



**Minister for Public Transport
Minister for Roads**

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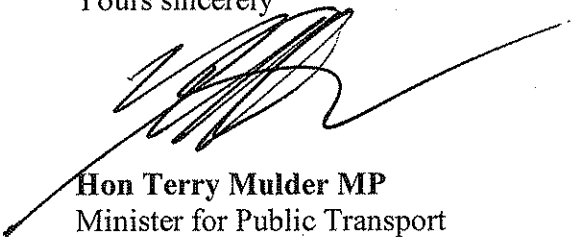
Mr Philip Davis MP
Chairman
Public Accounts and Estimates Committee
Parliament House
Spring Street
EAST MELBOURNE VIC 3002

Dear Mr Davis,

Thankyou for your letter dated 7 June 2012.

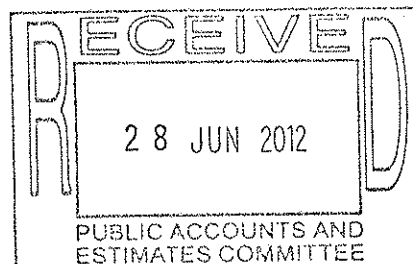
I attach a response to the questions on notice taken at the 2012-13 Budget Estimates hearings for Public Transport and Roads held on 9 May 2012.

Yours sincerely



Hon Terry Mulder MP
Minister for Public Transport
Minister for Roads

26/6 / 2012



**ATTACHMENT: QUESTIONS TAKEN ON NOTICE AND
FURTHER INFORMATION AGREED TO BE
SUPPLIED AT THE HEARINGS**

PUBLIC TRANSPORT PORTFOLIO

1. Please confirm:

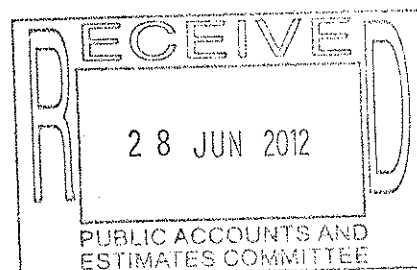
- a. whether or not the 'Metropolitan rail infrastructure renewal program (metro various)' was moved from being an output initiative to an asset initiative. If so, please explain why; and
- b. whether or not the expenditure on metropolitan rail maintenance was \$220 million in 2010-11 and will be \$83 million in 2011-12 and \$130 million in 2012-13. Please explain any reduction in expenditure over these three years.

(Page 7 of the portfolio transcript)

Response:

- a. The State Government provides funding for the maintenance and renewal of the metropolitan train and tram network as part of the 2009 rail franchise agreements. In previous years this funding was classified as an operating expense. As significant portions of the works undertaken are for the renewal of asset infrastructure and extending the life of these assets, an element of the funding is now classified as a capital expense, in line with accounting standards. This capital funding has been included in the Metropolitan Rail Infrastructure Renewal Program which was reported for the first time in the 2012-13 Budget Paper No. 4.
 - b. The asset renewal expenditure figures reported in the 2012-13 Budget Paper No. 4, page 125 under the Metropolitan Rail Infrastructure Renewal Program represents capital spending only. Total spending on maintenance and renewal works on the metropolitan train and tram network, including operating expenses, was \$313 million in 2010-11 and is expected to be \$328 million in 2011-12. The estimated 2012-13 budget is \$311 million, which is marginally lower than the 2011-12 expected spend reflecting the timing of the projects incorporated in the 2009 rail franchise agreements.
2. Please detail the costs incurred in the commencement of operations of Public Transport Victoria (including the costs of stationery, staff relocation, rebranding, and costs associated with the new app., including those of deleting the app. and reactivating the previous app.).

(Page 26 of the portfolio transcript)



Response:

The 2011-12 State Budget provided \$10 million over four years to establish the Public Transport Development Authority. Expenditure incurred in relation to this initiative will be reported on as part of Public Transport Victoria's annual reporting processes.

To respond to the specific items raised, the following amounts were expended by the Public Transport Development Authority between its commencement of operations and end May 2012:

Stationery	\$861.40
Staff relocation	\$Nil
Rebranding	\$38,449.40
New smartphone app	\$11,000.00

ROADS PORTFOLIO

1. Please provide details of the funding in the Budget for reopening local roads that were closed due to flooding.

(Page 10 of the portfolio transcript)

Response:

At the time of finalising the 2012-13 State Budget, the extent of works required to reopen local roads that were closed due to flooding were not yet known. The assessment of the works and related costs required are still being finalised.

