

Chapter 3

Infrastructure and Regional Development portfolio

3.1 This chapter highlights the key issues discussed during the 2014-15 Additional Estimates hearings for the Infrastructure and Regional Development portfolio.

Department of Infrastructure and Regional Development

3.2 The committee heard evidence from the Department of Infrastructure and Regional Development (the department) and agencies on 24 February 2015, meeting for a total of 11 hours and 53 minutes.

3.3 The committee heard from the divisions and agencies of the Infrastructure and Regional Development portfolio in the following order:

- Corporate Services Division;
- Infrastructure Investment Division;
- Infrastructure Australia;
- Australian Rail Track Corporation;
- Civil Aviation Safety Authority;
- Airservices Australia;
- Surface Transport Policy Division;
- Australian Maritime Safety Authority;
- National Capital Authority;
- Local Governments and Territories Division;
- Policy and Research Division;
- Office of Transport Security; and
- Australian Transport Safety Bureau.

3.4 The following agencies were called to appear but later released during the course of the hearing without providing evidence:

- Western Sydney Unit.

Corporate Services Division

3.5 The committee sought information on the dates, membership and report output of the National Infrastructure Committee, and questioned officials on the South Australian asset-recycling scheme.¹

Infrastructure Investment Division

3.6 In a continuation of discussions held during the 2014-15 Supplementary Budget Estimates round, the committee investigated the progress of numerous infrastructure projects, requesting detailed evidence on the following:

- WestConnex in New South Wales;²
- Majura Parkway in the Australian Capital Territory;³
- Peninsula Development Road in Queensland;⁴
- Tasmanian Jobs and Growth Package in Tasmania;⁵
- East West Link in Victoria;⁶
- Perth Freight Link in Western Australia;⁷
- Pacific Highway in New South Wales;⁸
- Local government supplementary road funding in South Australia;⁹
- Tiger Brennan Drive in the Northern Territory¹⁰; and
- Roads to Recovery funds in Western Australia¹¹.

Infrastructure Australia

3.7 The committee posed further questions on the WestConnex project to Infrastructure Australia officials, focusing in particular on the assessment of the

1 *Proof Hansard*, 24 February 2015, pp 4-8.
2 *Proof Hansard*, 24 February 2015, pp 8-28, 31-36.
3 *Proof Hansard*, 24 February 2015, pp 27-28.
4 *Proof Hansard*, 24 February 2015, pp 29-31.
5 *Proof Hansard*, 24 February 2015, pp 36-39.
6 *Proof Hansard*, 24 February 2015, pp 39-46.
7 *Proof Hansard*, 24 February 2015, pp 46-49.
8 *Proof Hansard*, 24 February 2015, pp 54-56.
9 *Proof Hansard*, 24 February 2015, pp 57-59.
10 *Proof Hansard*, 24 February 2015, pp 59-61.
11 *Proof Hansard*, 24 February 2015, pp 62-64.

WestConnex business case and traffic forecasts. The committee also inquired into matters raised by the New South Wales Auditor General's 'WestConnex: Assurance to the Government' report released in December 2014.¹²

3.8 The committee discussed the infrastructure audits being undertaken for Northern Australia, the recruitment process for a Chief Executive Officer for Infrastructure Australia, and the implementation of the National Land-Freight Strategy.¹³

3.9 The committee also considered further the work of Infrastructure Australia on the East West Link project.¹⁴

Australian Rail Track Corporation (ARTC)

3.10 The committee questioned ARTC on a number of issues, including the progress of the Inland Rail project, ARTC policies on minimising rail corridor fire hazards, the impact of rising container traffic at Port Botany, and ongoing maintenance issues on the Melbourne-Sydney rail line.¹⁵

Civil Aviation Safety Authority (CASA)

3.11 The committee requested an update on the issues surrounding unmanned aerial systems, with particular regard to the licensing, training and regulating of private remotely piloted aircraft.¹⁶

3.12 The committee sought clarification on whether CASA harboured any concerns over the safety records of various AirAsia carriers operating out of Australian ports. It also heard evidence regarding foreign air operator certificate requirements and CASA's safety surveillance program in relation to foreign carriers.¹⁷

3.13 The committee asked about the regulatory oversight of aeromedical flights, noting issues raised by the Australian Transport Safety Bureau's investigation into the 2009 Pel-Air matter and the Senate Rural and Regional Affairs and Transport References Committee's 2013 report into aviation accident investigations.¹⁸

12 *Proof Hansard*, 24 February 2015, pp 64-69.

