

PUBLIC ACCOUNTS AND ESTIMATES COMMITTEE

Inquiry into 2019-20 Financial and Performance Outcomes

Melbourne—Wednesday, 24 February 2021

MEMBERS

Ms Lizzie Blandthorn—Chair

Mr Richard Riordan—Deputy Chair

Mr Sam Hibbins

Mr David Limbrick

Mr Gary Maas

Mr Danny O’Brien

Ms Pauline Richards

Mr Tim Richardson

Ms Nina Taylor

Ms Bridget Vallence

WITNESSES

Mr Paul Younis, Secretary,

Mr Nicholas Foa, Head, Transport Services, and

Ms Megan Bourke-O'Neil, Deputy Secretary, Policy and Innovation, Department of Transport;

Mr Corey Hannett, Director General, Major Transport Infrastructure Authority;

Mr Kevin Devlin, Chief Executive Officer, Level Crossing Removal Project;

Mr Evan Tattersall, Chief Executive Officer, Rail Projects Victoria;

Mr Duncan Elliott, Chief Executive Officer, North East Link Project;

Mr Dean Tighe, Deputy Secretary, Investment and Technology, Department of Transport; and

Mr Travis Dowling, Chief Executive Officer, Victorian Fisheries Authority.

The CHAIR: Welcome, everybody. I declare open this hearing of the Public Accounts and Estimates Committee.

I would like to begin by acknowledging the traditional Aboriginal owners of the land on which we are meeting. We pay our respects to them, their culture, their elders past, present and future and elders from other communities who may be here today.

On behalf of the Parliament, the committee is conducting this Inquiry into the 2019–20 Financial and Performance Outcomes. Its aim is to gauge what the government achieved in 2019–20 compared to what the government planned to achieve.

Please note that witnesses and members may remove their masks when speaking to the committee but should replace them afterwards.

Mobile telephones should be turned to silent.

I note that the Member for Mordialloc is an apology, as he and his family have welcomed the birth of their new baby this week.

All evidence taken by this committee is protected by parliamentary privilege. Comments repeated outside this hearing may not be protected by this privilege.

Witnesses will be provided with a proof version of the transcript to check. Verified transcripts, presentations and handouts will be placed on the committee's website as soon as possible.

We welcome you, Secretary, and officials from your department, and invite you to make a 10-minute presentation, which will be followed by questions from the committee.

Mr YOUNIS: Thank you, Chair, and thank you for the opportunity to present to you today about what I think we all acknowledge has been a really challenging year. Particularly I want to talk to you just briefly about some of the major issues that we have faced over the past 12 to 18 months.

Visual presentation.

Mr YOUNIS: I think going back, we may all forget that DOT, the Department of Transport, was only formed on 1 January 2019, and the legislation to create the department and combine the VicRoads and PTV functions in the department came into being on 1 July 2019. So significant changes were introduced within the department and structurally within the organisation over the first 12 months, and particularly that first six months of the 2019–20 year. I think that it is probably one of the most significant structural changes to the department and the portfolio the state has ever seen, and it is aimed at delivering on the *Transport Integration*

Act and providing what we talk about a lot within the department—safe and simple connected journeys regardless of the mode and the type of travel that you are choosing.

I think an important part of that work we did in the first six months was bringing the structure together so we have got multimodal expertise across the organisation, with network planning, network integration, service planning and delivery, and transport safety all combined. And of course we would not be able to do it without a range of partners and delivery agents, including MTIA, who are a significant delivery agent for the state. This step in the formation of the department was an important step in reducing duplication, maintaining our financial sustainability and improving the efficiencies within the operations, but most importantly it was about providing a more seamless service to our community.

I think, just generally, it is important that we go back and focus on what we are doing. We are planning and delivering on 13 million journeys a day across our network. We have got growth in our freight network, and even through the COVID period, while there was a reduction in traffic, freight was a really essential purpose, and that continued to grow.

One of the important elements that we are really working on is making the most of our existing transport assets, and bringing a multimodal approach has allowed us to do that. So we are shifting as many journeys as we can, giving people choice and using our assets far more efficiently as well as building new assets. I think the other part is giving information to people—the information that they need—and making sure people have the information so they can make the choices.

We are responding much more quickly. The opportunities with innovation and new transport technologies are real, and we are making sure we are in a position to capitalise as a state on those opportunities. Better safety and environmental outcomes are of course really another focus of what we are doing.

But most importantly—or not most importantly but a significant part of our work—we are continuing the upgrade and expansion of the network, which has some legacy issues that we have all been dealing with, a significant building and construction program that we are continuing. The integrated planning portfolio is an important step in us really delivering on that integrated transport environment and delivering on the *Transport Integration Act*. Our planning and what we deliver and our strategies in our space are underpinned by really important land use and infrastructure plans, *Plan Melbourne* and the *Victorian Infrastructure Plan*, and we put all of our works and development in the context of where people move and the other infrastructure needs for the state. Over recent years we have developed a range of strategy and investment plans that guide the investments we make in transport, and they ensure consistent and long-term requirements of the state are met and we do that in the most efficient and consistent way.

