

MINISTER FOR TRANSPORT AND MINISTER FOR ROADS

OVERVIEW

<i>Agency</i>	<i>Budget 2001-02 \$m</i>	<i>Budget 2002-03 \$m</i>	<i>Variation %</i>
Department of Transport			
Total Expenses	2,141.0	2,285.5	6.7
Asset Acquisitions	50.7	44.7	-11.9
Office of Co-ordinator General of Rail			
Total Expenses	5.0	3.5	-31.0
Asset Acquisitions
Roads and Traffic Authority			
Total Expenses	1,674.0	1,542.7	-7.8
Asset Acquisitions	960.0	1,201.8	25.2
Waterways Authority			
Total Expenses	68.8	65.7	-4.6
Asset Acquisitions	18.4	25.5	38.6
Total, Minister for Transport and Minister for Roads			
Total Expenses	3,888.8	3,897.3	0.2
Asset Acquisitions	1,029.1	1,272.0	23.6

DEPARTMENT OF TRANSPORT

The Department of Transport co-ordinates the delivery of safe, efficient and reliable transport outcomes throughout New South Wales. It drives reforms to improve the performance of transport providers for the benefit of the customers of transport services.

EXPENDITURE TRENDS AND RECENT DEVELOPMENTS

During 2001-02, the Department's role in transport planning and co-ordination was expanded significantly.

Significant rail infrastructure and capital works projects undertaken during 2001-02 include:

- ◆ the electrification of the line between Dapto and Kiama;

- ◆ quadruplication of track between Turrella and Kingsgrove on the East Hills line;
- ◆ *Easy Access* upgrades at Regents Park, Katoomba, Caringbah, Allawah, Engadine and Wollongong;
- ◆ commissioning of closed circuit TV cameras across the CityRail network; and
- ◆ completion of the XPT re-motoring program.

In addition, grants of \$79.3 million are being provided in 2001-02 for the Parramatta Rail Link project as part of total spending of \$142.5 million on this project. During 2001-02, tenders were called for contract management and civil and systems work. Construction is expected to commence in 2002-03. The project, on completion, will represent a major improvement for transport in Sydney, with the cost of the Chatswood to Epping component of the project currently estimated at \$1.62 billion (2000 dollars).

The Department is coordinating an integrated ticketing system to enable transport customers to use a single smart card to pay for travel. Implementation of the system is planned to commence in 2003 on a phased basis across the public transport network.

During 2001-02, the Department and the Roads and Traffic Authority, have progressed the transitway program in western Sydney, with the Liverpool to Parramatta Transitway expected to commence operations early in 2003.

STRATEGIC DIRECTIONS

The Department's strategic priorities include:

- ◆ co-ordination of transport-related strategic planning and integration of transport decision making;
- ◆ ensuring a safe transport system;
- ◆ steering multi-modal transport integration;
- ◆ developing a rural and regional strategy for transport;
- ◆ advancing bus and rail systems reform; and
- ◆ developing policies and strategies to integrate freight, road, rail and ports.

Major transport initiatives under investigation include the North West Rail link from Epping to Castle Hill, the Sydney to Newcastle rail upgrade, Cronulla rail line amplification and the Sydney to Wollongong rail upgrade. The Parramatta to Epping section of the Parramatta Rail Link is also being further developed.

In November 2001, the Minister for Transport announced a number of structural changes in transport and transport safety regulation as a result of the Special Commission of Inquiry into the Glenbrook Rail Accident.

These changes follow earlier structural changes including establishment of the Office of the Coordinator General of Rail. The Rail Infrastructure Corporation was also established, bringing together the functions of track ownership and track maintenance.

2002-03 BUDGET

Total Expenses

Total budgeted expenses in 2002-03 are \$2,285 million.

A summary of the major areas of expenditure within the Transport portfolio is provided below.

Rail Services

In 2000-01, the Government initiated a four-year rail improvement package, boosting spending by \$1 billion, and including:

- ◆ accelerated maintenance of tracks and trains and the replacement of old infrastructure;
- ◆ new major track construction aimed at increasing flexibility on the system and allowing faster recovery from delays; and
- ◆ new trains for CityRail's metropolitan and outer suburban operations.