13 *Proof Hansard*, 24 February 2015, pp 79-86.

14 *Proof Hansard*, 24 February 2015, pp 87-93.

15 *Proof Hansard*, 24 February 2015, pp 69-78.

16 *Proof Hansard*, 24 February 2015, pp 95-96.

17 *Proof Hansard*, 24 February 2015, pp 98-102.

18 *Proof Hansard*, 24 February 2015, pp 103-104.

Airservices Australia

3.14 The committee inquired into the OneSKY program slated to replace the national air traffic control system, and examined the decision-making processes and consultations conducted by Airservices Australia as part of preparation for the planned integration of terminal control units (TCU). Details were requested in regard to the proposed closure of the Adelaide TCU, including the projected impact on affected staff.¹⁹

3.15 The committee questioned CASA on two specific incidents (in November 2013 and February 2015) regarding the apparent failure of the Integrated Tower Automation Suite (INTAS) system at Melbourne airport.²⁰

3.16 The committee also discussed the issue of aircraft noise over East Melbourne, the destruction of the floodplain adjacent to Bankstown Airport, and the impact of aviation cabotage restrictions in Europe and the United States.²¹

Surface Transport Policy Division

3.17 The committee explored the issue of cabotage policy in reference to a specific instance where a temporary licence was granted to the foreign flagged ship 'Caledonian Sky'.²²

3.18 The committee inquired into the work of the National Heavy Vehicle Regulator and the reasons behind the decision not to provide further funding to the Safety Rating System for Heavy Vehicles project. Officials were also questioned about the employment consequences for Australian seafarers were more foreign vessels to enter the market and take up coastal shipping opportunities.²³

Australian Maritime Safety Authority (AMSA)

3.19 The committee invited officials to outline AMSA's response to an incident where a coal bulk carrier attempted to sail through a compulsory pilotage area of the Great Barrier Reef Marine Park without a pilot. It also engaged in a broader discussion of the issues of managing foreign-flagged vessels in Australia.²⁴

19 *Proof Hansard*, 24 February 2015, pp 105-117, 120-122.

20 *Proof Hansard*, 24 February 2015, pp 118-120, 124.

21 *Proof Hansard*, 24 February 2015, pp 123-127.

22 *Proof Hansard*, 24 February 2015, pp 127-130.

23 *Proof Hansard*, 24 February 2015, pp 130-134.

24 *Proof Hansard*, 24 February 2015, pp 134-140.

National Capital Authority (NCA)

3.20 The committee posed questions relating to the amount of revenue generated by the paid parking arrangements in the Parliamentary Triangle and received clarification from the NCA in regard to a recent glitch in the ticket machine software.²⁵

Local Government and Territories Division

3.21 The committee sought information on the impact of the loss of Financial Assistance Grants (FAG) funding on local governments, and received an explanation of the indexation applied to the FAG program.²⁶

Policy and Research Division

3.22 The committee discussed the reasons behind the delay in publication of the 'State of the Australian Cities 2014' and 'State of Australian Regions 2014' reports. Officials also outlined the funding breakdowns for Tasmanian irrigation schemes and examined Commonwealth spending figures in the 'Budget 2014-15: Building Australia's Infrastructure' document.²⁷

Australian Transport Safety Bureau (ATSB)

3.23 The committee questioned officials on the contradictions contained in a report by the Transport Safety Bureau of Canada in relation to the ATSB investigation into the 2009 Pel-Air matter. The committee was informed that ATSB will seek to retrieve the flight data recorders from the ocean floor as part of the re-opened investigation into the incident. ATSB also provided an update on the progress of the MH370 recovery operation.²⁸

Senator Bill Heffernan
Chair

25 *Proof Hansard*, 24 February 2015, pp 140-143.

26 *Proof Hansard*, 24 February 2015, pp 143-146.

27 *Proof Hansard*, 24 February 2015, pp 146-150.

28 *Proof Hansard*, 24 February 2015, pp 152-156.

