the community and business. The membership of these groups has now been finalised. They held their first meetings in late October.

The second round of meetings will occur in February.

The release of the draft environmental impact statement also provided a valuable opportunity to engage with the community. This saw a broad range of comments come forward on a range of issues of concern. It allowed CMA to communicate the scale of the project and the range of issues being addressed in the EIS through drop-in sessions, online fora and social media.

In closing, Madam Chair, significant progress has been made to date by CMA this year and a very exciting year lies ahead with the commencement of construction of this project. Capital metro is a significant project for our city. It will act as a catalyst for how our city grows and develops over time. It will provide the framework and the foundation for a more sustainable pattern of urban development.

Light rail offers economic, health and environmental benefits. It is a key step in trying to establish a more sustainable city and a truly integrated and reliable public transport network. For these reasons, the government remains strongly committed to the delivery of capital metro. Thank you very much, Madam Chair.

**THE CHAIR:** Thank you, minister.

**Mr Corbell:** I and my officials will try to answer questions.

**THE CHAIR:** Thanks for the outline of the milestones. I have a question about the DAs, the two development applications? Could you outline in a little more detail each of those?

**Mr Corbell:** Yes, thank you, Ms Fitzharris. Two DAs have been lodged, one for the area of the base case project, which is Gungahlin town centre to the proposed Alinga Street stop in Northbourne Avenue. The second is a DA for the Russell extension option. They are currently out on public notification. I beg your pardon, actually they have just closed. They closed on 18 November. Public notification closed on that date. It is now subject to assessment by the Planning and Land Authority in the Environment and Planning Directorate.

The stage 1 DA deals with tracks and stops on Hibberson Street and Flemington Road, the light rail depot site at Mitchell, and sections of associated works along side streets to the Federal Highway and Northbourne Avenue. It does not include land that is in the planning control of the National Capital Authority, and that includes works in the median of Northbourne Avenue.

The Russell option includes light rail tracks and stop locations on elements of London Circuit. The balance of the Russell option DA are matters which fall within the remit, again, of the National Capital Authority and will be addressed at a later stage through an application for works approval along that corridor.

**THE CHAIR:** What is involved in that application? Is that the NCA's version of a development application?

**Mr Corbell:** It will be a similar level of detail to that which is outlined in the

development application under the ACT planning law. The land in question is designated land regulated by the NCA. It includes the Federal Highway elements and the Northbourne Avenue elements within the median and also the Constitution Avenue and the London Circuit car park site. The segment of London Circuit where it intersects with Ainslie Avenue also falls within the planning approval of the NCA.

**THE CHAIR:** Good. Would you anticipate that process being concluded early next year?

**Mr Corbell:** Yes, we are anticipating that the territory planning approvals will be determined first. Then, pending successful achievement of that, works approval will be sought from the NCA.

**THE CHAIR:** Another milestone you announced last week was the partnership with the Canberra Business Chamber, the partnership with the private sector around the development of light rail. Could you tell us a little more about that partnership?

**Mr Corbell:** This has been driven through the Chief Minister's directorate as it is a business development program. But it clearly has strong linkages to capital metro. I am very, very pleased that the Canberra Business Chamber has entered into a partnership with the ACT government to facilitate business opportunities for local Canberra businesses from the capital metro project.

We know that the value of this project is considerable and that the jobs opportunities are considerable. We want to see as many Canberra businesses as possible take advantage of that. The Canberra Business Chamber, under the partnership arrangement, will act effectively as a gateway for Canberra businesses to engage either directly or indirectly with the consortia that are bidding and, obviously, the successful bidder, to identify opportunities for supplies, for direct engagement of services as part of the capital metro project.

We have made very clear that local content is a key consideration for us in the assessment of the bidders. So this provides an opportunity for the Business Chamber to use its networks and contacts to provide good access for local businesses to the development of the project and for work and to win business for Canberra-based companies.

**THE CHAIR:** Will that work get underway once the successful tenderer is announced or is it underway already, in effect?

**Mr Corbell:** It is underway already. Both consortia are already, we know, actively engaged in the local market dealing with local businesses or sounding out local businesses in terms of their capability. So we know that is ongoing right now.

We also have some level of engagement in terms of direct employment from Canberra businesses who, for example, have helped CMA deliver a range of works associated with preparation of the expression of interest and the request for proposal stage. So there has been significant opportunity there already. But that will grow, particularly once we have got a selected panel.



**MR COE:** Can I ask a supplementary on that? My understanding is that both consortia have already gone into agreements with many Canberra companies, in the event that they win, for the supply of subcontracted services. To that end, what contracts do you think are going to be, in effect, up for grabs that the Business Chamber will be able to facilitate?

**Mr Corbell:** As I understand it, the consortia have entered into options with local businesses, but those matters are finalised only in the event of the bidder being successful. There will be many other opportunities that flow from that in terms of subcontracting in particular that are yet to be finalised. So there is still significant opportunity.

The Business Chamber itself has identified that what they want to get out of this project for the local economy is not just the direct benefit associated with supporting works, supplying services, labour or other capability for the development of the project itself, but to build local businesses' expertise in this area so they can potentially win other work in the future, either here in Canberra or elsewhere. If you talk to the chair of the chamber, for example, he talks about seeing this project as an opportunity for capability building within the industry as much as it is about winning jobs and contracts for the specific construction works involved.

**MR WALL:** Supplementary, if I could.

**THE CHAIR:** Sure.

**MR WALL:** Minister, is there a requirement for local content for either of the consortia, if they are successful, in the amount of local services they need to employ?

**Mr Corbell:** Yes. CMA, as I am on record about on numerous occasions, has a specific local industry participation plan. It is a public document that has been out on the public record for, I think, over 12 months now. It outlines very clearly our expectations around local industry participation, and that is a key part of the evaluation criteria for both bidders.

**MR WALL:** But that is, it is my understanding, around tender assessment rather than the actual amount of local content that is going to be used. What is being done to ensure that there is a genuine contribution from the local industry?

**Mr Corbell:** It is part of the direct evaluation process for the bidders.

**MR COE:** For instance, if one has a higher proportion of local content but they are more expensive overall, how do you determine this? In effect, what weighting does it have in the tender assessment?