As part of this package, during 2002-03 State Rail is budgeted to receive a total of \$809 million in recurrent funding assistance to fund CityRail and Countrylink rail services.

The State Rail program of capital works for 2002-03 totals \$377 million. This is funded from an allocation from the Budget through the Department of Transport of \$307 million, the sale of surplus land and reserves.

The principal elements in the program are: the ongoing funding of both additional and replacement rollingstock; the completion of enhancements to rail infrastructure to improve service reliability and capacity; and station upgrading to improve easy access, security and the provision of information to passengers.

A detailed list of projects is set out in Budget Paper No. 4. Key capital projects include:

- ◆ ongoing implementation of safety improvements including the delivery of a train visibility monitoring system throughout the network;
- ◆ ongoing delivery of the 81 Millennium Train rail cars in stage one of this project as well as construction of the 60 new cars in stage two of the Millennium Train project;
- ◆ supply of 41 new outer suburban rail cars to service the Blue Mountains, Illawarra and Central Coast;
- ◆ supply of 14 new Hunter Valley Rail Cars as well as the supply of 3 new rail cars to operate on the Countrylink Broken Hill service;
- ◆ detailed study and design works for the Cronulla amplification and Bondi turnback facility; and
- ◆ station upgrades across the CityRail network including the completion of 16 *Easy Access* station upgrades currently in progress as well as the addition of 5 new *Easy Access* station upgrade works.

Other major rail funding commitments include:

- ◆ \$286 million to the Rail Infrastructure Corporation to support rail lines throughout rural New South Wales, including an additional \$40 million in 2002-03 and the forward years for country track maintenance; and
- ◆ \$82 million for the Parramatta Rail Link as part of total spending of \$222 million on this project in 2002-03.

In addition, the Government has committed \$7.7 million in 2002-03 to support the haulage of containerised freight and specified fuel services primarily in rural areas of the State. Contracts between the Government and rail operators ensure continuity of services.

Bus and Ferry Services

Budgeted recurrent funding payments in 2002-03 to the State Transit Authority total \$214 million. The Authority will receive a capital grant of \$3.1 million to continue upgrading the Sydney ferry fleet.

State Transit's \$55 million capital works program includes \$23.6 million for bus fleet acquisitions and \$11.5 million for ferry fleet enhancements. The bus fleet acquisition program includes the delivery of the final 35 of the current 300 Compressed Natural Gas (CNG) bus contract for Sydney. State Transit will also purchase 30 new buses for Newcastle.

All new buses will be wheelchair accessible (ultra low floor design). The total number of wheelchair accessible buses in State Transit's fleet will increase to 530 (27 percent of the fleet) out of a total fleet of 1,940.

The ferry fleet enhancement of \$11.5 million includes funding for the completion of the engine upgrade and refurbishment of the final two JetCat ferries, the Manly ferry, Freshwater, along with the refit of the three Lady Class vessels. Improved vessel management systems, costing \$1.6 million, will provide performance-monitoring data to enhance vessel reliability. To improve revenue collection, \$750,000 will be spent to provide self-serve ticket machines on board ferries.

State Transit will commence operating new CNG buses on the high-speed bus transitway link between Liverpool and Parramatta from early 2003.

Other Payments

The Government will continue its commitment to a wide range of concessions and subsidies to various groups throughout the State to provide equity of access to education, employment and recreation services to all members of the community, particularly those in greatest need.

Payments to private transport operators and community groups are estimated to increase by \$14.7 million to \$433 million in 2002-03. The payments include funding for concessions and subsidies such as half-fare concessions for pensioners, transport subsidies provided under the Community Transport Program, Home and Community Care program and subsidies for half-fare taxi transport for persons unable to utilise public transport because of a disability.

The School Student Transport Scheme provides free travel to and from school for eligible students on government and private bus, rail, and ferry services, long distance coaches and in private vehicles where no public transport services exist. Payments (including SRA and STA) in 2002-03 are estimated to total \$427.2 million, an increase of \$11 million on the projected expenditure in 2001-02.

