

## Chapter 2

### **Infrastructure, Regional Development and Cities portfolio**

2.1 This chapter outlines some of the key issues discussed during the hearing for the Infrastructure, Regional Development and Cities portfolio on 18 and 22 February 2019.

2.2 The committee heard from divisions of the Department of Infrastructure, Regional Development and Cities (the department) and portfolio agencies on 18 February 2019 in the following order:

- Infrastructure Australia;
- Australian Rail Track Corporation;
- Inland Rail and Rail Policy Division;
- Infrastructure and Project Financing Agency;
- Infrastructure Investment Division;
- Regional Development and Local Government Division;
- Surface Transport Policy Division;
- Australian Maritime Safety Authority;
- Airservices Australia; and
- Cities Division.

2.3 The following agencies and divisions were released during the course of the hearing without providing evidence:

- Aviation and Airports Division; and
- Civil Aviation Safety Authority.

2.4 The committee heard from the Civil Aviation Safety Authority on 22 February 2019.

#### **Infrastructure Australia**

2.5 The committee sought information from Infrastructure Australia (IA) on the following projects and business cases:

- Globelink;
- Albany Ring Road;
- Ellenbrook Rail Line;
- North East Link;
- Iron Road Project;
- Tanami Road;
- Outback Way;

- Melbourne Airport Rail Link;
- Melbourne Metro 2.0; and
- Melbourne Outer Metropolitan Ring Road.<sup>1</sup>

2.6 The committee sought information on the National Electric Vehicle Fast Charging Network. It was informed that the network of charging electric vehicle stations will follow the National Land Transport Network. Infrastructure Australia indicated that over time, stations will be made available in regional areas.

### **Australian Rail Track Corporation**

2.7 The committee raised concerns regarding the consultation process and eventual adoption of the Gilmours Road Option B plan for the Burroway to Curban section of the Inland Rail. Officials confirmed to the committee that the plan was preferred over other options for reasons including reduced cost and transit time. It was also acknowledged that the plan was agreed to, despite the views of approximately 350 landowners, who raised concerns with it at community consultation sessions.<sup>2</sup>

2.8 The committee requested that the Minister for Infrastructure and Transport and Regional Development consider instructing the Australian Rail Track Corporation (ARTC) to revisit the other options, including those favoured by local communities.<sup>3</sup>

2.9 The committee also questioned the consultation process for the North East Rail Line project. The ARTC confirmed that community consultation sessions had taken place both before and after the review of the scope of works was prepared and that track work had commenced.<sup>4</sup>

### **Inland Rail and Rail Policy Division**

2.10 The committee heard that the following projects are being funded as part of the National Rail Program:

- Melbourne Airport Rail Link;
- Monash rail planning and preconstruction;
- Frankston to Baxter rail upgrade;
- Gold Coast Light Rail;
- Beerburrum to Nambour line;
- Western Sydney North South Rail business case;
- Gawler rail line and electrification; and
- Metronet.

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1 *Proof Hansard*, 18 February 2019, pp. 4–25.

2 *Proof Hansard*, 18 February 2019, pp. 29–34.

3 *Proof Hansard*, 18 February 2019, p. 48.

4 *Proof Hansard*, 18 February 2019, p. 36.

2.11 In total, of the \$10 billion allocated to the National Rail Program, \$4.9 billion was allocated to these projects from the budget, with an additional \$112 million allocated after the budget to the Gold Coast Light Rail.<sup>5</sup>

2.12 The committee also sought information on efforts to address possible skilled labour shortages in the rail sector. Officials assured the committee that they are currently engaged in a range of activities to address the shortage, including vocational training, in collaboration with the Department of Education and Training.<sup>6</sup>

### **Infrastructure and Project Financing Agency**

2.13 The Infrastructure and Project Financing Agency (IPFA) updated the committee on funding arrangements for a number of City Deals including Townsville, Launceston, Geelong and Darwin. During questioning about the Darwin City Deal, IPFA indicated that the deal may be funded in part by the government with other funding being provided by the Northern Australia Infrastructure Facility.<sup>7</sup>

2.14 The committee sought information on IPFA's advice to the department regarding procurement models and delivery approaches with regard to both the Melbourne Airport Rail Link and the North East Link. Departmental officials indicated that the department had not yet fully engaged IPFA to provide advice on these projects.<sup>8</sup>

### **Infrastructure Investment Division**

2.15 The committee received updates on a number of infrastructure projects, including:

- Marion Road, South Australia;
- Bridgewater Bridge, Tasmania;
- Roads of Strategic Importance in Tasmania;
- Hobart Airport interchange;
- Bribie Island Road upgrade project;
- North East link;
- Princes Highway.
- Waurin Pond duplication.<sup>9</sup>

2.16 The committee discussed a range of Urban Congestion Fund projects. It was informed that \$30 million had been committed to address Victorian urban congestion,

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5 *Proof Hansard*, 18 February 2019, pp. 51–52.