**Mr Corbell:** I will ask Ms Thomas to give you some more detail on that.

**Ms Thomas:** The evaluation process that we are using for capital metro does not necessarily have a weighted criterion throughout all the different evaluation criteria. But that does not mean that each evaluation criterion in itself is not important. Local industry participation is one of the key aspirations of the project. It is one of the key

considerations for the evaluation panel to consider, amongst our other key aspirations, such as affordability, as you raised; the community engagement that the preferred tenderer might choose to use; and the customer experience that the light rail system offers and delivers. It is one of the important criteria, but it is not raised ahead or below any of those; it is considered in the mix of all the different evaluation criteria that we are considering.

That being said, we have asked them to consider some specific elements that they need to come back to us on, such as the proportion of traineeships and various minority groups that they might consider within their bid. It is not just about local industry participation and the businesses they employ, but also about the trainees and the traineeships through apprenticeships and engineering graduates and other forms of professional traineeships that are important to us in that category.

**THE CHAIR:** Do you want a substantive question?

**MR COE:** Yes. Minister, would you please advise who is the executive director of procurement and delivery.

**Ms Thomas:** At the moment we have just engaged the services of a gentleman called Scott Lyall, who has joined the agency. His is a temporary engagement in that position. Scott has a very large number of experiences across PPPs in projects particularly in New South Wales and in private industry, across rail and other transport modes.

The reason why that is a temporary role at the moment is that the agency is undergoing transition from what is largely a procurement activity at the moment through to a delivery activity when we sign the contracts. We are in the process of looking at our whole organisational structure at the moment and understanding what key roles we actually need as we move into the delivery side of things versus the procurement side of things. We may change some of the structure and some of the key roles within the agency over that period of time.

**MR COE:** Was the previous executive director on a five-year contract?

**Ms Thomas:** Yes, he was. Actually, I would have to take that on notice. Our maximum SES contracts are for five years. I am not sure what the answer is for that.

**MR COE:** In which case, if you are going to a different phase, why would you have employed an executive director on a five-year contract—if there was always going to be a contract awarded around this time and, therefore, it would have always been several years at which the procurement was not taking place?

**Ms Thomas:** Just because the roles change does not mean that people cannot transfer and translate into those roles. All of the executives are under a variety of different contract lengths for the period of what we can foresee. But we are pretty flexible in respect of that and we understand that roles change over time; we would create roles that we need for the period that we are undergoing during each phase of the capital metro project.

**MR COE:** But would you not still need an expert in that procurement delivery space for the rest of the rollout, which presumably is starting next year?

**Ms Thomas:** We have many experts in the delivery space, as you term it.

**MR COE:** I meant procurement; sorry.

**Ms Thomas:** In the procurement area? Yes, we have those experts for the procurement as well right now, many that you have seen before this committee in the past. We still have that. Scott Lyall has joined the team. He is an expert. He has done many large PPP procurement processes. As we transition, though, into a delivery phase, we will be preparing ourselves for the delivery of the project, which is about our managing the successful tenderer to deliver the project for Canberra

**MR COE:** Surely you are always in procurement mode if it is going Canberra-wide into additional legs of capital metro?

**Mr Corbell:** That will be contingent on future government decision-making.

**MR COE:** Why did the previous executive director for procurement and delivery leave the agency?

**Mr Corbell:** I do not think it is appropriate to comment on individual staff movements. The previous executive director has chosen to leave the agency, but it is not the government's policy to get into the personal particulars of individual staff and the decisions they take.

**MR COE:** Because it is a bit odd that, in this procurement phase, this prime time when it comes to procurement, the head of that would leave the agency.

**Mr Corbell:** That is your speculation.

**MR COE:** No; it is. It is the prime time. Do you not accept that this is a prime time in the procurement?

**Mr Corbell:** No; you are wrong on that. The key work that was delivered by the staff member in that position was associated with the detailed technical aspects associated with the planning and design and the development application for the base case reference design that has now been submitted to the Planning and Land Authority. The overwhelming bulk of that technical assessment and preparation of reference design drawings, plans and so on was completed by that staff member prior to his departure. I spoke to the officer involved prior to his departure and thanked him very much for the work that he has done, because he has left the agency in a very strong position to finalise the development approval process and the works approval process, and the timing has not compromised the project delivery in any way.

**MR COE:** I think it is an important question about why the executive director for procurement left in the middle of the contract or tender assessment phase. Are you able to shed any light whatsoever on the departure?

**Mr Corbell:** It is not the government's policy to comment on the individual circumstances of individual staff members.

**MR COE:** But do you not think that the procurement process has had its integrity, in effect, questioned as a result of this?

**Mr Corbell:** I have already answered that. The simple answer is no. If you want me to get into the individual circumstances of individual public servants and the decisions they take about their future careers, you can wish that all you like, but I will protect the confidentiality of individual staff and the decisions that they legitimately make. It is no different in any other part of the public service; we do not comment on or expose the privacy considerations associated with individual staff movements. You asked about the term of the contract for this position; I am advised that it was a three-year contract.

**MR COE:** Right.

**THE CHAIR:** I also think, Mr Coe, that it is not the inclination of committees to go down that path, either.

**MR COE:** In actual fact, there are many precedents where such questions have been asked in parliaments right across Australia, and I think there is a right for Canberrans to get an explanation as to why the head of procurement would leave during the assessment of the tenders.

**Mr Corbell:** I have answered your question, Mr Coe.

**THE CHAIR:** Minister, you remain confident that the agency has the capacity and the staff that it needs to deliver this project?

**Mr Corbell:** Absolutely. As Ms Thomas has indicated, the work that has been done by the previous incumbent has been outstanding and has left the agency very well placed to complete the development, assessment and works approval stages. We have filled the vacancy with someone equally suitable and skilled for that job.

**MR COE:** Was the person that I am referring to confident with the procurement processes in place?

**Mr Corbell:** I spoke to the individual involved and it would be fair to say that he remains of the view that this is a great project for Canberra.

**MR COE:** Now that you are going into this space about his views, would you please explain whether he is happy with the terms under which he left, or was there a disappointment with how the agency was functioning?