The five year costs and trends under this Scheme are as follows:

Table 20.1: School Student Transport Scheme Costs

		1998-99	1999-2000	2000-01	2001-02	2002-03
Total student population ^(a)	'000	1,096.5	1,099.7	1,104.8	1,109.7	1,118.2
Beneficiaries	'000	654.0	664.9	671.8	674.8	679.9
Total costs ^(b)	\$m	360.3	378.1	385.1	416.2	427.2
Total cost per beneficiary	\$	550.9	568.7	574.1	616.7	628.3

(a) Source data from the Department of Education and Training

(b) Inclusive of payments to SRA and STA

Other Programs

The Department's infrastructure improvement program is funded from the Parking Space Levy. The program provides for construction of interchanges and commuter facilities like car parks. Expenditure in 2002-03 is estimated at \$24 million and will include interchange developments at Holsworthy, Wyong, Rockdale and Mt Druitt and car parks at Kogarah and Wentworthville.

In addition, \$15.5 million from Parking Space Levy funds will be provided towards the cost of bus stations on transitways, including the Liverpool to Parramatta and Parramatta to Mungerie Park Transitways. The Department of Transport is responsible for the management of the Transitway Program.

The Country Public Transport Infrastructure Grants Scheme will provide \$1.6 million in 2002-03 to fund a range of passenger facilities put forward each year by rural and regional communities.

OFFICE OF CO-ORDINATOR GENERAL OF RAIL

The Office of Co-ordinator General of Rail was established in June 2000, following the Glenbrook rail accident and the subsequent establishment of the Justice McInerney Inquiry. The Co-ordinator General of Rail was appointed to:

- ◆ manage and co-ordinate the functions of the Rail Access Corporation (RAC), the State Rail Authority (SRA) and the Rail Services Australia (RSA) for the New South Wales rail network; and

- ◆ review the effectiveness of existing arrangements including contractual arrangements between RAC, SRA and RSA in achieving reliable service standards for CityRail services.

Since the establishment of the Office, numerous reforms have been put in place to address the safety and reliability of the system. Notably, the Rail Infrastructure Corporation (RIC) was created in January 2001 from the merger of the Rail Access Corporation and Rail Services Australia.

The term of the Office of Co-ordinator General of Rail has been extended to December 2003. Total budgeted expenses in 2002-03 are \$3,463 million.

ROADS AND TRAFFIC AUTHORITY

The Roads and Traffic Authority (RTA) is responsible for:

- ◆ arterial road planning, construction and maintenance, to meet community, environmental, regulatory and economic needs;
- ◆ improving road safety by seeking to raise vehicle standards, improve roads and encourage better road user behaviour;
- ◆ managing road usage to achieve consistent travel times, particularly during peak periods, by reducing congestion delays and helping the community use the road system more effectively; and
- ◆ testing and licensing drivers and registering and inspecting vehicles.

The road system comprises:

- ◆ approximately 17,600km of RTA managed major arterial roads, known as State Roads, which includes approximately 3,100 km of Commonwealth funded National Highways;
- ◆ approximately 18,400km of local council managed minor arterials, known as Regional Roads, funded primarily by the RTA;
- ◆ approximately 142,800km of local council managed access roads, funded by local rate-payers and Federal road assistance grants; and
- ◆ road and bridge infrastructure in the unincorporated area of New South Wales, managed by the RTA.

EXPENDITURE TRENDS AND RECENT DEVELOPMENTS

Operating expenses for 2001-02 are estimated at \$1,550.9 million and include \$305 million for depreciation of infrastructure assets. Projected capital expenditure, including asset acquisitions of \$1,104.5 million, is \$1,183.8 million. The total Capital and Maintenance Program is projected to be \$2,050 million.

Expenditure under the M4/M5 Cashback Scheme to reimburse tolls paid on the M4 and M5 Motorways is expected to be \$54 million.

STRATEGIC DIRECTIONS

The RTA's strategic directions and priorities are consistent with key New South Wales Government strategic plans, including Action for Transport 2010, Road Safety 2010, Action for Bikes - BikePlan 2010 and Action for Air.