Of course this is just a quick snapshot of the use of public transport over the past 12 months or more. You can see the normal baseline of use across each of the modes, but generally you can see the significant drop early in the year in the use, and really what we saw—and I will talk generally about this across all of our public transport modes—is that we went down to around about that 10 to 12 to 15 per cent of normal usage. Importantly during the restrictions the chief health officer determined that public transport—and transport in general—was an essential service and it continued to operate to allow for essential workers to travel and make choices, but it certainly saw a significant impact on patronage as you would expect. The interesting figure there if you look at the very end of that line, the five-day shutdown that we had last week or the week before saw the figures drop within a day back to those 10 per cent levels on public transport from where they were sitting at around that 45 to nearly 50 per cent. So in late January, early February, people were getting back to that close to 50 per cent usage of public transport, which is nearly 1 million trips a day—so that is the type of figure we are looking at, 1 million trips a day at that 50 per cent figure—and that dropped back down to 10 per cent.

On our roads it was a similar story. Last week in those five days it dropped from 95 to 96 per cent of normal usage back down to just under 50 per cent or 40 per cent once again. That came back today, and I think Mr Foa will have some updated figures for today probably as well.

We did continue to run a full-time service through this period. We added capacity to the network in July, which was an important part of providing choice for those essential workers, and we put in a range of measures that were aimed at really making sure people who were travelling and were required to travel on our public transport network felt safe and it was provided in the most efficient and effective way that we possibly could.

Of course as everyone has dealt with, the year started with—well, we started with the transformation of the department, and then we moved straight into—one of the most significant bushfire events that the state has seen, and of course you are all fully aware of that. In that recovery phase we spent a lot of our efforts immediately repairing and funding over 520 kilometres of bushfire-impacted arterial roads in the north-east and over 400 kilometres in East Gippsland. A lot of our efforts in our road space were put into opening bridges and reopening roads in those fire-affected areas, and all of those roads were opened in a safe way and opened when they were safe to do so.

In the COVID response, I mentioned the impact on the public transport network but there was also funding in the building works package that was really aimed at getting jobs back into the network. So we put a lot of our efforts into the road network in the bushfire areas on roads and road maintenance because they are the types of things that we could turn on really quickly and get jobs and keep the economy moving, so they were a really important part. Out of the \$328 million that we got out of the building works package during the year we put that on bushfire-affected roads, upgrading over 300 kilometres of tracks, repair of 15 train stations and more maintenance on our trams and trains as well. That maintenance element was a really important part of that. And of course we continued to invest in those elements that would instil confidence in our public transport network as well as adding those extra 95 services in the off-peak. That is just a little snapshot there of what we did in relation to the services.

And in the roads response—we talk about our public transport but the roads response was just as important—what we did is the government announced back in May \$340 million of measures for our road network, particularly to address issues around congestion as we were coming out of COVID, to make sure that our freight could move more effectively, because what we did know and from the modelling that was performed we expected there would be a shift in people from public transport under our road network. What we did want to happen is we wanted to be able to manage that, be proactively managing that, and ensure that the measures were in place to keep our freight moving, keep people moving on our road network as well. That series of works began back in May and will continue for quite a while because there are a quite of range of elements to that piece of work.

Of course our Big Build has continued. One of the really important elements of our building program is MTIA. Corey and his team spent a lot of time making sure that our major construction programs in our transport network could continue and that they could continue in a safe way. I know the challenges that we all had in keeping these projects operating in a COVID-safe environment: making sure people were distancing from one another and ensuring that there were no risks, and all of this done under the direction of the Chief Health Officer. So all of those works continued not only on our road and our rail networks, but particularly across our regional network. That is it, isn't it?

The CHAIR: Yes, that is the timer.

Mr YOUNIS: Can I just say—so the last bit—that we have got a range of people here to support the committee today, particularly MTIA and the team that work on our construction development and representatives from the department.

The CHAIR: Thank you very much, Secretary. I will pass the first call to the Deputy Chair, Mr Richard Riordan, MP.

Mr RIORDAN: Thank you, Chair. Welcome Mr Younis and staff. My first question refers to page 33 of the outcomes questionnaire, and that deals with the capital programs. Looking at the questionnaire answers, it appears very clearly that the Department of Transport is the biggest consumer of the Victorian credit card at the moment, in terms of a capital program of about \$46.8 billion; VicTrack's capital program, \$29 billion. All up, we are pushing close in on \$76.5 billion worth of funds going into these key projects which you touched on at the end.

So, Secretary, we are eight months into another financial year and we are talking about the outcomes. Could I present to you today a request from these committee members to provide for us the finalised expenditures in that period, to 30 June? So what we are looking at are the actual outcomes for your capital projects that you listed in the 2019–20 years. We have got those here—if I could give those to you to do, and we can send them electronically. But I think it is important that we see—I will just pass that over, Secretary.

The CHAIR: Sorry to interrupt, Mr Riordan, but before you pass those to the Secretary, we might circulate them to the committee and determine whether they are appropriate, given the issue that we had yesterday with a document.

Mr RIORDAN: I do not think we had an issue yesterday.

The CHAIR: Well, there was an issue, and you yourself conceded that you had the wrong labels on the columns.

Mr RIORDAN: I have verified them this time.

The CHAIR: Well, Mr Riordan, before the Secretary undertakes to complete your document, we will forward your document to the committee members, and the committee members can determine whether it fits within the scope of this inquiry or otherwise. Perhaps you would like to move to another question.

The CHAIR: No. I think this is an important question, because we cannot fully assess the outcomes of the 2019–20 budget unless we know what the performance was for these projects.

The CHAIR: Mr Riordan, this committee circulated a questionnaire to all of the departments, and all members of this committee had an opportunity to inform the questions and shape the questions that were within that questionnaire. It is not your role in a public hearing to start to table other documents that you would like to.