**Mr Corbell:** I am not going to get into these matters in any further detail, Mr Coe, for the reasons that I mentioned earlier.

**MR COE:** Yes, but you have already contradicted those reasons by going into what—

**Mr Corbell:** No, I have not.

**MR COE:** you thought he—

**Mr Corbell:** Absolutely not.

**MR COE:** his view was on certain issues.

**Mr Corbell:** Absolutely not. My answer is very clear and unequivocal to you, Mr Coe. We can waste the next half an hour having this conversation, but you are not going to get any different answer from me.

**MR COE:** I do not think it would be wasting time if we are, in effect, trying to get to the bottom of why the head of procurement would leave during the procurement process.

**Mr Corbell:** It was a private decision made by an individual staff member and I am not going to breach or disclose the individual's reasons. Staff movements happen within the ACT public service all the time, for a whole range of reasons, and this staff movement is no different.

**MR COE:** Do you accept that your inability to address this head on is going to potentially lead to more suspicion or more concern as to why the person departed the agency?

**Mr Corbell:** No. I would say to you, Mr Coe, that the only suspicion will be a result of the sneer and innuendo which you are seeking to propagate through this line of questioning.

**THE CHAIR:** Thank you, Mr Coe; we will move on—

**MR WALL:** Is it common practice, minister—

**THE CHAIR:** Mr Wall, do you have a substantive question?

**MR COE:** You can ask a supplementary.

**THE CHAIR:** Would you like to ask a supplementary?

**MR WALL:** Yes, I would. Is it common practice for you to speak to executive members once they have decided to depart an agency that you are a minister for?

**Mr Corbell:** Yes, it is. I value the work of my public servants and where I feel that they have made a significant contribution I let them know.

**MR COE:** How much notice did the person give?

**THE CHAIR:** You can ask another substantive question in a moment. Mr Wall, would you like—

**Mr Corbell:** I can take that on notice.

**MR WALL:** How much has the Capital Metro Agency spent on promotion and sponsorship in the reporting year?

**Mr Corbell:** That would be outlined in the annual report. I will ask Ms Thomas to assist you with that, Mr Wall.

**Ms Thomas:** For the 2014-15 year, Mr Wall, or—

**MR WALL:** If you could give it to us for the reporting year, and what is budgeted for the current, that would be helpful.

**Ms Thomas:** For the 2014-15 financial year the total communications expenditure was \$196,289.30. With respect to the budget for this year, I will have to look it up. It is probably easier for me to take it on notice.

**Mr Corbell:** We will take that on notice. We are dealing with the previous financial year.

**MR WALL:** How much was spent on the young designers' ideas in schools competition?

**Mr Corbell:** \$20,000.

**MR WALL:** Were all schools in the territory invited to participate in that?

**Ms Thomas:** I would need to ask Melanie Taylor, our director of communications, to answer that question.

**Ms Taylor:** The question was whether all schools were invited to participate. Yes, they were, for the high school ages, particularly in year 9 and year 10; that was the focus.

**MR WALL:** What community engagement events or sponsorships and promotion activities does the agency have planned for the current financial year?

**Ms Taylor:** Currently we are doing some consultation, particularly in the parties at the shops realm. We visit quite a few of those. We are also engaged in participating in other activities like the Tuggeranong Community Festival that happened on Saturday. We have organised a community consultation for the bus depot markets on Sunday. So we have a range of those community engagement activities lined up, certainly for the next couple of weeks, in conjunction with the light rail network consultation. It is due to close on 11 December. That engagement activity will continue early into the new year with parties at the shops.

**MR WALL:** Beyond that there is no broader sponsorship of major events being considered by the directorate or the agency?

**Ms Taylor:** It is certainly being considered by the directorate. We just have not put

together a full events schedule for next year.

**MR WALL:** What has happened to the cardboard tram that was purchased for 11 grand?

**Ms Taylor:** We still use it. The last time we used it was at the Bungendore railway expo, which was in October. I will have to check the date as to when that was, but we use it as frequently as we possibly can.

**MR WALL:** Why wasn't it used on the weekend at the Tuggeranong festival?

**Ms Taylor:** Largely because we felt that, in terms of the interest in what was going on, this was primarily to do with the light rail network, so we really wanted to talk to people about what the broader network would look like. Given that it was a community festival, we just wanted to make sure that we were targeting our messages accordingly.

**MR WALL:** The train does not come to Tuggeranong again. What a shame!

**Ms Taylor:** It may well do. Never say never.

**Mr Corbell:** We can arrange it for you, Mr Wall.

**Ms Taylor:** That is right.

**Mr Corbell:** If you are keen—

**MR WALL:** Please do.

**Mr Corbell:** If you are keen I would be very happy to.

**THE CHAIR:** Minister, could you give us an update on the use of the Magistrates Court car park as a temporary construction compound? Could you remind us of where that is up to?

**Mr Corbell:** Yes, thank you. As part of the EIS assessment, Capital Metro identified the need for a construction compound at the southern end of the Gungahlin to city corridor. After quite an extensive canvassing of site options, the Magistrates Court car park opposite the Melbourne Building was identified as the most suitable public land available for that use.

Initially the EIS, as is required under the EIS assessment framework, took the worst case scenario for impact, which was the full use of that car park site. Following further assessment of that and based also on the feedback from nearby traders and property owners, as a result of the public consultation process, we were able to revise the worst case scenario, in terms of the use of that site.

The final EIS has been approved on the basis that no more than half of that car park would potentially be utilised for a construction compound during the construction period. That means we have half of the Magistrates Court car park still available for

use. There are a number of options that have been developed to further augment that car parking supply to address issues around disruption for traders, shoppers and property owners.

There are two options that are currently being further explored with stakeholders. The first is to reconfigure the surface car parking on the balance of the Magistrates Court site and also on the adjacent car park on the other side of Northbourne Avenue, opposite the Sydney Building, the so-called Canberra Theatre car park. Reconfiguration and a slight extension of both car parks and a slight extension of the Canberra Theatre car park will deliver more car parks than are currently available on the Magistrates Court site. The second option is to build a temporary car parking structure on the balance of the Magistrates Court car park site that is still available. That option would also deliver more car parks than are currently available on the full Magistrates Court car park site.

