Question: AUSL 01

Division/Agency: AusLink **Topic:** Transport Economics – AusLink 1 and AusLink 2 Projects Hansard Page: 19 (19/02/08)

Senator Milne asked:

Senator MILNE—Yes, I think that is the exception rather than the rule. It is a State Government responsibility, but it comes to this interface that I was talking about before—we need some infrastructure planning with much better integration between rural and regional and urban centres. Senator Conroy, since it is a government policy issue, I just ask the question about AusLink 1 and 2. Those projects were funded when the oil price was considerably less than it is now and the transport economics were different. The Department has no brief to even look at how the transport economics have changed in view of the oil prices and in view of the International Energy Agency saying that by 2015—only seven years away—we are likely to have an oil supply crunch, therefore a huge oil price as well. Has the Government any intention of reviewing the economics of those projects to look at, if not supplying infrastructure, then other ways. Maybe it is more appropriate to put a train in instead of a freeway?

Senator Conroy—Thanks for that question. I will happily take it on notice and get an answer for you from my colleague.

Senator MILNE—Thank you.

Answer:

The Government made a series of election commitments relating to national road and rail infrastructure and these will be delivered.

Question: AUSL 02

Division/Agency: AusLink **Topic: Election Commitments Hansard Page:** 19 (19/02/08)

Senator Abetz asked:

Senator ABETZ—Can we have a list of all the promises made by the Labor Party during the last election in relation to road funding and what those promises were—with the attached timetables?
Ms Page—We can take that on notice.
Senator ABETZ—Thank you.

Answer:

Question: AUSL 03

Division/Agency: AusLink **Topic:** Lyell and Midland Highway - Tasmania Hansard Page: 20 (19/02/08)

Senator Abetz asked:

Senator ABETZ—Can I refer to some specific policy promises that were made by the now government, and ask for an update on those. First of all, who can tell me about the proposed upgrade of the Lyell Highway and Midland Highway intersection in southern Tasmania?

Ms Page—I think it might be useful to indicate generally at this point that the government is committed to delivering its election commitments but, as yet, it is just commencing the process of discussing its commitments with State Ministers. No decisions have been made to date on the timing and delivery of those projects.

Senator ABETZ—That is a very helpful answer, thank you. What I am also trying to get a grip on is what was actually promised.

Ms Page—We would prefer to take those on notice because we have a very large number of Government election commitments, and we do not have the terms of all of them with us.

Senator ABETZ—Ms Page, I fully understand your confusion when a government says its top priority is climate change, its top priority is defence, its top priority is education, its top priority is inflationary pressures.

Everything is its top priority, and then when you try to put it all together-

Senator Conroy—Is that a question or an essay?

Senator ABETZ—I am just empathising with your public servant, Minister, who is having difficulty putting together the plethora of government promises.

Senator Conroy—We said we would take it on notice.

Senator ABETZ—I ask then whether or not a promise was made to upgrade the Lyell Highway—

Senator Conroy—We will take that on notice.

Senator ABETZ—and the Midland Highway intersection in southern Tasmanian at Granton?

Senator Conroy—We will take that on notice.

Answer:

Question: AUSL 04

Division/Agency: AusLink **Topic: Brooker Highway and Eastern Outlet - Tasmania Hansard Pages:** 20, 22-24 (19/02/08)

Senator Abetz asked:

Senator ABETZ—Another promise was made to put the Brooker Highway and the Eastern Outlet from the city to the airport onto AusLink. By what year or in which year was that promised?

Ms Page—Senator, again, I would like to take that on notice. There are, in fact, scores of road project and rail project election commitments, and I do not have the detail of all of them here.

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Senator ABETZ—Can you confirm that Labor promised to put the Brooker Highway and Eastern Outlet to the airport in Tasmania onto AusLink? Can you advise us what costings were undertaken, if any, prior to that policy announcement and whether any costings are being undertaken now as to the likely cost in future years for repairs, maintenance and upgrades? Also, can you tell us when the policy actually will come into play, because I understand it is about three or four elections away? Are you able to tell us what year the promise in relation to the Brooker Highway and Eastern Outlet might come into play?

Ms Page—I cannot do that at this stage.

Senator ABETZ—All right, so we will take everything on notice.

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Senator ABETZ—Moving on to the Brighton bypass in southern Tasmania, that was also a policy announcement by the current Government. I assume you cannot tell us anything about that either.

Ms Page—The answer is as I explained to you on the previous project.