6 *Proof Hansard*, 18 February 2019, pp. 52–53.

7 *Proof Hansard*, 18 February 2019, pp. 55–58.

8 *Proof Hansard*, 18 February 2019, pp. 58–59.

9 *Proof Hansard*, 18 February 2019, pp. 64–74.

although specific detail with regard to upgrades and changes to ease congestion are still being considered.<sup>10</sup>

### **Regional Development and Local Government Division**

2.17 The committee focussed its attention on the administration of various grants and programs including the Community Development Grants program, the Stronger Communities Fund, the Regional Growth Fund and Financial Assistance Grants.

2.18 The Regional Development and Local Government Division (RDLGD) confirmed that \$992,000 for Round 3 of the Stronger Communities Fund had been left unspent from a budgeted \$22.5 million. The officers explained that this was due to a number of factors including projects not being lodged on time, projects not meeting the program guidelines, and certain electorates not having money committed in the first place.<sup>11</sup>

2.19 The committee also discussed decentralisation. Senator Bridget McKenzie, Minister for Regional Services, Sport, Local Government and Decentralisation confirmed that 1,229 positions had been relocated to regional areas since the policy began in 2017. The majority of these positions have been relocated to Gosford, Western Sydney and Adelaide.<sup>12</sup>

### **Surface Transport Policy Division**

2.20 The committee asked the Surface Transport Policy Division (STP) about progress towards achieving the National Road Safety Strategy targets. The division confirmed that no state or territory was on track to achieve the targets of a 30 per cent reduction in fatalities and a 30 per cent reduction in serious injuries.<sup>13</sup>

2.21 The Austroads Safety Task Force project, established to measure non-fatal crash outcomes, commenced in November 2015. Stage 1 of the project was a pilot which commenced in November 2015 and has concluded. Officials informed the committee that the purpose of the pilot was to match data on hospital deaths with crash data.<sup>14</sup>

2.22 The committee heard that as the current Road Safety Strategy expires at the end of 2020, the next National Road Safety Strategy is currently being developed. The new strategy will run for 10 years from 2021.<sup>15</sup>

2.23 The committee sought information on acoustic vehicle altering systems following the publication of a study by Vision Australia and Monash University. The study revealed that the risk of incidents between people who are blind or have low

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10 *Proof Hansard*, 18 February 2019, pp. 82–83.

11 *Proof Hansard*, 18 February 2019, p. 93.

12 *Proof Hansard*, 18 February 2019, p. 111.

13 *Proof Hansard*, 18 February 2019, pp. 96–97.

14 *Proof Hansard*, 18 February 2019, pp. 96–97.

15 *Proof Hansard*, 18 February 2019, p. 99.

vision with electric and hybrid vehicles is likely to increase unless measure are taken to protect them on the roads. However, the department confirmed that there are no current plans to create Australian Design Rules (ADR) to address this risk.<sup>16</sup>

### **Australian Maritime Safety Authority**

2.24 During the hearing with the Australian Maritime Safety Authority (AMSA), the committee focused its attentions on Marine Order 504 (Certificates of operation and operational requirements–national law) 2018. Under the national law, for voyages of less than 12 hours, a vessel master must ensure that 'at least 1 head count is conducted of all passengers on board the vessel' and to 'know the number of passengers on the vessel at all times'.

2.25 Drawing on a coroner's report into a death at sea in October 2014, the committee questioned the efficacy of the headcount requirement. The committee also sought clarification as to the decision making process within AMSA not to proceed with preparing a brief of evidence for the Director of Public Prosecutions in regard to the 2014 tragedy.<sup>17</sup>

2.26 The concerns of the committee were heightened during the evidence of AMSA. Following a private meeting, the Chair made a statement on behalf of the committee. He indicated that the committee had agreed to conduct an inquiry into the performance of AMSA, with particular focus on the issues raised during the estimates hearing, as part of its oversight responsibilities.<sup>18</sup>

### **Airservices Australia**

2.27 During estimates, the committee focussed its questioning of Airservices Australia on the issue of aviation rescue and firefighting. In particular, the committee sought an update on progress towards implementing the recommendations of Coroner Greg Cavanagh to strengthen operational procedures and training protocols following a crash involving an Airservices fire truck in 2015.