Capital Metro have been closely engaged with stakeholders on these options. We have had positive feedback on the options that have been put forward, as a way of augmenting and managing the disruption that will occur. I think their response has been a very considered one by stakeholders overall. The government will make some decisions in the coming months about its preferred option to augment car parking supply on that site and on adjacent sites. But the bottom line is that we do not anticipate any net loss in car parking supply as a result of one of these options ultimately being implemented.

**THE CHAIR:** With the engagement that the agency is doing around these options, is that done through the engagement team as a whole or more directly through the place managers?

**Mr Corbell:** Our place manager in the city area has played a critical role in this. She has done a very good job in talking to the stakeholders. We have also augmented that with engagement by our broader consultation, communication and marketing team, and, indeed, other members of the Capital Metro executive, including Ms Thomas. They have been directly involved as well. We have certainly worked very hard to talk to stakeholders. I have met a number of the stakeholders as well to understand their concerns. The feedback, I have to say, has been overwhelmingly positive. People appreciate the fact that CMA have been engaging. They are grateful that there are options to address the loss of parking, and we now need to make a decision about which are the best option and the most cost-efficient option.

**THE CHAIR:** You expect those options to be worked through—

**Mr Corbell:** I expect a decision on that will be made in the coming months.

**THE CHAIR:** Do you know yet for what period of time that is likely to be in effect? Will that depend on the options?

**Mr Corbell:** It will depend on the options as to when it will become available. Option A, which is the reconfiguration of surface car parking and the extension of the Canberra Theatre car park, is likely to take less time to put in place compared to the construction of a temporary car parking structure. Construction of a temporary car



parking structure does have some disadvantages. First of all, it will require the closure of that balance of the Magistrates Court car park whilst it is being constructed, and construction could take up to six months. So it is a more complex exercise and it does involve some level of disruption. We just need to work through those issues.

**THE CHAIR:** There are community reference groups and business reference groups. Am I right in saying that there are two in Gungahlin, a community and a business reference group in Gungahlin, and two in the city?

**Mr Corbell:** Yes, that is correct.

**THE CHAIR:** Are the stakeholders around the car park engaged in the reference group as well?

**Ms Thomas:** Could you repeat the question?

**THE CHAIR:** Does the business reference group for the city involve some of the stakeholders that have been engaged with you about the car park?

**Ms Thomas:** I am just trying to think as to whether that is the case. I might need to take that on notice. Although we have engaged in discussions with both of those reference groups about the car park, I cannot say whether they are exactly the same groups of people.

**THE CHAIR:** On the reference groups, all four of the reference groups have met?

**Mr Corbell:** Yes, they have.

**THE CHAIR:** Can you give us a sense of the sorts of issues that they have raised with you at this stage, or is it too early to—

**Mr Corbell:** My understanding is that the initial reference group meetings were an opportunity to meet and greet and to receive initial briefings on what is happening with the project. It was really a familiarisation, get-to-know-you meeting. Further meetings will deal more substantively with issues that are forthcoming on the project.

**THE CHAIR:** Do you know yet how often the groups will meet?

**Mr Corbell:** I think it is anticipated they will meet quarterly.

**THE CHAIR:** Thank you.

**MR WALL:** A quick supplementary: what is the expected cost of each of those two options for the car park?

**Mr Corbell:** Option A is the permanent reconfiguration of the surface car parking on the Magistrates Court and Canberra Theatre car parks. By “reconfiguration” we mean better line markings, so more efficient use of space, basically remarking the parking bays to make better use of the space compared to what is there at the moment, and also some expansion of the Canberra Theatre car park into some adjacent vacant land

at the rear of that car park near the Playhouse. The cost of that option is currently estimated at approximately \$1 million. Option B, which is the temporary car park structure, deck structure, on the balance of the Magistrates Court car park, is estimated to cost \$6 million.

**MR WALL:** Who is going to be responsible for the cost of that? Will government be footing the bill or will it form part of the successful bids?

**Mr Corbell:** It is anticipated the government will meet that cost.

**MR COE:** Minister, would you please advise what the agency's role is with the capital metro master plan?

**Mr Corbell:** The light rail network master plan, you mean?

**MR COE:** That is right.

**Mr Corbell:** Capital Metro Agency has obviously been involved in the interagency consultation and work associated with the development of that plan, which is led by the Environment and Planning Directorate.

**MR COE:** In terms of, for instance, costings of future legs and the like, have capital metro provided that information?

**Mr Corbell:** The government has been very clear about issues associated with costing for the light rail network, which is that this is a strategic planning document; it is not designed as a document that will act as a business case or inform an investment decision. The government has been very clear that that will be done at the completion of the light rail network master plan, when the government will make some decisions about which specific corridors in the final master plan should be subject to more detailed business case assessment.

**MR COE:** What will be the process for determining the staging of extra legs?

**Mr Corbell:** I am not responsible for the light rail network master plan, so you should direct those questions to the Minister for Planning.

**MR COE:** Sure, but the expertise for light rail clearly sits within the Capital Metro Agency. So what information and what process will be utilised to determine the future rollout?

**Mr Corbell:** Those are matters for the Minister for Planning.

**MR COE:** The Capital Metro Agency will not be providing information to the Minister for Planning?

**Mr Corbell:** No, the Capital Metro Agency, as is commonly the case with across-government coordination matters, is involved and provides its input and advice. I am not the portfolio minister for the light rail network master plan; the Minister for Planning is.

**MR COE:** The Capital Metro Agency has not given any advice as to the cost of rolling out future legs for light rail?

**Mr Corbell:** As I have said, the light rail network master plan is not a costings document; it is like any other master planning document that we produce for any other land use or transport planning decision in the city. It is a high level strategic document, and flowing from that will be the more specific budgetary and business case development processes.

**MR COE:** Has the agency provided costings advice regarding the master plan?

**Mr Corbell:** No.

**MR COE:** Okay.

**Mr Corbell:** Because it is not required to do so.

**MR COE:** I take on board what you have said with regard to that. Where are things at with regard to the acquisition of the land in Dickson for the interchange?