Senator ABETZ—I then ask that you to take on notice in relation to all these road projects the number of questions I asked in relation to the Brooker and Eastern Outlet to the airport—when the promise was made, how much it is going to cost, the timetable etcetera.

Ms Page—We can do that.

Senator ABETZ—That would be very helpful.

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Senator ABETZ—Thank you very much. I did limit my question on notice, Chair, to the road projects that I had specified, but I would be obliged if the Department could take on notice all the Tasmanian road projects, including the ones up north, in the north-west and elsewhere.

Answer:

The Government will extend the National Network in Tasmania, as soon as practicable, to include the Brooker Highway from Granton to the Port of Hobart and the Tasman Highway from Hobart to the Hobart airport.

Question: AUSL 05

Division/Agency: AusLink **Topic:** Kingston Bypass - Tasmania Hansard Page: 22 (19/02/08)

Senator Abetz asked:

Senator ABETZ—The former Prime Minister promised to fully fund the Kingston bypass in southern Tasmania. There was money available for it. What has happened with that money?

Ms Page—I recall that the current Government has made a commitment of funds to the Kingston Highway.

However, as with all election commitments, we are funders of road projects; we are not owners of road assets.

We are yet to have discussions with the Tasmanian Government, who will be responsible for the delivery of that and any other road project that the Government is committed to in Tasmania, so I cannot tell you at this stage what the likely delivery date and arrangements for that project would be.

Senator ABETZ—You are yet to have discussions. We were led to believe that it was all signed, sealed and delivered and that, with this cooperative federalism, Mr Rudd and Premier Lennon were at one on this and it was all going to happen immediately. So, we have not even had preliminary discussions between the two Departments?

Ms Page—The evolution of a road project is a very long process.

Senator ABETZ—Yes, we know that. We have been waiting for 30 years for the Kingston bypass, and as a resident of the area I know how long the evolutionary process is.

Ms Page—What I cannot tell you, and I am happy to take it on notice—

Answer:

Question: AUSL 06

Division/Agency: AusLink **Topic:** Bridgewater Project - Tasmania Hansard Page: 24 (19/02/08)

Senator Abetz asked:

Senator ABETZ—That is all very interesting, but the question was: if the Tasmanian Government were to say, 'We want this money spent on the Bridgewater bridge,' would the new Federal Labor Government honour that agreement? Ms Riggs—I will have to ask for the Minister's guidance on that, so I will take the question on notice.

Answer:

The Government has committed \$11 million towards the upgrading of the existing Bridgewater Bridge to extend its operational life. It has also committed \$5 million towards a planning study for a new Bridgewater bridge and Pontville Bagdad bypass on the Midland highway. These commitments were in response to the Tasmanian Government requirement that the Bridgewater bridge be upgraded to extend its useful life and to allow planning to proceed for a new Bridgewater bridge.

Question: AUSL 07

Division/Agency: Infrastructure Investment **Topic: Sisters Hill Project – Northwest Tasmania Hansard Page:** 24 (19/02/08)

Senator Abetz asked:

Senator ABETZ—I understand the Sisters Hills project in northwest Tasmania was completed below budget. Are you aware of that?

Ms Riggs—The final tender price for the last two elements of that original scope of works came in a little under the original estimate of what the tendered price would be, so the current likelihood is that the original scope of works would have come in under the available funding.

Senator ABETZ—It is great that you have all the detail at your fingertips when there is good news to tell us, so I am delighted with that. Can you tell us how much the savings might be on this? It was a \$30 million project, or estimated project, wasn't it? **Ms Riggs**—That was the original estimate shared jointly between the two Governments.

Senator ABETZ—And how much do you think we might save?

Ms Riggs—I am sorry. I do not have that number at my mental fingertips, as it were. I will take that on notice.

Answer:

The Australian Government's approved contribution for this project is capped at \$15 million, with the Tasmanian Government contributing matching funding of up to \$15 million. Contracts for the project have been awarded with a value of \$25.3 million. The project is yet to be completed.

Question: AUSL 08

Division/Agency: AusLink **Topic:** Branxton Link Road Hansard Pages: 26, 29 (19/02/08)

Senator Nash asked:

Senator NASH—Post AusLink 1, at any stage did the Government make a further commitment to this particular Branxton link road? I have a memory that during the election campaign there was quite a large commitment to the road.

Ms Riggs—Yes, there was.

Senator NASH—Do you know what the figure was?

Ms Riggs—I do not recall; I will take it on notice.

