

## Chapter 2

### Infrastructure and Regional Development portfolio

2.1 This chapter outlines the key issues discussed during the hearing for the Infrastructure and Regional Development portfolio on 27 February 2017.

2.2 The committee heard from the Divisions of the Department of Infrastructure and Regional Development (the department) and portfolio agencies in the following order:

- National Transport Commission;
- Infrastructure Australia;
- Australian Rail Track Corporation;
- Infrastructure Investment Division;
- Corporate Services Division;
- Surface Transport Policy Division;
- Civil Aviation Safety Authority;
- Aviation and Airports Division;
- Airservices Australia; and
- Australian Maritime Safety Authority.

2.3 The following Agencies and Divisions were released during the course of the hearing without providing evidence:

- Australian Transport Safety Bureau;
- Policy and Research Division;
- Local Government and Territories Division;
- National Capital Authority;
- Western Sydney Unit (excluding Western Sydney airport); and
- Office of Transport Security Division.

#### National Transport Commission (NTC)

2.4 The committee queried officials on the *Who moves what where* publication. The committee was particularly interested in the rationale behind the publication's focus on rail and heavy vehicle movement of freight. The committee raised concern that the publication gave little consideration to shipping despite it accounting for 17 per cent of internal movements and almost 100 per cent of freight movement in and out of Australia.<sup>1</sup>

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1 *Proof Hansard*, 27 February 2017, pp. 4–5.

## Infrastructure Australia (IA)

2.5 Officials from Infrastructure Australia (IA) advised the committee that the agency was building up in-house capacity as a means of absorbing a 25 per cent reduction in funding for 2017–8 (\$8.8 million).<sup>2</sup>

2.6 Other issues canvassed during IA's appearance, included:

- projects currently reviewed by IA such as Sydney Metro, Western Distributor Project, Cross River Rail, and the Tanami Road;<sup>3</sup>
- whether IA had been consulted about the creation of the Infrastructure Financing Unit;<sup>4</sup>
- a progress update on the Western Distributor Project in Melbourne and whether the Australian government was satisfied the project was at an advanced stage to warrant federal funding;<sup>5</sup>
- funding arrangements for the Western Distributor between the Australian government, Victorian government and Transurban;<sup>6</sup>
- whether IA had carried out an analysis of the Perth Freight Link before government allocated funding to the project;<sup>7</sup>
- whether Australian steel will be used in rail projects on the priority list;<sup>8</sup>
- a progress update on a business case evaluation for the Tanami Road in the Northern Territory;<sup>9</sup> and
- any environmental assessment or costs and benefits analysis undertaken on the Perth Freight Link project;<sup>10</sup> and the
- difference between high priority and standard priority infrastructure projects and initiatives, and their respective assessments.<sup>11</sup>

## Australian Rail Track Corporation (ARTC)

2.7 The committee followed up on several rail maintenance and upgrade activities undertaken by the Australian Rail Track Corporation (ARTC). This included updates

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2 *Proof Hansard*, 27 February 2017, p. 6.

3 *Proof Hansard*, 27 February 2017, p. 6.

4 *Proof Hansard*, 27 February 2017, p. 10.

5 *Proof Hansard*, 27 February 2017, pp. 10–15.

6 *Proof Hansard*, 27 February 2017, pp. 10–12.

7 *Proof Hansard*, 27 February 2017, p. 15.

8 *Proof Hansard*, 27 February 2017, p. 16.

9 *Proof Hansard*, 27 February 2017, pp. 17–18.

10 *Proof Hansard*, 27 February 2017, pp. 20–22.

11 *Proof Hansard*, 27 February 2017, pp. 25–26.

on the Albury rail service and track conditions from Melbourne to Wangaratta, and from Melbourne to Sydney under the Ballast Rehabilitation Program.<sup>12</sup>

2.8 The committee also questioned ARTC about its decision not to release the condition data used to generate its track quality index required under the terms of its lease with the Victorian government.<sup>13</sup>

## Infrastructure Investment Division

2.9 The committee inquired into the progress of a number of infrastructure projects in states and territories, seeking detailed evidence on the following:

- Swan Valley bypass and Tonkin Grade Separations Project in Western Australia;<sup>14</sup>
- Great Western Highway and Pacific Highway upgrades in New South Wales;<sup>15</sup>
- a number of rail projects contained in the Freight Rail Revitalisation Program in Tasmania;<sup>16</sup>
- Toowoomba bypass and Bruce Highway, including whether their milestones were met and construction completed within budget;<sup>17</sup>
- Building Better Regions Fund;<sup>18</sup>
- funding and planning arrangements, including a freight user charge for the Perth Freight Link;<sup>19</sup>
- Stronger Communities Programme;<sup>20</sup>
- ANAO report's finding on the WestConnex project in New South Wales;<sup>21</sup>
- infrastructure spending in Tasmania, including the Hobart airport runway extension;<sup>22</sup> and
- the working relationship between the department and Victorian government in relation to the Western Distributor project.<sup>23</sup>

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12 *Proof Hansard*, 27 February 2017, pp. 28–31.

13 *Proof Hansard*, 27 February 2017, pp. 29–30.