Mr RIORDAN: It is not tabling documents. I am just tabling a list of the projects and—

The CHAIR: Mr Riordan, this is a public hearing and you are entitled to ask questions, which the Secretary has—

Mr RIORDAN: And these questions are specifically—

The CHAIR: Mr Riordan, could you stop talking over the top of me, please? There is a questionnaire that is circulated to departments that is provided by this committee, and all members of this committee have had the opportunity to have input into that questionnaire.

Mr RIORDAN: And as a member of the opposition, I now ask—

The CHAIR: Mr Riordan—

Mr RIORDAN: No, Chair; sorry, you are out of order. I am asking legitimate questions. We are doing budget outcomes. The budget outcome question is: to 30 June last year, Secretary, can you tell us how those projects finished compared to your budget printed at 30 June 2019?

The CHAIR: If you would like to afford the Secretary the opportunity to answer that question, then that is appropriate, but it is not appropriate for you to just table new questionnaires and new documents—

Mr RIORDAN: They are not new questionnaires. It is just a list—

The CHAIR: Mr Riordan.

Mr RIORDAN: I can sit and read them all out if you would like, Chair.

The CHAIR: Mr Riordan, yes, I would like that. If that is that the way you would like to use your time, I would like you to ask each individual question. It is not—

Mr RIORDAN: No, I am asking the Secretary.

The CHAIR: Mr Riordan, it is not your place to start to table documents that have not been seen nor approved by this committee in this forum. This is a public hearing—

Mr RIORDAN: Sorry, Chair; it is out of order for you to suggest I should get the government to approve my questions. My question is quite simple—

The CHAIR: Mr Riordan, if you would like to ask the question, you are entitled to ask the question. This committee has already—

Mr RIORDAN: I am happy to move a motion in this committee to see whether the other opposition members think that the government needs to approve their questions.

The CHAIR: Mr Riordan, that is not what was said. This committee as a whole has circulated a questionnaire to all departments and asked them to complete it prior to this hearing to inform this hearing. If you had additional questions that you would have liked included in that questionnaire process, then you should have raised them with the committee as a whole as opposed to tabling a separate document.

Mr RIORDAN: Could we hear from Mr Younis, if he is able to answer—

The CHAIR: Could you please stop interrupting—

Mr RIORDAN: No, Chair; I am happy to be quiet if you want to stop the clock. If you want to stop wasting my valuable question time with your pontification—

Ms Vallence interjected.

The CHAIR: Ms Vallence, you do not have the call. Mr Riordan, you are tabling documents and asking for them to be completed as questionnaires. If you would like the Secretary to go line by line and answer those now, then that is fine—

Mr RIORDAN: If the Secretary has in front of him—

The CHAIR: That is what a public hearing is.

Mr RIORDAN: now to answer that question, I would be happy for him to do that. Otherwise, Secretary, I am happy for you to take that on notice.

Mr YOUNIS: Thank you, Mr Riordan. As you first mentioned, we have got a significant construction program and capital works program—over \$70 billion of live projects across the state. I am not sure if this is the comprehensive list; it certainly seems to cover a lot of those works. What we did give a commitment to through Treasury was to provide through the next budget an update of the capital expenditure, and that was the process that we have set in motion so that we can provide those comprehensively and they are properly done. So that is only a month or so away, wherever we are—

Mr RIORDAN: So my question, though, Secretary, is that we are dealing with the budget that finished nearly 12 months ago, and the question quite simply is: presumably, now eight months later, you have reconciled to the end of 30 June?

Mr YOUNIS: Yes, we continually do budget assessments and updates, and the reconciliation we will be writing to Treasury for the budget update in May.

Mr RIORDAN: So in this modern world of Excel spreadsheets, which most of us understand, presumably you have got a whole bunch of columns with all those projects and they will all have how much you spent to 30 June.

Mr YOUNIS: So, Mr Riordan, what I will do is I will—

Mr RIORDAN: Can we just clarify: I am trying to ascertain what level of knowledge your department has of where these \$76 billion worth of projects are. Are you telling this committee that you cannot give us how much you had spent at 30 June last year, or you have got it and you just do not want to give it to us?

Mr YOUNIS: So, Mr Riordan, budget paper 2 outlined the actual expenditure on all of the projects to 30 June last year. The breakdown of all of these projects—I cannot sit here right now with a really impressive list of capital works projects and go through every single one of them and be absolutely honest to you so we have got a breakdown of every single one of those as they align, because the project's scope may have changed. I do not know that yet. We will go—

Mr RIORDAN: So eight months after the end of the financial year, with \$76 billion at stake, you are saying you cannot reconcile that.

The CHAIR: Mr Riordan, that is not what the Secretary is saying. You have tabled a comprehensive list of—

Mr RIORDAN: Sorry, Chair; it is not your role to act as nanny for the secretaries. You are sitting here—

The CHAIR: Mr Riordan—

Mr RIORDAN: to run the meeting not advise Mr Younis how to answer questions.

The CHAIR: you clearly struggle to control yourself, but could you please not talk over the top of the Chair.

Mr RIORDAN: How about the Chair stops overtalking the valuable time that the opposition has to ask questions.

The CHAIR: Mr Riordan, if you valued your time, you would perhaps ask actual questions that were somehow of more use than the committee—

Mr RIORDAN: What? So, Chair, are you seriously suggesting asking how \$76 billion of taxpayers' money spent—

The CHAIR: Mr Riordan, you have tabled a document—

Mr RIORDAN: nearly 12 months ago not reconciled by the government is not a legitimate question? Is that what you are saying?