Senator NASH—Please take it on notice, because I think it is important that we recognise that there was not just that initial AusLink 1 commitment but that there had been further commitments.

Senator NASH—I want to briefly return to the F3 to Branxton link. I think it was around \$780 million that the Government had proposed during the campaign—again could you take that on notice?

Ms Riggs—Yes.

Answer:

On 9 November 2007, the then Minister for Local Government, Territories and Roads, the Hon Jim Lloyd MP, announced that "A re-elected Coalition Government will deliver the F3 to Branxton Link Road with a \$887 million contribution towards its construction." This included "an additional \$780 million of funding...on top of the \$107 million already delivered".

\$887 million represents 52% of the current project outturn cost estimate of \$1.7 billion, based on the project commencing in 2009.

Question: AUSL 09

Division/Agency: AusLink **Topic:** Huon Highway - Tasmania Hansard Page: 26 (19/02/08)

Senator Bushby asked:

Senator BUSHBY—Is it the intention of the Government to honour the Howard Government commitment to construct overtaking lanes on the 50 kilometres-odd of highway south of Huonville that currently has no overtaking lanes and is considered to be an extremely dangerous stretch of road?

Ms Page—The current Government has announced its election commitments, which are publicly-vailable, as I told Senator Abetz.

Ms Riggs—And which we have agreed to provide detail of in response to questions that he asked.

Senator BUSHBY—That did not really answer the question. Here was a commitment by the Howard Government prior to the election—Senator Conroy—We will take that on notice.

Answer:

The Government has made no commitment to fund overtaking lanes or any other works on the Huon highway south of Huonville.

Question: AUSL 10

Division/Agency: AusLink **Topic:** State contributions to AusLink Projects Hansard Page: 27 (19/02/08)

Senator McGauran asked:

Senator McGAURAN—Good. When you get back to Senators Abetz and Bushby on the full list of Government promises, could you include what State contribution is expected?

Ms Page—We can do that where there is a percentage required, if you like, by the State Government. In some respects, some of the projects are capped at a dollar level by the Commonwealth on the basis that the State would pick up the balance of the project.

Answer:

Question: AUSL 11

Division/Agency: AusLink **Topic: ARTC Grants Projects Hansard Page:** 29 (19/02/08)

Senator Hutchins asked:

Senator HUTCHINS—Can you explain the process that was used to determine each year the amount of the grant to the ARTC and the purpose of it?

Ms Page—The Government made policy decisions in each of those years to provide money to the ARTC for those purposes.

Senator HUTCHINS—Is that the usual procedure?

Ms Page—It was a Government policy decision.

Senator HUTCHINS—The Government made that decision? There was no input from the department?

Ms Page—The Department provided advice and I think that is mentioned in the audit report, but these were ultimately Government decisions and I cannot speculate on the reasons by which the Government chose to make those decisions.

Senator HUTCHINS—There was no transparent process on these decisions. That is unfair to put to you. Let me ask you this. Is there a transparent process by which decisions along these lines are made?

Ms Page—Governments make policy decisions on the allocation of funds all the time and on these three occasions the Government decided to allocate additional funding to rail upgrading.

Senator HUTCHINS—Can you confirm what work the payments were actually used for?

Ms Page—We can provide you with that information.

Answer:

The untied grant funds amounting to \$820 million provided to the Australian Rail Track Corporation (ARTC) in 2004, 2005 and 2006 by the Australian Government are being used for capital improvement projects that form part of the ARTC's Investment Program to upgrade the main interstate freight rail line between Melbourne, Sydney and Brisbane.

The ARTC has advised that, of the \$820 million, \$160.5 has contributed to the North Coast track upgrade project, \$343.6 million has contributed towards works on the main southern line, and \$314.9 million has contributed to the concrete re-sleepering program from the Queensland border to Melbourne. One million dollars has been put towards the Ardglen/Liverpool range diversion.

Question: AUSL 12

Division/Agency: AusLink **Topic: ARTC Grants Projects Hansard Page:** 29 (19/02/08)

Senator Hutchins asked:

Ms Riggs—Broadly it is as Ms Page has said; they have contributed towards a larger program of upgrading on the main line interstate rail network, predominantly on the north-south corridor between Melbourne and Brisbane.

Senator HUTCHINS—Do you know what work has actually been completed since June 2004?

Ms Riggs—We would be happy to take that on notice.