**Mr Corbell:** Again, the interchange works are not within the delivery responsibility of the Capital Metro Agency, but they are related works to the project. As I understand it, the Land Development Agency and the Planning and Land Authority are engaged in the land acquisition process as set out in the legislation.

**MR COE:** When does the agency expect to be able to either take a lease on that block, in effect, or take a more active role in the planning for that block?

**Mr Corbell:** The delivery of the interchange project is not directly within the procurement and delivery role of the Capital Metro Agency. The Capital Metro Agency's responsibility is the delivery of the light rail infrastructure itself. The bus interchange site at Dickson is an important piece of infrastructure that needs to be integrated with the light rail infrastructure. The ownership of the site and the delivery of that project are not within the responsibility of the Capital Metro Agency. That will be delivered by other elements of government, notably Territory and Municipal Services.

**MR COE:** Would you confirm, then, that the cost of that project is not part of the \$783 million published figure?

**Mr Corbell:** That is correct.

**MR COE:** Thank you. Would you also confirm that the cost of the parking by the Magistrates Court car park is also not included in the \$783 million?

**Mr Corbell:** That is correct.

**MR COE:** All park and ride facilities are not included the \$783 million?

**Mr Corbell:** That is correct. These are all public knowledge and are specifically noted as such in the business case.

**MR COE:** Sure. Any additional stretches of road are not included in the \$783 million; is that correct? For instance, if there are any particular works done on Flemington Road or further up Flemington Road closer to the town centre—because there is only a single lane there at the moment—will those be included in the \$783 million, or is that going to be in addition?

**Mr Corbell:** You need to be more specific, Mr Coe. There are some elements of road infrastructure that will need to be replaced by the preferred proponent as part of their works. It would depend on which particular stretch of road you are referring to.

**MR COE:** Let me be particular then: the single lane stretch of Flemington Road as it, in effect, goes into Hibberson Street: is that work included in the \$783 million or is it excluded?

**Mr Corbell:** I am not quite clear on where you are referring to. You will have to be specific.

**MR COE:** Where Flemington Road in effect goes from two lanes down to one.

**Mr Corbell:** Prior to the Gungahlin town centre?

**MR COE:** It is actually further south of Crace. It is further south of that. Is that work going to be included in the \$783 million or not?

**Mr Corbell:** I would need to take that on notice, Mr Coe, but I am happy to do so.

**MR COE:** Thank you. And if you could also take on notice the stretch of road, in effect, between Mitchell and Franklin of Flemington that would also be appreciated.

**Mr Corbell:** Yes, I am happy to do that.

**MR COE:** Thank you.

**MR WALL:** There has been some discussion about the NCA's concern about overhead wires on the city to Russell proposal. What options are available as an alternative to running overhead cable?

**Mr Corbell:** The NCA have not indicated opposition to catenary along the base case route. Obviously they are keen to ensure that the overall design outcome benefits Northbourne Avenue's role as a key approach route to the national capital. In the request for proposal stage the government did not specify a particular requirement in relation to catenary or catenary free; that is a matter for the bidders to determine or to put forward their preferred option. We are currently assessing that.

**MR WALL:** What options have been submitted?

**Mr Corbell:** I am not at liberty to disclose what is in the bids at this stage, Mr Wall. It

is subject to a commercial-in-confidence process.

**MR WALL:** The use of overhead wires would also be permitted for the city to Russell extension?

**Mr Corbell:** It is considered highly unlikely that that is the case because of the importance particularly of the Constitution Avenue corridor and the way it intersects with the land axis at Anzac Parade. We are expecting that city to Russell will be wire free.

**MR WALL:** If we have overhead wires for the Northbourne corridor, will the same rolling stock be capable of doing the city to Russell extension?

**Mr Corbell:** Yes.

**MR WALL:** Thanks.

**THE CHAIR:** Minister, yesterday or earlier this morning you announced the release of a study on greenhouse gas emission reductions from Canberra's light rail project. Could you please outline for us the findings from that study and, more broadly, some of the sustainability benefits of the project?

**Mr Corbell:** Yes. The government has obviously mandated a 100 per cent renewable energy supply for the project. This will be an emissions-free form of public transport, the first of its type in the territory. There was a study released today that has been prepared by Professor Will Steffen at the ANU and David Flannery from Canberra Urban and Regional Futures at the University of Canberra. They have analysed greenhouse gas emission reductions that can be achieved from the light rail project. They estimate that by 2020 around 2,900 to 4,700 tonnes of greenhouse gas emissions per year will be eliminated from that transport corridor. That translates to an 18 to 30 per cent reduction on the Gungahlin to city corridor in 2020 compared to business as usual. The reason for this is because of the government's decision to ensure that the light rail service will operate on a 100 per cent renewable energy supply.

The successful proponent will be required to source that supply or a contribution to that supply, with the balance being met by the government's overall 90 per cent renewable energy target for the city as a whole. We expect that the proponent will do that through the purchase of green power—that is, accredited renewable electricity—through a private commercial arrangement.

In addition to that, the project is being assessed through the Infrastructure Sustainability Council of Australia's infrastructure sustainability rating tool. This will allow the project to be scored across management and governments, use of resources, emissions, pollution and waste, ecology, people and safety and innovation. This will allow the project to achieve an infrastructure sustainability rating both at the design and as-built stages of the project. That is a very important demonstration of the overall sustainability that we are seeking to bring to the project's delivery and its operation.

**THE CHAIR:** This is probably more with your environment hat on, but how important is it to reduce greenhouse gas emissions in the transport sector in particular?

**Mr Corbell:** Given the fact that we are now moving to a 90 per cent renewable energy supply, the focus of our efforts to reduce the city's greenhouse gas emissions will need to shift to the transport sector, which will become the single largest source of greenhouse gas emissions from the city in the 2020. So we achieve 90 per cent renewable electricity in 2020—that will mean that emissions from stationary energy will drop from over 50 per cent to around 18 per cent in 2020. It will mean that in terms of emissions from the transport sector—so emissions associated with the use of fossil fuels—the share of that sector will grow to around 56 per cent of our total emissions profile.