The CHAIR: Mr Riordan, you are out of order. You have tabled a document that neither the committee nor the officials opposite us have had an opportunity to read.

Mr RIORDAN: It is the Secretary's own list. It is his list. He should have that on an Excel spreadsheet. There is not a Victorian that does not think this department should know how much they spent until 30 June last year.

The CHAIR: Mr Riordan!

Ms Vallence interjected.

The CHAIR: Ms Vallence! Mr Riordan, you are the one wasting your own time here. You have wasted nearly 10 minutes over a document that you have tabled.

Mr RIORDAN: Do you know what, Chair? I will take a bet. Let us do a straw poll of the Victorian public and see whether the Victorian public thinks \$76 billion of their hard-earned nicker ought to have been reconciled eight months ago.

The CHAIR: Mr Riordan, you are out of order and extremely rude. Could you please stop talking over the top of me. It is not appropriate, and I am going to rule this question out of order. If you have documents that you would like circulated to officials, then you should have fed them into the process around the development of the questionnaire, which all of the departments have answered and answered prior to these hearings. I suggest you move on.

Mr RIORDAN: Okay. So my question is, if it pleases the Chair's need to keep her master happy from text messages that she is getting to interrupt my questions: is it possible for the department to provide to this committee a reconciliation of its major projects that it listed in the 2019–20 budget, how they went from budgeted figures to actuals as at 30 June, project by project at 2019–20? Now, you have said to us that you have aggregated it as one big huge clump of \$76 billion, but can we have that by project? Because it is prudent for this committee to have an understanding of whether these projects are over budget, under budget, what they are doing. Now, granted you had three months of COVID, but you did have nine months of normal operation. So we are not expecting huge excuses for COVID in this period, Secretary.

Mr YOUNIS: Thank you, Mr Riordan. What I will be able to do is reconcile this list against the list that we do keep of projects, and clearly we do keep a list of projects. I think there was a response in the questionnaire in relation to expenditure to 30 June. I would have to go back and find the detail of that. What I will undertake, and I think what we have undertaken, is that at the budget update of budget papers in May that information will be provided. So we could do that.

Mr RIORDAN: But that is the budget hearings for that period. You are wanting to provide us stuff for the next budget—that does not help these proceedings.

Mr YOUNIS: I think what we can do, and we will do, is provide the end of financial year figures for these projects at the budget.

Mr RIORDAN: Great. We appreciate that. Good. That was not so difficult. It only took 10 minutes. Thank you, Secretary, for your help.

The CHAIR: Mr Riordan, perhaps if you had asked the question rather than tabled a list it would have only taken a few minutes.

Mr RIORDAN: Well, I have got more lists to ask the Secretary. Secretary, we have also got a list, if you can have an update—and it is the same list that you have had before; I am trying to be helpful—and the next list is in the 2019–20 budget. You listed all the projects about—

The CHAIR: Mr Riordan, Mr Maas has a point of order.

Ms VALLENCE: He has got the text.

Mr RIORDAN: He has got the text.

The CHAIR: Ms Vallence!

Mr RIORDAN: I think it is not fair, Chair, that the other two members of your party do not get the text messages—only Mr Maas does.

The CHAIR: Mr Riordan, Mr Maas has raised a point of order.

Mr MAAS: On a point of order, look, we cannot all be on a road to Damascus, but when we have already received items before us, we know what we are considering. When we do not have those items before us, we do not know what we are considering. So all that I am saying is that the procedures of the house should be followed here as well, and that is the common courtesy of tabling a document beforehand so that all members of the committee, no matter what side they are from, have the ability to contemplate it. Because as we saw yesterday, mistakes were made. If there are no mistakes made and it falls within the scope, then there is no problem with that.

Mr RIORDAN: Mr Maas, this budget paper, budget paper 4—

The CHAIR: Mr Riordan, Mr Maas is raising a point of order. If I need to adjourn this hearing so that we can have a private committee meeting to discuss this issue, I will do that. Is that what people would like?

Mr RIORDAN: I am loving the way you are all working to try and hide how much—

Mr D O'BRIEN: On the point of order, Chair, the point of order should be ruled out of order. There is no form of the house that requires non-government members to provide information or questions that they are about to ask government members, whether it is in the house, in question time, in constituency questions or in a committee such as this. You should rule the point of order out and let us ask the questions.

The CHAIR: Thank you, Mr O'Brien. As I indicated previously—unless there are further views on this point of order. Are there any further views on this point of order? No? As I indicated previously, it is not appropriate when there has been a questionnaire previously circulated by this committee that asks questions that go to exactly the nature of the information being sought that then a set of separate documents is tabled and officials are expected to be prepared to answer those without them having been tabled either for the committee

members to see the documents or for the officials to see the documents in advance. It goes against the very purpose of a public hearing, which is to ask questions in public and have those questions answered here and now in public, as opposed to a litany of tabled questions.

Mr RIORDAN: Okay, Chair.

The CHAIR: I would ask, Mr Riordan, that you form a question and put it to those opposite and give them the opportunity to answer it.