A combination of government funded and public/private sector partnerships are pursued, where appropriate, for the development and management of the road network. The RTA is currently at various stages of negotiation with the private sector for the provision of about \$2.7 billion worth of infrastructure.

In December 2001, the Government announced a range of revenue measures (including an increase in the Sydney Harbour Bridge toll) to fund an enhanced maintenance and upgrade program, primarily for regional and rural New South Wales. All of the \$60 million raised each year will be reinvested in the State's roads. This is additional to the Government's existing \$100 million per annum Rebuilding Country Roads Program.

The RTA will continue the Country Timber Bridge Program to rebuild or restore 140 country timber bridges by mid-2003.

The Road Maintenance Reform Package is well advanced with widespread support from local government. Single Invitation Maintenance Contracts secure rural and regional workforces and ensure consistent standards for road safety, worker safety, traffic control, environmental protection and work quality. Savings from the Package are re-invested in the Roads Program.

In conjunction with the Attorney General's Department, the RTA is expanding the Government Access Centre network to improve registry, licensing and other government services for people in rural and remote areas. More than 30 Government Access Centres will be operating by 1 July 2002, with others opening in the next year.

In the Sydney region, the Orbital Strategy will improve road links between key business and residential areas and reduce congestion and travel times. The \$794 million government funded M5 East was completed in 2001-02. Other key orbital road projects continuing in 2002-03 include:

- ◆ Western Sydney Orbital link - 39 km of divided carriageway between the M5/Hume Highway at Prestons and the M2 at west Baulkham Hills;
- ◆ Cross City Tunnel – a 2.1 km tunnel between Darling Harbour and Kings Cross linking the Western and Eastern Distributors. This project will remove 95,000 car and truck trips per day from city streets and improve travel times and amenity in central Sydney; and
- ◆ Lane Cove Tunnel – a 3.4 km long twin-tunnel between the M2 and the Gore Hill Freeway. The tunnel will complete the Sydney Orbital Motorway connecting the north-west with the CBD. It will also include Bus Lanes along Epping Road and Transit Lanes on the widened Gore Hill Freeway.

Other continuing key road projects include the \$323 million upgrade of Old Windsor Road and Windsor Road in north-western Sydney and the upgrade of Cowpasture Road and Hoxton Park Road in south-western Sydney.

Traffic and transport management priorities include the bus only Transitway network in Western Sydney. The key Liverpool to Parramatta Transitway is due for completion in 2003. Other urban bus network priority initiatives include red bus lanes, bus priority 'B' signals at traffic lights and bus lane monitoring systems using camera surveillance.

Electronic tolling will be enhanced through greater interoperability across New South Wales and interstate motorways during 2002-03.

Cycling and walking priorities include expanding the cycleway network, promoting easier, safer cycling, improving pedestrian overbridges and expanding the 50 km/h Urban Speed Limit Project.

Road safety strategies address speed management, drink driving, seat belt usage, fatigue management, motorcyclist and cyclist safety, school and youth programs, and educational programs for repeat traffic offenders.

The RTA will continue to combat speeding with up to 100 fixed digital speed cameras at high-risk locations.

Customer service delivery improvements will include an on-line system for booking Driver Knowledge Tests and Hazard Perception Tests.

The RTA's strategies and programs to protect and enhance the natural environment and heritage complement its major role in the Government's Action for Air Strategy.

The RTA's community support programs include the Aboriginal Action Plan, early childhood, primary and secondary school road safety education programs, and youth road safety programs including parent support workshops for the Graduated Licensing Scheme.

2002-2003 BUDGET

The RTA's 2002-03 Roads Program Budget is \$2,604.5 million, a 7 per cent increase on the budget forecast for 2001-02.

Total Expenses

Total operating expenses are estimated at \$1,542.7 million.

Road safety programs will remain a priority. Key initiatives include:

- ◆ completing the development of the Driver Qualification Test;
- ◆ continuing the road safety school education programs and implementing the Safety Around Schools Program;
- ◆ an alcohol interlock program targeting serious drink drive offenders;
- ◆ developing a heavy vehicle safety strategy;
- ◆ an integrated program to counter excessive speeding; and
- ◆ continuing the Road Blackspot Program.