What that means is that, as a city, if we want to reduce our city's emissions further, having dealt with stationary energy supply significantly through the 90 per cent renewable energy target, we will need to shift to more sustainable forms of fuel or energy supply in the transport sector. Electrification of transport which can then be linked to renewable energy supply is a very effective way of achieving that. That is increasingly going to become the government's focus. Clearly, supplying renewable energy for capital metro is one step in that transition in terms of decarbonising and reducing the greenhouse gas impacts of our transport use.

**THE CHAIR:** Where do the other light rail systems in operation around Australia get their energy supply from? Are they also on this path to renewable energy use in the actual—

**Mr Corbell:** It is certainly the case that we will be the first place in Australia that will be 100 per cent renewable in terms of its electricity supply for a light rail service. I could not tell you exactly whether there is some element of green power purchase in those other projects, but we can try and get some information for you.

**MR COE:** Minister, why is the government not borrowing for the full construction cost of light rail?

**Mr Corbell:** The government has taken a decision when it comes to the PPP model that the risk transfer is substantial and that it reduces the overall cost to taxpayers compared to a straight borrowing on the part of the government.

**MR COE:** How is that so? If it is so, why would the government borrow \$375 million rather than simply borrowing the full amount?

**Mr Corbell:** I will ask Mr Edghill to give you some more information on that.

**Mr Edghill:** The first part of that question—why does the ACT government not borrow the full amount up front—effectively the answer is encapsulated in the public sector comparative versus the PPP proxy analysis that was contained in the business case. That effectively shows that the risk transfer to the private sector coupled with the incentives inherent within the PPP structure, mean that the overall value for money is better in this particular instance by the ACT government procuring the project as a PPP. That means that during the construction phase the construction is funded by the private sector. Effectively what happens in the PPP, as well as having the O&M parties and the D&C parties, you also have equity parties and banks sitting

behind that contribute the finance.

Those parties are contributing the finance during the construction of the project; the ACT government is not making any contribution at that point. But if, for whatever reason, the system does not become operational, provided it is not something for which the territory is liable, it is the private sector, it is those banks, it is those equity partners that bear the risk of that not occurring.

The ACT government made a decision to make a \$375 million contribution to the project, but the important point there is that it is not making that contribution at the outset of the project or during its construction phase, which is where the bulk of the risks associated with the development of the project lie. The ACT government is making that contribution at the end of the construction phase. That contribution is paying down some of the financing which has been inputted into the construction phase by those other financiers along the way.

The \$375 million was determined to be an appropriate amount having regard to a range of factors, one of which, of course, is that the ACT government is AAA rated, so it is able to borrow competitively. But you still need to leave enough money in the transaction, both on day one but also when you get to the operating phase, to make sure there is still sufficient incentive for private parties to run and operate the system as they are meant to.

The \$375 million is being contributed at the end of the construction period when construction risks have passed. It provides a balance between the ACT government's ability to borrow competitively while still ensuring that the project for the remaining 20 years of its terms has sufficient incentive in there for the project company to do what it is meant to be doing.

**MR COE:** Was the \$375 million included in the full business case?

**Mr Edghill:** No. The \$375 million was flagged in the business case as something which might be contemplated. That was a subsequent decision of cabinet.

**MR COE:** The business case did not stipulate an optimal amount. Why is that? Why did the full business case not state what would be the preferable amount for a capital contribution?

**Mr Edghill:** The business case was predicated upon the project making sense in its own right. Throughout the development of the RFP, one of the things the Capital Metro Agency has been doing is forever looking at ways to optimise the procurement of the project to achieve the best value-for-money outcome that it can for the ACT community. One of the pieces of work we did in conjunction with our commercial advisers and in consultation with Treasury was to subsequently analyse the potential to make a territory contribution. It was after that analysis was completed and presented to cabinet that the decision was made to make the contribution.

**MR COE:** What are the initial projections, albeit medium-range projections, for the interest rate of that \$375 million in borrowings?

**Mr Edghill:** That is obviously an important component of what we are assessing in the bids at the moment. The entire financing structure that we have received from both of the short-listed consortia is probably not something which is appropriate to address at this stage.

**MR COE:** Sure, but there have to have been some assessments about the intergovernmental loan rate or at what rate the government could borrow at in order to make the assessment that a \$375 million down payment was the optimum amount. Therefore, what was the rate at which the government could borrow at which was, in effect, being used as a benchmark?

**Mr Corbell:** The Treasury have made those assessments and provided their advice to government in respect of those matters.

**MR COE:** Was it Treasury that suggested the \$375 million, or did that come from the full business case?

**Mr Corbell:** The recommendation was made by the Treasurer.

**MR COE:** By the Treasurer?

**Mr Corbell:** So it came from Treasury.

**MR COE:** It did come from Treasury. Would you please advise whether any major private institutions have said that they would help fund a route, for example, the Canberra Airport group?

**Mr Corbell:** There have been no formal approaches to the government in that respect. Informally, there has been a range of discussions, but there have been no formal approaches to the government.

**MR WALL:** Minister, how many kilometres per year is capital metro expected to travel once operational?

**Mr Corbell:** I would have to take that on notice. I do not have that information in front of me.

**MR WALL:** Also take on notice the amount of running it is expected to do on scheduled services, and the amount of so-called dead running between the Mitchell depot and the first pick-up point on the network.

**Mr Corbell:** Happy to do so.

**Mr Edghill:** The dead running for the trams is minimal. One of the RFP criteria that was set was that, once it leaves the depot, it begins services at the next stop in the line so it is not travelling to the end of the line before it could pick up passengers.

**MR COE:** Which begs the question, for people who work in Mitchell, how will they access the light rail? Whereabouts and what stop is proposed?



**Mr Corbell:** The two stops closest to Mitchell are Wells Station Road and the EPIC stop at the showgrounds.

**MR COE:** Is there a reason there is not another stop like there was originally planned to be in Mitchell to service all the workers?

**Mr Corbell:** Yes. Assessment was made of a possible stop at the intersection of Flemington Road and Lysaght Street adjacent to the Mitchell industrial area. The advice to the government was, first of all, the level of demand at that stop was very low and, secondly, the options for people to walk or to cycle to the next most available stops, which would be at Wells Station Road and/or the EPIC stop would be suitable given the relatively low level of patronage at Lysaght Street.