Mr RIORDAN: Okay, Chair. Mr Younis, the Chair insist that I make your life more difficult, so can you please refer to budget paper 4 from 18 months ago, and instead of having this very convenient list that I have compiled for you, you are going to have to go and compile it yourself because the Chair has just ruled me helping you as out of order. So if you could go back to budget paper 4, and in that you estimated completion dates for a whole range of projects such as the Western Highway, Stawell to South Australia; the Mount Dandenong Tourist Road upgrades; Geelong Road–Millers Road intersection; Yan Yean Road duplication; VicTrack projects; better train services; Waurn Ponds track duplication, which is a particularly important one for my part of the world—they are all listed in this budget paper 4 with your estimated completion dates—could you provide to this committee, on notice if necessary, your now revised estimated completion dates as at 30 June last year?

Mr YOUNIS: Thank you, Mr Riordan. I knew I had seen it and we had provided the information. In the questionnaire there is a list of the projects that have varied from TEI, and they are listed in the questionnaire, and there is a list of the projects that vary from the published completion date, so that is the list as we compiled in the last month for the purpose of this committee, and they are the most up-to-date figures we have, which would give the variations from the published TEIs and those that are now changed. Now, I have just had a quick look at a couple of those, and they align to some of the lists on here—you know, there is a great list—but that is the updated information which we have for you now.

Mr RIORDAN: Right. Moving on to another topic—thank you for your persistence with that, Secretary—do you think it is appropriate in the 2019–20 financial year in light of the effects that many Victorians felt that a significant number of Department of Transport staff, according to page 93 of the questionnaire, had pay rises in excess of 15 per cent?

Mr YOUNIS: I am not sure—I will talk generally about pay rises. Generally across the board with the department the pay rises were kept either at zero or under the 2 per cent mark across the department—

Mr RIORDAN: But page 93 of the questionnaire says quite a lot of them had in excess of 15 per cent.

Mr YOUNIS: There are a range of positions that were reassessed to understand if they were actually getting paid the correct amount and there was a review done during the year of that across the whole of the public sector, and anyone that was getting paid inappropriately in relation to their current pay rate, that would have been adjusted. That is quite appropriate and I think—

Mr RIORDAN: Do you think in hindsight it is a bad look considering there are thousands of Victorians going without pay really at the moment?

Mr YOUNIS: Well, I think what we do is have an obligation to make sure that when we are employing people we are paying them the right amount of money for what their task is doing, and that is set down in a number of enterprise agreements. I think it is appropriate that we continually review those where there is a disconnect and there is not a connection between their remuneration and the job they are doing. So while I think the premise of your question is sound, I think the reality is it is absolutely appropriate that we pay people the right amount for the—

Mr RIORDAN: So you are pretty confident you do not have many people left to are being underpaid 15 per cent?

Mr YOUNIS: We continually check, and it is part of our commitment to our staff and to our organisation that they are paid in accordance with the job they are doing. We annually would do a review of salary packages to make sure that people are paid correctly. And sometimes people are appointed to a new role—and I think a

number of the ones in the questionnaire were appointments to new roles—and that role may have a different function and task. So therefore we would be appropriately adjusting their remuneration to suit.

The CHAIR: Thank you, Secretary. The member's time has expired. Mr Gary Maas, MP.

Mr MAAS: Thank you, Chair, and thank you, all, for your appearance this morning. If I could take you to the questionnaire at page 10, which refers to a \$340 million package, and that package is to tackle congestion, would you be able to provide details to the committee of that initiative and outcomes achieved already?

Mr YOUNIS: Thank you, Mr Maas. Can I tell you I mentioned that in my introduction because it is a really important component of looking at our transport system as a whole, because it does not only address, we call it, congestion on our roads; it is certainly also about making sure our freight keeps moving and our public transport, our buses and our trams, are moving around the network. Mr Foa is the deputy secretary of our transport services area; he is looking after that particular area and will be able to give you a run-down of the initiatives that we put in place and what we have achieved to date. So I will hand over to Mr Foa.

Mr FOA: Thank you, Secretary. Thank you for the question. The package is designed around creating more road space. We wanted to emphasise that it was greater than just vehicles on the roads—this is about also sharing road space with pedestrians, cyclists, buses, trams and freight. Really there are three elements to it. One is uplifting the existing operations—so making sure that obstructions in the roadway can be dealt with; things like road occupations for developments; and things like illegally parked cars in clearways and making sure that we had a really strong operational response to that. So we have actually put over 100 more staff out on the road in vehicles inspecting clearways, and we have structured agreements with local government to ensure that within 20 kilometres of the CBD, roughly, those clearways will be enforced as tow-away zones. That means that there is more capacity for vehicles to travel and cyclists to travel unimpeded in bike lanes et cetera.

Importantly, this is also about a data play—sensors in the road space, bluetooth technology that is being rolled out across Melbourne that will measure the amount of people on the road at any one time and enable people in our signalling areas to make real-time decisions on traffic flow. We are training up more signallers to be in our traffic management centre and increasing our operational end resources to meet those unplanned disruptions that happen in the road space. It is great that we are employing traffic engineers and signallers—we have just taken a group of those in, and there were 20 women in that group of new entrants into the traffic signalling program—incident response officers et cetera. So more CCTV on the network, more bluetooth on the network—that really does uplift our capacity to have real-time intelligence on what is happening on the network.

The other thing then is that we pilot and trial approaches across the network around the moving of traffic in different patterns—different patterns on our traffic signal network—and try to optimise our road space and our motorways. We work very, very closely with the private road providers, such as Transurban and others, to make sure that we are integrated with them. Obviously, upgrading our technology and our traffic management centre is a big part of that, a big part of understanding the road network, putting a lot of pedestrian sensors out there and putting a lot of bridge sensors out there so we know—the network is telling us—where the stressors in the network are. So we are really confident that once all of this is rolled out over a period of time, this will create, in effect, more road space for more road users and fairer road space for pedestrians, cyclists, public transport and the freight task.