Funding of \$40.5 million will be allocated to the Transport Management Centre for improving traffic incident management.

The M4/M5 Cashback Scheme payments will continue with total costs estimated at \$65 million.

Asset Acquisition

The total Roads Program capital expenditure, including asset acquisitions of \$1,201.8 million is estimated at \$1,366.8 million.

The \$2.2 billion Pacific Highway Upgrade Program comprises \$1.6 billion funded by the RTA and \$600 million by the Federal Government. Major works in 2002-03 will include:

- ◆ State-funded construction of the Coopernook Bypass and Halfway Creek Upgrade; and
- ◆ State/Federal funded Yelgun to Chinderah Freeway and Karuah Bypass construction and Taree to Coopernook dual carriageway upgrade.

Upgrading of the Summerland Way (in northern New South Wales) and the Golden Highway (Dubbo-Newcastle) will continue.

The Government will continue to invest annually an average of \$160 million in western and south-western Sydney roads. Key projects in progress include:

- ◆ constructing the Liverpool to Parramatta Transitway;
- ◆ upgrading the Old Windsor Road / Seven Hills Road intersection;
- ◆ widening Windsor Road from Merriville Road to Mile End Road and from Roxborough Park Road to Showground Road; and
- ◆ continuing Cowpasture Road upgrade and widening Hoxton Park Road.

Other major works within the Sydney area include:

- ◆ Bangor Bypass;
- ◆ intersection improvements at “the Fiveways” Miranda;
- ◆ pedestrian overbridges at Strathfield, Maroubra and Bossley Park;
- ◆ pedestrian improvements to the Cahill Expressway; and
- ◆ improvements to Mona Vale Road between the Bahai Temple and Ingleside Road.

A 12-year \$460 million program to upgrade the Penrith to Orange route will continue by:

- ◆ widening the Great Western Highway to four lanes with divided carriageways at Linden;
- ◆ widening and realignment at Shell Corner west of Katoomba;

- ◆ widening the Great Western Highway between Leura and Katoomba;
- ◆ improving the Great Western Highway from Hazelbrook to Lawson;
- ◆ realignment and a railway overbridge at Medlow Bath; and
- ◆ widening and realignment at Soldiers Pinch, west of Katoomba.

Upgrading of the Mid Western Highway at Kings Plains will continue.

The RTA will continue the \$44.6 million Road Improvement Program under the Hawkesbury Nepean Flood Plain Strategy coordinated by the Department of Land and Water Conservation. This will include planning for a new high level crossing of South Creek at Windsor.

In the Hunter and Central Coast, work will continue on:

- ◆ the West Charlestown Bypass;
- ◆ The Entrance Road, Terrigal Drive intersection improvements;
- ◆ upgrading Avoca Drive at Empire Bay Road;
- ◆ widening the Pacific Highway at Wyoming; and
- ◆ upgrading Bucketts Way (subject to Federal funding).

In the Illawarra, South Coast and Southern Highlands work will include:

- ◆ continuing the Government's ten year Princes Highway upgrade, including constructing the North Kiama Bypass, realignments and widening from Yellow Pinch to Millingandi, a Milton to Ulladulla overtaking lane and Pambula Bridge;
- ◆ realignment of the Crookwell Road (north of Goulburn); and
- ◆ continuing the Main Road 92 upgrade between Nowra and Nerriga.

Work will continue on the National Highways system, including:

- ◆ widening the F3 north of the Hawkesbury River;
- ◆ Hume Highway remediation at Mittagong;
- ◆ Devils Pinch on the New England Highway; and

- ◆ widening the Cumberland Highway between The Horsley Drive and Merrylands Road in Western Sydney.

Subject to Federal funding, planning and property acquisition will continue for the Western Sydney Orbital and Hume Highway at Albury-Wodonga.

Cycleway expansion, including Homebush Bay to Fairfield and Prospect to Blacktown routes, will bring cycleway network investment to \$30 million.

Capital expenditure on traffic management improvements will target principal transport routes, including intersection improvements, upgrading and enhancing the coordinated traffic signal system and providing a range of bus priority initiatives.