14 *Proof Hansard*, 27 February 2017, pp. 36–37.

15 *Proof Hansard*, 27 February 2017, pp. 38–40.

16 *Proof Hansard*, 27 February 2017, pp. 40–41.

17 *Proof Hansard*, 27 February 2017, pp. 41–42.

18 *Proof Hansard*, 27 February 2017, pp. 46–47.

19 *Proof Hansard*, 27 February 2017, pp. 44, 52–53.

20 *Proof Hansard*, 27 February 2017, pp. 45–46.

21 *Proof Hansard*, 27 February 2017, pp. 47–48, 62–65.

22 *Proof Hansard* 27 February 2017, pp. 51–52.

## **Corporate Services Division; Western Sydney Unit (Western Sydney airport)**

2.10 The committee queried officials about planning underway to construct the Western Sydney Airport at Badgerys Creek. Matters raised included the makeup of a committee to oversee the airport's development, limits on the number of flights, curfews, and the results of a December 2016 survey on community knowledge of and support for the airport.<sup>24</sup>

2.11 Senators also engaged in discussion of whether Badgerys Creek would be designated a regional or international airport and considered the various implications arising from a particular designation.<sup>25</sup>

## **Surface Transport Policy Division**

2.12 The committee examined a number of subprograms of the Infrastructure Investment Program, including those relating to road safety. Two such programs included the Black Spot and Key2Drive programs. The Black Spot program attracts funding when a nominated black spot has a crash history of at least three crashes in five years at the site.<sup>26</sup> The Key2Drive is a driver training program which the department funds through the Australian Automobile Association.

2.13 The committee also discussed the tracking of unauthorised ship voyages and associated penalties, and requested an update on the government's coastal shipping reforms.<sup>27</sup>

## **Civil Aviation Safety Authority (CASA)**

2.14 The committee traversed a number of topics during this session, inquiring into the Civil Aviation Safety Authority's (CASA) role in establishing airport public safety zones and the criteria for limiting development around airport runways. This topic was examined in light of the recent Essendon Airport tragedy.<sup>28</sup>

2.15 Senators also raised concerns about job cuts affecting public safety following leaked emails from an Airservices Australia employee. The committee sought CASA's response to these concerns and questioned whether CASA had any intention to review the impact of the Accelerate Program on air traffic control.<sup>29</sup>

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23 *Proof Hansard* 27 February 2017, pp. 57–58.

24 *Proof Hansard*, 27 February 2017, pp. 88–95.

25 *Proof Hansard*, 27 February 2017, pp. 93–94.

26 *Proof Hansard*, 27 February 2017, pp. 97–98.

27 *Proof Hansard*, 27 February 2017, pp. 100–105.

28 *Proof Hansard*, 27 February 2017, pp. 116–118.

29 *Proof Hansard*, 27 February 2017, pp. 117–120.

## Aviation and Airports Division

2.16 The committee was informed that following the tragedy at Essendon Airport, officials of the division along with the Australian Transport Safety Bureau (ATSB) provided advice to the minister on the details of the accident investigation process and the development approval process for buildings located at the site.

2.17 The committee queried the division about the ways in which community safety was taken into account when airport land use was assessed and approved under the planning approval process.<sup>30</sup>

2.18 Officials also undertook to provide the committee with a briefing on the National Airports Safeguarding Advisory Group (NASAG) process and on airport noise indices.<sup>31</sup> The committee was subsequently provided with a briefing by departmental officials on 26 March 2017.

## Airservices Australia (Airservices)

2.19 The committee engaged in a detailed examination of the implementation of Airservices Australia's Accelerate program. Senators inquired into whether there was a sufficient number of air traffic control and firefighting staff and if aviation safety might be compromised as a result of the Accelerate program.<sup>32</sup> The committee expects to continue to focus its attentions on Airservices and the Accelerate program in accordance with its oversight function under Standing Order 25(2)(a).

2.20 In addition, the topic of excessive noise was canvassed. Officials explained the roles of Airservices, CASA, and the department in regard to the management, monitoring, and enforcement of excessive noise levels.<sup>33</sup>

## Australian Maritime Safety Authority (AMSA)

2.21 The committee questioned whether the Australian Maritime Safety Authority (AMSA) was aware of any proposal by a coastal vessel to replace its Australian crew with foreign-sourced counterparts. Senators also sought information on the process AMSA uses to verify seafarers' documentation.<sup>34</sup>

2.22 The committee also queried officials about on-board inspections of ships entering Sydney Harbour. Officials were questioned about whether its compliance testing was as rigorous as the New South Wales Environment Protection Authority's regime of inspecting both logbooks and testing fuel samples from cruise ships.<sup>35</sup>

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30 *Proof Hansard*, 27 February 2017, pp. 125–126.

31 *Proof Hansard*, 27 February 2017, p. 128.

32 *Proof Hansard*, 27 February 2017, p. 129.

33 *Proof Hansard*, 27 February 2017, pp. 130–131.

34 *Proof Hansard*, 27 February 2017, pp. 137–138.

35 *Proof Hansard*, 27 February 2017, pp. 139–141.