Mr YOUNIS: Mr Maas, I just might add to that, because I think it is an exciting project. I mentioned earlier in the presentation about using innovation and technology. It really sets us up to use technology to improve the flow of traffic. Because what we do, across the whole of Victoria—all of our traffic lights—we have the real-time ability to change those traffic lights, but we do not have the data and information to understand the impact of that across the entire network. In this program I think, Nick, we have rolled out nearly 350-odd—

Mr FOA: Yes.

Mr YOUNIS: CCTV cameras to date out of the 600 that will do that, as well as bluetooth detection to tell us where the traffic is moving, to tell us the impacts of changes on traffic signals across the network. We have also rolled out in that some pedestrian sensors that understand the type of pedestrians that are at intersections and will adjust the lights in real time to account for the amount and the type of pedestrians there. So it is, in my

mind, a really exciting element of the next phase of making the most of what we have got but using technology in a way that really improves the flow of traffic.

Mr MAAS: Excellent. Thank you. Yes, I did see mentioned there that there are some 700 CCTV cameras to be installed at some point. Terrific. I think you briefly mentioned the incident response services. Could you provide the details of that and the impact that is having?

Mr FOA: Yes, certainly. We already had a very strong incident response service on some of the motorways, such as the West Gate Bridge and others, and we worked with Transurban to have a very good relationship with their incident response work, and EastLink and others. But what we have been to do now is actually roll that out to three zones in Melbourne. There is a western zone, eastern zone and south-east. We are patrolling those roads much more effectively, working with our third-party vendors to ensure that the clearways are enforced and that people that have got genuine incidents on the road are assisted. There is a fleet of an extra 10 vehicles that you might see—the ones with the fairly large bumper bars that are able to push cars out of the way in congested traffic. The incident response people change tyres, they pick up debris off the road and they provide an amazing service for people with that initial breakdown in terms of moving people through the road. They do work in a very, very dangerous environment, so we have also put attenuators in place to support their needs. And the extra 10 vehicles in and around suburban Melbourne—rather than just working on the freeway network—will make a huge difference in being able to help people that have had breakdown events or flat tyres and in moving debris off the road. They perform an incredibly important task.

Mr YOUNIS: Mr Maas, I think just to add to that, there is nothing more annoying and disruptive than having a breakdown on one of our roads and that causes enormous disruption to our network, and this program is aimed at removing that. I recall the Chief Commissioner of Police said to me one day, ‘Can you please stop those vehicles? Get them off the road as quickly as you can’, because the amount of effort that police and other responders have to make in those situations as well as the disruption to the traffic is quite significant, so a really important part of our response mechanism.

Mr MAAS: Thank you. I would like to move to registration and licensing now. Short-term car registration was introduced a while back, I think back in January 2018. Would you be able to provide us an update on how the uptake of short-term registration has proceeded?

Mr YOUNIS: Thanks, Mr Maas, and once again, registration and licensing have been significantly impacted through the COVID period. There has been a lot of work that has been done during that period, and I think they took the last 12 months or so to really make some improvements. Nick Foa, being part of that area, will be able to give us a full update on the registration and licensing program.

Mr FOA: Yes, thank you. There have been over 60 000 fewer unregistered vehicles on the roads as a result of this program, and over 1.8 million registered light vehicles used short-term registration. That is 33 per cent of light vehicles. That has created an enormous opportunity for people to structure their registration, and particularly if they have got a number of cars in the family, they can stagger that. Importantly over 80 per cent of the short-term registration licensing has been done online, and that is part of the story of VicRoads’ registration and licensing offer over COVID—nearly 70 per cent of transactions have been shifted online. So this is an enormous digital transformation of this business that has really supported people to make different decisions as they adapt to COVID.

Mr MAAS: Thank you. In terms of digital services, could you advise the committee how Victorians are adapting or if they are not adapting to the digital services that VicRoads are providing?

Mr FOA: Of the 33.65 million transactions in 2019–20, which was a 900 000 increase on the previous year, 23.5 million of those transactions were online. That is a huge boon to industry as well and a call-out to our partners in the vehicle inspections sector or the car sales sector. Many of those transactions are able to happen online, whether that is an interstate licence conversion or whether it is a new registration from a new car purchaser from a car dealership. So this is a really good start. We are aiming to do much more in this space, and the government will have further announcements to make in the digital space soon.

Mr MAAS: Okay, thank you. What sort of other assistance was provided to Victorians during the COVID pandemic, and how did the department assist there?

Mr FOA: In registration and licensing, Mr Maas?

Mr MAAS: Yes, that is right.

Mr FOA: In registration and licensing we were funded in the end of the 2019–20 budget to stand up an extraordinary response to the backlog of licence testing that was experienced by Victorians. Very quickly we had a backlog of some 400 000 across all licence categories, whether that be hazard perception tests, whether that be the full drivers licence or whether that be learners.

As the driver licence testing was closed due to COVID requirements, importantly we were able to keep our customer service centres open with COVID-safe plans, with 50 per cent of the desks open. That meant very quickly our staff had to adapt to putting concierge services up and down the queues of those people that were trying to interact with R and L, and they were able to move many of those transactions online.