Enhanced Maintenance Program

New road and bridge maintenance works in progress as a result of the additional \$60 million funding include reconstructing and widening:

- ◆ 15 km of the main road between the Sydney to Newcastle Freeway and Cessnock and the Mulbring to Maitland Road;
- ◆ 49 km of the Gwydir Highway in four sections, east of Moree, west of Inverell, west of Yallaroi, and east of Glen Innes;
- ◆ 29 km of the Castlereagh Highway in three sections north of Lithgow, west of Mendooran, and north of Gulgong;
- ◆ a 19 km section of the Mitchell Highway immediately west of Narromine;
- ◆ 24 km of the Kamilaroi Highway west of Narrabri;
- ◆ 19 km of the Yass to Forbes Road in five sections north of the Hume Highway, north of Boorowa and west of Cowra;
- ◆ 8 km of the Mid Western Highway west of West Wyalong;
- ◆ 33 km of The Northern Road between Penrith and Narellan; and
- ◆ 6 km of Cattai Road at Cattai and South Maroota.

Also included are reconstructing 5 km of the Great Western Highway between Wallgrove Road and Hewitt Street, in Rooty Hill, Mount Druitt and Minchinbury, and the ongoing Country Timber Bridge Program.

WATERWAYS AUTHORITY

Waterways Authority manages navigable waters in New South Wales. This involves licensing vessel operators, commercial vessels, on-water events and mooring management. Waterways also runs education programs promoting safety and protection of the marine environment. Waterways provides marine infrastructure like sewage pump-out facilities, boat ramps, and public wharves and jetties through the Waterways Asset Development and Management Program.

Waterways manages the harbour beds in Sydney, Botany Bay, Port Kembla and Newcastle and a number of maritime properties including Walsh Bay, Woolloomooloo and Darling Harbour Wharves 9/10 (now known as King Street Wharf). Further responsibilities include the management of the regional ports of Eden and Yamba and the residual responsibilities of the former Maritime Services Board and former Marine Ministerial Holding Corporation.

EXPENDITURE TRENDS AND RECENT DEVELOPMENTS

Waterways' core business revenues are derived from charges collected from boating clients and rents from property and wetland management.

STRATEGIC DIRECTIONS

Waterways is committed to working with all sectors of the boating community, marine industry, local government and the general community to achieve equity, safety and environmental sustainability in the use of our waterways.

Waterways adopts a stewardship perspective with an emphasis on forming partnerships with stakeholders and clients.

Waterways has developed a number of strategies to promote safety on our waterways and minimise the impact of boating on the marine environment, including:

- ◆ educating users on safe boating through the issue of licences, educational programs (including seminars and advertising), an internet site and by establishing and supporting user groups;
- ◆ licensing commercial vessels and operators, including with special conditions;
- ◆ maintaining navigation aids and signs;
- ◆ licensing on-water events and providing conditions to be met by licensees;

- ◆ undertaking environmental assessments of on-water activities to minimise adverse environmental impacts;
- ◆ cleaning floating debris from Sydney Harbour; and
- ◆ reducing sewage pollution from vessels (including sewage pump out in Sydney Harbour and Myall Lakes).

Strategies developed for the Waterways' property assets are:

- ◆ developing and maintaining maritime facilities and foreshore assets, including where appropriate, facilitating private sector development;
- ◆ realising non-core assets and ensuring a sound financial return to Government;
- ◆ managing regional ports at Eden and Yamba which contribute to the economic development of their local regions;
- ◆ advising on major planning and environmental matters involving wetlands; and
- ◆ assessing foreshore development plans and applications through balanced consideration of community and commercial needs.

2002-03 BUDGET

Total Expenses

Total expenses in 2002-03 are expected to be \$65.7 million which includes the cost of provision of recreational boating functions.

Asset Acquisition

The total capital program for 2002-03 is \$25.5 million. This includes the redevelopment of various wharves, like King Street Wharf, Wharf 2/3 at Walsh Bay and restoration of the sea wall at Dawes Point. It also includes the construction of facilities to support a new multi purpose wharf at Eden.

The program includes the acquisition of vessels and outboard engines, the continued development of the computerised integrated management system and graphical leasing system, installation of navigation aids, and waterway signage improvements.