Answer:

The ARTC have advised that grant funds of over \$465 million have been used for capital improvement works to rail track and associated infrastructure between Melbourne, Sydney and Brisbane. The improvement works forms part of the ARTC's \$3.2 billion Investment Program on the east coast North South corridor, which is due to be completed in 2009.

Projects partly funded from the untied Grants that are completed, or nearing completion, are:

- the North Coast upgrade program which includes passing lanes and crossing loops.
- the upgrade of rail track between Sydney and Melbourne.
- concrete re-sleepering from the Queensland border to Melbourne.
- the Centralised Train Control (CTC) system from Casino to the Queensland border.

Question: AUSL 13

Division/Agency: AusLink **Topic: ARTC Grants Process Hansard Page:** 29 (19/02/08)

Senator Hutchins asked:

Ms Page—The audit report covers two different types of grants. Grants to the ARTC made under the AusLink framework were monitored in the normal way. The Audit Office indicates that it is satisfied with the process by which the Department administered those grants. The other three were untied grants effectively for purposes determined by the ARTC and they have been monitored by the two shareholder Departments—our Department and the Department of Finance and Deregulation—via the normal corporate reporting framework to date which we use in relation to the broader corporate activities of the ARTC. The view that the Audit Office had was that they would have preferred a mechanism rather more like a grant agreement for the monitoring of expenditure. That is not to say that we have not been tracking the purpose of that expenditure and cannot provide you with advice on the purposes for which it has been applied.

Senator HUTCHINS—I would appreciate that.

Answer:

Grant funds are being used for capital improvement projects to upgrade the main interstate freight rail line between Melbourne, Sydney and Brisbane. Details of the spending have been provided in the responses AUSL 11 and AUSL 12.

Question: AUSL 14

Division/Agency: AusLink **Topic:** New South Wales Branch Lines Hansard Page: 32 (19/02/08)

Senator Nash asked:

Senator NASH—Stop blaming and just get on and fix it. What plan have you got with the State Labor Government in New South Wales to fix the branch lines? If you cannot answer that, which I am guessing you possibly cannot, Minister, could somebody take it on notice and get back to us very quickly because, for those who do not know, there is a crop about to be sown and this is an extremely important issue. If you cannot answer it, take it on notice. What are the Labor Governments going to do to fix the branch lines?

Senator Conroy—We will happily take that on notice, thank you.

Answer:

The responsibility for NSW regional branch lines rests with the State Government. The grain lines are owned by the New South Wales Government, but are managed and maintained by the Australian Rail Track Corporation on its behalf, via a commercial arrangement. This is consistent with arrangements that were in place under the previous Government.

Question: AUSL 15

Division/Agency: AusLink **Topic:** AusLink Projects Hansard Page: 34 (19/02/08)

Senator Nash asked:

Senator NASH—Thanks. It might be useful, given some of the earlier conversations we have had around road funding, if the Department could do for the Committee a complete list of all roads currently under the auspices of current AusLink funding and also those across the country that were election commitments. I think if we had a whole list of both it might be very useful for the Committee.

Ms Page—We could provide the current AusLink program, which we have done in the past, and we can update that.

Answer:

Full details of current AusLink Projects are set out at www.auslink.gov.au

Question: AUSL 16

Division/Agency: AusLink **Topic:** List of AusLink Feasibility Studies Hansard Page: 34 (19/02/08)

Senator Scullion asked:

Senator SCULLION—I understood that part of the commitment was that the study would, in fact, commence within six months of the election. That may be just the Labor candidate for Boothby rather than the Government, but that was the reason I asked that specific question. Can you provide a list of other feasibility studies that are current so we can see if there are any changes, in much the same way as you have dealt with the question from Senator Nash, that we can have some completeness—just the feasibility studies that were either current or promised, and what their status would be by the time we next meet.

Ms Page—We can do that.

Answer:

Full details of current AusLink Projects are set out at www.auslink.gov.au

Question: AUSL 17

Division/Agency: AusLink **Topic: Depreciation against Roads to Recovery Funding Hansard Page:** 35 (19/02/08)

Senator Adams asked:

Senator ADAMS—I asked a question of the department on 21 May 2007. Ms Page, you were going to answer me but unfortunately to date I have not received the answer to the question, so I will ask it again. It is regarding depreciation, the intent of the policy on councils claiming depreciation against *Roads to Recovery* funding, and the contractors actually being able to put their contract forward and that would include the depreciation, and then when the councils do it they are not allowed to. Have you come up with an answer to your question?