We also had hardship testing right throughout that period. So if there was an essential worker—be it an ambulance driver or a paramedic—that needed to get their licence, we were able to accept hardship cases, and we worked all the way through that period providing licence testing for hardship cases. There were many other exemptions on suspensions on registrations, rebooking of licence tests, priority rebooking of licence tests. If there had been a licence test cancelled because of COVID, people were able to rebook. We stood up another 11 to date, and some of those were in the period that I am talking to, which is in 2019–20. In total now there are 11 new pop-up licence testing and registration licensing centres across Victoria, and we are to date getting through that backlog as fast as we can and making huge progress. There are over 10 000 appointments being released a week.

Mr MAAS: Terrific. Thank you very much. In the time I have remaining I might move to bus services. In the questionnaire on page 15 there is a reference to funding being put towards the delivery of new bus services. Can you outline for the committee how this investment is being spent and what outcomes have been achieved to date?

Mr YOUNIS: Mr Maas, I am glad I brought Mr Foa along with us, because he is looking after the delivery of the bus network as well, and that is a reflection of our integrated transport portfolio. Buses of course are really an essential part of the services that we provide. Interestingly through the pandemic period and the COVID lockdown, the reduction in use of buses was less. What I am trying to say is people used buses more as a transport mode than they did, in percentage terms, the other modes, indicating that the cohorts that needed to were in that essential workers program, and also when schools are open they are really important element of our school network. I think Mr Foa has got some figures on that investment we have made and what improvements we have made on that bus network.

Mr FOA: Yes. Thank you, Secretary. To your point, we sent round a circular at the time where buses were actually carrying more passengers than metropolitan trains through COVID. We had never seen the bus numbers as a proportion as high in that service. Importantly, also 1454 school bus routes ran right throughout that period. There were fewer students, but it was really important for those students still to be able to get to school. There are 1753 metropolitan bus and 559 regional buses, and there are 103 regional coaches. The \$25.4 million investment in new services was really aimed at helping drive economic recovery and connecting people. Also there were a lot of bus service changes around timetables and preparation for a new timetable.

Some of the highlights were the accelerated delivery of the Mernda–Craigieburn route and a network extension in Wollert East, so that is growing areas of the northern suburbs. Route 390 between Mernda and Craigieburn via Wollert will be introduced also. Mornington Peninsula—there is increasing frequency on the Mornington Peninsula, with frequency increases on route 788 between Frankston and Portsea. We also had \$2.9 million invested in improved special school services across Victoria and \$600 000 into services for the future for South Morang college, St Helena college and other secondary colleges in that area. We are assisting the bus networks with fire protection system investments and making sure that we continue that. The 2019–20 budget also had \$10 million for a better buses fund and delivering six new enhanced bus services for regional Victoria between Romsey, Lancefield, Alexandra and Eildon.

Mr MAAS: Thanks very much. Can you just tell me what sort of impact that additional capacity has had on the performance of the network?

Mr FOA: Yes. Up until COVID, buses overall had plateaued or had a slight decrease, except certain routes. The DART route in Doncaster in particular had enormous growth, and that will only be enhanced into the future. We are expecting that buses will play a greater role into the future as we return to post-COVID normal and people make different choices about their journey and how they wish to travel. My colleague Ms Bourke-O'Neil's team in policy innovation has been working very hard on on-demand bus trials in a number of locations, so we are expecting to see different service offers for buses into the future.

Mr MAAS: Terrific. Thanks very much.

The CHAIR: Thank you, Mr Maas. Mr Sam Hibbins, MP.

Mr HIBBINS: Great. Thank you, Chair, and thank you, Secretary and your team, for appearing this morning. I want to follow up a question that was actually a bit handballed from the Treasury department to you guys, and it was about tracking revenues from the West Gate Tunnel arrangement. They indicated that the Department of Transport received aggregated figures for CityLink revenue. What I am really wanting to find out is: do you track the amount of revenue raised from the CityLink concession changes as part of the West Gate Tunnel deal, specifically the change from tolls increasing from CPI to the fixed 4.5 per cent?

Mr YOUNIS: Mr Hibbins, I wish I had been given the heads-up that they had handballed the question. We track the income from CityLink services and so, yes, we know. I think generally over the COVID period it has dropped probably about 5 per cent or 6 per cent on normal—I think they are the figures. That is not exactly right, but it is of that order.

Mr HIBBINS: That is all right.

Mr YOUNIS: But, yes, we do track the figures from the toll roads—yes.

Mr HIBBINS: Then specifically, do you track the difference between what was the original CPI increase and then the 4.5 per cent?

Mr YOUNIS: Look, that is something I would have to take on notice, Mr Hibbins. I am not sure of the detail of the level of the breakdown of that, so I would have to take that on notice.

Mr HIBBINS: All right. Thank you. Just in terms of the West Gate Tunnel, has the entirety of the government's funding commitment towards the West Gate Tunnel that was originally budgeted for been acquitted?

Mr YOUNIS: I think there is still some being held in contingency. I am pretty sure there is still an amount of that held in contingency, but once again I would have to take that on notice.

Mr HIBBINS: Okay. Thank you. I am just interested as well: as part of both the West Gate Tunnel and the North East Link projects there was some additional funding that was then made available, I think, to councils and sporting groups for upgrading facilities and the like—how are they accounted for in the budget?

Mr YOUNIS: There is a range of different projects, and I think Duncan Elliott from North East Link is here, who can talk in detail about exactly how that is acquitted. But there is a range of projects that are ancillary projects that came out of EES processes or consultation processes and there was funding allocated to that which formed different projects in different names. I think it would be—

Mr HANNETT: Within the budget, though. So the West Gate Tunnel works that the councils are doing across the project are within the \$6.7 billion budget.