**MR COE:** But given Mitchell is a major employment hub, why is there not a stop at Lysaght Street as was the original plan?

**Mr Corbell:** For the reason I have just outlined to you: low levels of patronage. Can I clarify, too, that we have in the delivery of the project provision to be made in the engineering at that location for a stop to be installed at some point in the future, should it be warranted. But it is not determined to be warranted at this time. Some of the initial foundation work, if you like, that could support the construction of a stop at Lysaght Street will be part of the project for stage one.

**MR COE:** The patronage projections are higher for the Swindon Street stop than for the Lysaght Street stop?

**Mr Corbell:** Overall they are more favourable, yes, to justify a stop there. That is correct.

**MR WALL:** What is the anticipated ticket price per journey for capital metro?

**Mr Corbell:** The government's position is that the ticket price will be the same as the price for boarding an ACTION bus.

**MR WALL:** What has been the scope of works for pricing and ticketing that is listed in the government contracts by Caroplan?

**Mr Corbell:** Sorry; could you just advise what you are referring to, please, Mr Wall?

**MR WALL:** Page 88. It refers to Caroplan stage 2 pricing and ticketing and then ticketing and pricing consultancy services.

**Mr Corbell:** Ms Thomas can help you with that, Mr Wall.

**Ms Thomas:** That person who is employed through Caroplan is a gentleman by the name of Bernie Carolan, who is an expert in ticketing. Just because we are using the same ticketing system does not mean we do not need to consider how the ticketing equipment might be installed in the right place on the platforms, how the ticketing system might work in terms of revenue protection and how people might board trams and whether they need valid tickets in various areas. The ticketing policy and the

strategy itself still need to be considered, and needed to be considered as part of the RFP. He is not dealing with a separate ticketing and pricing strategy in terms of how the pricing works out to be any different; as the minister has already articulated, that will be the same as the overall government public transport system at the time.

**MR WALL:** You mentioned whether valid ticket secured area arrangements were an option. Are they likely to be installed; and if so, at what stops?

**Ms Thomas:** We will have ticketing equipment at every stop. The plan is not to have any ticketing equipment on the light rail vehicle itself, but for people to validate on and off their journeys on the actual platforms themselves rather than on the vehicle.

**MR WALL:** Will it operate similar to the Melbourne tram network, which most people are familiar with, where the onus is on the individual to swipe on or swipe off, rather than having a turnstile-type arrangement at platforms?

**Mr Corbell:** The same as the ACTION bus arrangement—or, indeed, the arrangement in places like Melbourne, where you swipe on and you swipe off.

**THE CHAIR:** On a related question, how will Capital Metro Agency integrate into the new transport Canberra agency? Ms Thomas indicated some of the planning that is already underway, but do you know much yet about the actual operation of that integration?

**Mr Corbell:** These details are in the process of being formalised and finalised through a cross-government working group being led by the Chief Minister's directorate. The purpose of transport Canberra is to provide for an integrated coordinator, standard setter and quality assurance process for the delivery of public transport services in the city.

The delivery of public transport services will remain the responsibility of the respective public transport providers, which will be either ACTION buses or the preferred bidder for capital metro, and, in the future, potentially other providers in light rail or in bus services, but that is for matters down the track.

The role of transport Canberra is to set the levels of service standard, to make sure that public transport providers meet those standards to undertake the network planning that is required, to make sure services are integrated, to make sure that quality and customer experience are being delivered at the appropriate level, and to plan for the future in terms of growth and the delivery of new infrastructure and new services.

At this point in time capital metro is engaged in that process, within government, about which of its functions sit properly with the new transport Canberra entity and which of its functions need to remain separate or within a different part of transport Canberra to ensure the delivery of the infrastructure project itself.

**THE CHAIR:** For users of the transport system, what do you expect the benefits will be in having it integrated through an agency like transport Canberra?

**Mr Corbell:** The really clear message is: one network, one fare, one ticket. People

should be able to move seamlessly between bus services and light rail services, using the same ticketing infrastructure and with the same expectations around service delivery, the same expectations around timeliness and accessibility. Transport Canberra will be responsible for coordinating that, ensuring that the public transport providers meet those expectations and making sure that they adhere to their contractual obligations with the territory. That is the very important role of transport Canberra.

**THE CHAIR:** Thank you. Mr Coe.

**MR COE:** With regard to the chairman of capital metro, would you please give the committee an idea about what role the chairman plays on either a day-to-day basis or a regular basis, other than the board meetings?

**Mr Corbell:** Mr Fitzgerald is an independent member of the board, so, unlike most other members of the board, he is not an employee of the ACT government and is able to bring a broader independent perspective to the functions of the board, its decision-making and the advice it provides to government. Mr Fitzgerald has very extensive experience in infrastructure delivery, particularly in the transport area in terms of his role in the Victorian government, where he was responsible for PPP delivery of a range of projects in Victoria, and also from his former role as acting head of Infrastructure Australia. He brings very extensive experience to this role. In addition to his responsibilities in chairing the capital metro board, he provides advice directly to the government and to me as the minister on key issues that a government needs to give consideration to, as we move through the various milestones associated with the project.

**MR COE:** I am curious to know what decisions the board would take, as opposed to cabinet. Is the board simply an advisory body to the subcommittee of cabinet or is the board actually taking firm decisions in their own right?

**Mr Corbell:** There is a clear decision-making matrix that delegates certain decisions to the board and requires the board to make recommendations to cabinet in relation to other matters. That decision-making matrix is clear about which matters are the responsibility of the director-general and the Capital Metro Agency as opposed to the board, the minister or the government.

**MR COE:** Can you give an example of the sorts of issues in that matrix that are delegated to the board?

**Ms Thomas:** We tend to take it on a case-by-case basis. The board, for the most part, provides its role as an advisory board as the minister has outlined. There are some instances that are largely administrative, such as any changes to evaluation panel members, where we may seek, through the cabinet process, for them to be delegated to the director-general, the agency or the board itself to take those decisions along the way. All of that is very heavily documented in terms of the decision-making process and very clearly outlined in board papers about their level of decision-making, recommendation or endorsement as they go along through the various stages.