Ms Page—We may well have answered that question on notice. There are a number of questions that were not finalised prior to the election, and that is probably one of them. I think we had indicated more generally to you that depreciation is a broader issue for councils than just road funding and that they use plant and equipment for a range of activities. We did not think it advisable, if you like, to make concessions in relation to our road projects, and we were really unclear of what the extent of that would be, or what the effect of that would be, that it is not appropriate given that councils have to buy equipment for a range of activities.

Senator ADAMS—Would you take that question on notice again, so that I can have a far more detailed account to take back, because it is not just one council. Now, there are a number of them that are concerned. Unfortunately, as the rate revenue for councils is disappearing, they really do have a problem trying to maintain their roads. This equipment is used on the roads so if they cannot get that funding, our roads disintegrate and become worse, and there are more and more accidents on country roads. We have all these issues to take into it. I would be very appreciative if that could go perhaps to the top of the list, instead of the bottom of your list. **Ms Page**—We will take that on notice.

Answer:

The *Roads to Recovery* funding conditions excludes depreciation from the items which can be funded under the program. This has been in force since the program began in February 2001. This policy seeks to ensure that funds are targeted to actual specific road maintenance and upgrading works that would otherwise not have been possible.

The *Roads to Recovery* program covers direct costs and charges associated with the construction and maintenance of roads. The Australian Government seeks to maximise the level of funding available for roads under the program.

Roads to Recovery funds are applied on clear cash costs associated with *Roads to Recovery* projects. The acquisition of plant and equipment by councils and the depreciation on the equipment are not eligible costs under the program. This ensures the funding available under the program has maximum effect in improving road conditions across councils throughout Australia.

The hire of plant and equipment or costs of contracted out works related to the *Roads to Recovery* project are eligible costs under the program. These are in the nature of direct costs.

Allowing non-cash costs and council administrative overheads to be claimed against the program is not supported as it would dilute the targeted nature of the program.

Question: AUSL 18

Division/Agency: AusLink Topic: Perth Airport Hansard Page: 54 (19/02/2008)

Senator Adams asked:

Senator ADAMS—It is becoming so difficult. On a Sunday we have four large aircraft departing Perth and it is not uncommon for people to be out on the footpath—where I and my colleague have been—trying to get through security. They have their third security screen in action now, but it is just not keeping up. I would like to bring it to the Minister's attention that we need far more work done. It is great to say that this is going to happen. The second thing I am worried about is the upgrade of the roads around the airport. The coalition certainly had plans for that. I am wondering, Minister, whether the Government is intending to follow through with those plans. Senator Conroy—I will take that on notice and seek a response from the Minister.

Answer:

The Australian Government has committed \$180 million to upgrade and widen the Great Eastern Highway between Kooyong Road and the Tonkin Highway to improve travel times between the Perth central district and the airport.

Question: AUSL 19

Division/Agency: AusLink **Topic:** South Australian Road Projects Hansard Page: Written Question

Senator Birmingham asked:

What appropriation has been made for South Australian road projects, broken down by project?

Answer:

Question: AUSL 20

Division/Agency: AusLink **Topic:** South Australian Government Road Projects Hansard Page: Written Question

Senator Birmingham asked:

What funds, if any, have been committed by the South Australian Government towards federally funded road projects, broken down by project?

Answer:

Details of South Australian Government contributions to road projects are set out in full at <u>www.auslink.gov.au</u>.

Question: AUSL 21

Division/Agency: AusLink **Topic: Dates for South Australian Road Projects Hansard Page:** Written Question

Senator Birmingham asked:

What are the expected start and completion dates for each South Australian road project?

Answer:

Full details of start and completion dates for South Australian road projects are available at <u>www.auslink.gov.au</u>.

Question: AUSL 22

Division/Agency: AusLink **Topic:** South Australian Road Projects – Intersection Grade Separations Hansard Page: Written Question

Senator Birmingham asked:

At which intersections will grade separations occur?

Answer:

Full details of South Australian road projects are available at <u>www.auslink.gov.au</u>.

Question: AUSL 23

Division/Agency: AusLink **Topic:** Sir Donald Bradman Drive – South Australia Hansard Page: Written Question

Senator Birmingham asked:

Has South Road south of Sir Donald Bradman Drive been placed on the AusLink National Network and, if so, on what date did this occur?

Answer:

South Road south of Sir Donald Bradman Drive has not been declared part of the AusLink National Network. However, the Government indicated during the election that it will add South Road from Sir Donald Bradman Drive to the Southern Expressway to the Network.