2.28 Mr Glenn Wood, Chief Fire Officer, Aviation Rescue Fire Fighting Services, advised the committee that all of the recommendations made by Coroner Greg Cavanagh have been implemented with one exception. He noted that the lighting upgrade on the large vehicles is due to be completed within months.<sup>19</sup>

2.29 Mr Wood also informed the committee that at present, aviation firefighters are not allowed to train with ladders of over two metres. He explained the risks of falling off a ladder and noted that Airservices had examined the matter and determined to take steps to restrict its firefighters from climbing up ladders greater than two metres in training. Mr Wood clarified that firefighters were still able to practice the necessary skills while Airservices formed a working group to consider an improved way to work

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16 *Proof Hansard*, 18 February 2019, pp. 126–127.

17 *Proof Hansard*, 18 February 2019, pp. 116–117.

18 *Proof Hansard*, 18 February 2019, p. 125.

19 *Proof Hansard*, 18 February 2019, p. 131.

with ladders. He further noted that staff can still use ladders in an operational context.<sup>20</sup>

### **Final report on the performance of Airservices Australia**

2.30 In the 44th Parliament, the Legislation Committee self-referred an inquiry into Airservices Australia under Standing Order 25(2)(a). In the 45th Parliament, the committee re-adopted the inquiry.

2.31 The committee held a number of hearings on 28 November 2014, 18 August 2015, 9 September 2015, 9 August 2017 and 4 December 2018. The committee also raised issues with Airservices through the estimates process each year from 2014 and took submissions.

2.32 A final report in relation to the committee's inquiry into the performance of Airservices is provided in Chapter 5.

### **Cities Division**

2.33 The committee received an update on a number of existing and progressing city deals including the Darwin, Perth and Western Sydney city deals.

#### ***Darwin City Deal***

2.34 An implementation plan for the Darwin City Deal was signed on 16 November 2018 and it was agreed to make the plan public within three to six months. The implementation board has met since and is proceeding with the plan. The board expects to make the plan public within the set timeframe.<sup>21</sup>

2.35 The new education and civic precinct of Darwin will receive \$97.3 million. The department is currently working with the Northern Territory government and Charles Darwin University to determine funding arrangements and the timeline for the delivery of the project.<sup>22</sup>

2.36 The department is currently in discussions with the Department of Defence and the Larrakia people about the Stokes Hill site and proposed development of the harbour foreshore. The Department of Defence has indicated that it will take two to three years to complete the necessary cultural and heritage reviews and investigation into potential contamination from a nearby naval fuel facility. The Larrakia Development Corporation has submitted a business case to develop the area.<sup>23</sup>

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20 *Proof Hansard*, 18 February 2019, pp. 135–136.

21 *Proof Hansard*, 18 February 2019, p. 143.

22 *Proof Hansard*, 18 February 2019, p. 144.

23 *Proof Hansard*, 18 February 2019, p. 145.

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### ***Perth City Deal***

2.37 The Perth City Deal Memorandum of Understanding has been signed with meetings planned with the Western Australian government to consider matters including the scope of the deal and timeline for implementation.<sup>24</sup>

### ***Western Sydney City Deal***

2.38 The implementation plan for the Western Sydney City Deal was published in December 2018. The Commonwealth government committed \$125 million to the City Deal.<sup>25</sup>

2.39 In early January, the Commonwealth, state and local governments announced the Liveability Program which will provide a range of projects in each of eight local government areas to provide urban amenity. The committee heard that under the program, each council has access to \$18.75 million in funding.<sup>26</sup>

### **Civil Aviation Safety Authority**

2.40 Mr Shane Carmody, Chief Executive Officer of the Civil Aviation and Safety Authority (CASA), read a short opening statement. Mr Carmody expressed the view that significant progress had been made with the Civil Aviation Safety Regulations. The regulations are now 95 per cent complete with just three more to be finalised before the program is completed.<sup>27</sup>

2.41 Mr Carmody also updated the committee on the developments with regard to drone registration. In accordance with the recommendations of the Senate References Committee report into the regulation of remotely piloted aircraft, CASA is conducting a consultation on the registration of drones. This consultation also includes an online education course and has so far received over 4,100 responses.<sup>28</sup>

2.42 The committee sought information on regulations affecting community service flights. Mr Carmody informed the committee that the regulations had been changed to require pilots to have 400 hours of experience with 25 hours in command. CASA officials acknowledged that this is at the lower end of similar regulations worldwide and would have little effect on community service operators. However, it brings the Australian standard closer to similar operations including those in the United States.<sup>29</sup>

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24 *Proof Hansard*, 18 February 2019, p. 147.

25 *Proof Hansard*, 18 February 2019, p. 148.

26 *Proof Hansard*, 18 February 2019, p. 149.

27 *Proof Hansard*, 22 February 2019, p. 80.

28 *Proof Hansard*, 22 February 2019, p.80.

29 *Proof Hansard*, 22 February 2019, p. 84.