The DA went through its normal CMA process, but the board provides advice on

those issues, and part of its role in its governance and advisory role is to look at significant risk for the agency and provide guidance, particularly to me and my team, as to where we might need to focus more heavily on areas of significant risk.

**MR WALL:** Minister, what work has been done to substantiate the claims that there will be a decrease in congestion on Northbourne Avenue as a result of light rail?

**Mr Corbell:** The government has been clear that improving public transport along the corridor will see less growth in congestion along the corridor. We have been quite clear about that.

**MR WALL:** What is the expected impact on the travel time for a vehicle travelling down Northbourne once light rail is operational?

**Ms Thomas:** The environmental impact statement gives some indication and consideration of overall network performance. In saying that—I know the minister and I have both answered questions on the environmental impact statement before—it is a very conservative worst-case scenario of what is going on and does not take into account a number of other infrastructure changes that may occur to the system. But in terms of the EIS delay, the average delay per vehicle in 2021 if light rail did not exist is about 163 seconds of delay time across the network performance. Post light rail, it may be 176 seconds. That is, again, I emphasise, without the benefits of any traffic signalling modifications or any other road modifications in the vicinity of the network.

**MR COE:** When you say “network”, what is the definition of network? So what is that average of 163 seconds?

**Ms Thomas:** The network looks at the entire corridor of the light rail vehicle system, so it is looking at the network along that corridor.

**MR COE:** For instance, does it include, say, east-west roads on Northbourne Avenue or is it simply, in effect, cars travelling on Flemington and Northbourne?

**Ms Thomas:** I think it is pretty important to understand that the analysis that we have done for the purposes of the EIS does look at some east-west movement but in a very restricted fashion. Other directorates, such as the Environment and Planning Directorate, are charged with a broader look at congestion and time delays across the entire Canberra network and take into account far more road systems. We are just looking at the immediate intersections involved in the light rail system.

**MR COE:** To put that 163 and 176 into perspective, in effect, are you saying that is the delay for a car travelling from Gungahlin to the city on Flemington and Northbourne? Or is that only a part journey or is it an average of all cars in the network regardless of what portion of the route they travel?

**Ms Thomas:** I would have to take that on notice.

**MR COE:** If you could, thank you.

**THE CHAIR:** I have a follow-up. Could you also take on notice, if you do not have it

here, the volume of cars currently travelling that route. Given the population growth, as someone who travels that route every day, I do not think you talk to too many people who travel that route every day who do not think that congestion is increasing.

**Mr Corbell:** There has been a range of assessments of congestion along the corridor, by the ACT government, the federal government and Infrastructure Australia. There have been a number of assessments made. They all confirm that the Federal Highway-Northbourne Avenue corridor is the most expensive in terms of loss of productivity as cost per road kilometre along the corridor. We know that the projections are for an average travel time of over 50 minutes for the 12-kilometre corridor from Gungahlin to the city based on business as usual. The issue is how we restrain growth in congestion and how we provide better transport choices for the people who are using that corridor in a way that delivers a timely and reliable service.

The point to be made about light rail is that it is going to deliver that journey time consistently throughout its life. It is going to be able to deliver that for many decades. As growth continues along that corridor, it is still going to be that specified journey time from Gungahlin to the city. That is one of the most powerful things about the infrastructure: it is an enduring, permanent right of way with an enduring level of performance even as growth occurs in the city and even as there is further congestion growth along the corridor.

**MR COE:** Regarding the question on notice, could you please break that down into the am peak versus the pm peak?

**Mr Corbell:** Yes.

**THE CHAIR:** Thank you. I wanted to ask, minister, about the economic benefits more broadly of the project that you might see happening before. From spending a lot of time in Gungahlin and observing particularly real estate ads about how significant the light rail network is becoming to sales pitches, but from talking to real estate agents as well, I am struck by what people are seeking and why people might be moving to the area. Are you hearing similar things and/or anything else?

**Mr Corbell:** Anecdotally that is certainly the case. It is very clear that people are demonstrating a preference to live close to what will be a permanent right of way, a dedicated public transport corridor where the bus route cannot be cancelled, where the bus stop cannot be taken away overnight. It is there; it is going to stay; it is a dedicated, reliable, frequent piece of public transport infrastructure. It does not surprise me that people want to live close to it, because that is the experience right around the world. Right around the world, people vote with their feet. Property prices reflect that. I am not surprised that we are starting to see a similar effect along the corridor compared to business as usual.

**THE CHAIR:** Although some people feel as though there is uncertainty about it, individuals are making decisions, particularly first homebuyers. Looking along the Flemington Road corridor, I think every piece of residential land along that corridor is now being developed. What message do you have for them about the certainty of the investment that they have made?

**Mr Corbell:** I think they need to know that there is one party that wants to put their investment at risk and the value of their investment at risk and there is another party that does not. They can make their judgements about that.

**MR WALL:** Those rates are a real killer.

**THE CHAIR:** We have one minute. Any further questions?

**MR COE:** Yes. With that in mind, do you think there is a reason why there is a huge billboard on Flemington Road in front of one of those developments that says, “Most with two car parks”?

**Mr Corbell:** It is not for me to comment on the individual marketing of sites, Mr Coe.

**MR COE:** Do you think we are going to see a change, or would capital metro support a change, whereby developments on Flemington Road would not require car parks for apartments that are sold?

**Mr Corbell:** Certainly we know from feedback from the property sector that reduced car parking requirements for developments improves affordability. It is something that many in the development sector feel should be approached more flexibly in terms of planning regulation. The government has made a number of comments and released a number of papers that look at this issue. My colleague Minister Gentleman, who has responsibility for both planning policy and roads and parking, has released a number of discussion papers and options in this respect.

Reducing car parking requirements for developments that are close to good public transport infrastructure makes economic sense, and it certainly improves affordability. There are a number of issues that require further policy work, but my colleague Minister Gentleman has outlined the directions the government is going in that respect

**THE CHAIR:** Thank you, minister. Thank you, Ms Thomas and other officials who have come along today. I ask members, if you have any further questions on notice, to provide them in three business days. Minister, with the questions that you have taken on notice, if we could please have answers back by 4 December that would be great. The hearing today is adjourned.

**The committee adjourned at 3.30 pm.**