Mr HIBBINS: Is that added to the overall cost of the project or is that a separate line item?

Mr HANNETT: It is within the budget.

Mr HIBBINS: Now, specifically in regard to the North East Link and the arrangement there that was made with councils around the time that they withdrew their Supreme Court case, was there a specific agreement as part of that funding made available to them that they would withdraw the Supreme Court case?

Mr YOUNIS: Look, I will call on Mr Elliott, who is in charge of the North East Link Project, who will be able to give some more detail around that.

Mr ELLIOTT: Thank you. Duncan Elliott, CEO of the North East Link Project. The Supreme Court challenge by the four councils was subject to an initial hearing at which time the judge called on the parties to consider a mediation. The councils agreed to pursue a mediation for the project, which involved a number of different elements around consultation and around some other initiatives that have been sort of flagged during consultation on the project more broadly. The councils after some time in debate with their own lawyers and the state's lawyers agreed to a mediation settlement. That mediation settlement was provided to the court, and that is a formal legal document, yes.

Mr HIBBINS: All right. Thank you. Appreciate that. I will move on now. Within the 2019–20 'State Capital Program', under the line item 'New bike lanes on St Kilda Road', it had for the 2019–20 estimated expenditure \$7 292 000. Was that figure acquitted, or is that a different figure that was expended in 2019–20?

Mr YOUNIS: The St Kilda Road bike lanes expenditure was around preparatory and development work that we did for St Kilda Road in preparation. There is quite a bit of interaction with the Anzac station and understanding how the bike lanes can work through particularly that area and also post construction what that looks like. So that work was for the development work and a lot of the consultation was around parking elements.

Mr HIBBINS: Yes. Did that come to a total of \$7 292 000?

Mr YOUNIS: If that is the total acquitted. I am not sure if we spent all of that. Ms Bourke-O'Neil, have you got the latest on that? You have not?

Ms BOURKE-O'NEIL: No, I think we will take that on notice.

Mr YOUNIS: Yes, we will have to take that on notice.

Mr HIBBINS: Great, thank you. Is the completion date, which is listed here in the 2019–20 budget as quarter four of 2022–23, still the same?

Mr YOUNIS: No. The completion date for the St Kilda Road bike lanes will push out to the completion of the Metro Tunnel. As I said, the works around the St Kilda Road bike lanes are very much dependent on how it works through the Anzac station, so we will not complete the St Kilda Road bike lanes until after the completion of the Metro Tunnel, which is scheduled for 2025.

Mr HIBBINS: Okay, thank you. Just further on bike lanes as well, in your presentation you listed the 100 kilometres of new cycling routes as part of preparing for COVID. Can we have some detail in terms of, first of all, at this stage how much of that 100 kilometres has been actually implemented, what the estimated time line for the completion of the 100 kilometres is, and does it actually include 100 kilometres of new infrastructure?

Mr YOUNIS: Yes, so once again this was another important part of putting in different elements of transport options for people post COVID as well as continuing our rollout of our active transport program, and Mr Foa might have an update on the program to date and how it is running.

Mr FOA: Thank you for your question, Mr Hibbins. To date we have delivered the Heidelberg Road pop-up bike lane, which is proving to be quite popular and successful. We are in consultations with Darebin, Yarra and Maribyrnong for the next 40 kilometres, which will be installed in the coming months, and we are just doing consultation with them and their communities at the moment. They are pop-up bike lanes, so they will be evaluated and monitored as they are working through. We do do initial consultation with businesses and communities affected where there are changes to parking et cetera, so there is a fair bit of work going on on that right at the moment.

Mr HIBBINS: Okay, thank you. And just to confirm, it is 100 kilometres of actual new infrastructure?

Mr FOA: It is repurposing existing road space, so if you go to Heidelberg Road it is line marking, bollards, signage, variable messaging boards and left-hand turn treatments to ensure that people are not coming across

cycle lanes, and we are hopefully minimising the amount of hard infrastructure that we have got to do so that we can make these pop up quickly. Really within 10 kilometres of the CBD if we can change people's travel patterns within that sort of frame of reference then we can take demand off the roads and off public transport, giving people more room to socially distance and take advantage of also losing a few COVID kilos, being that close to town.

Mr HIBBINS: Yes, we are all trying.

Just in terms now of some specific individual projects, as part of I think the building works package as part of COVID there was \$1 million for the South Kensington station upgrade. That goes some way to fixing the station, but as part of that was any planning undertaken for any further works at South Kensington station?

Mr YOUNIS: I might have to take that on notice. I know that we did a lot of work around South Kensington station and knowing what the options are. Mr Tattersall, who does a lot of work around that with Metro Tunnel, might have an update.

Mr TATTERSALL: I can respond to that by saying that what we did with Metro Tunnel work was to make sure that whatever we did did not preclude the future development of the station itself. We are not actually upgrading the station beyond the nominal amount you mentioned, but we certainly have not precluded that by what we have done. We have left space for it to be upgraded in the future.

Mr HIBBINS: Okay, thank you. And then in regard to South Yarra station, at the same time as there was an upgrade occurring there was also a master plan completed I think in the 2019–20 financial year. What is the status of that master plan?

Mr YOUNIS: The master plan included some work around the entrance to the station. It also included upgrades to the tram stop. It included, recalling that master plan now, some development work, so we have begun the implementation of that master plan in particular around the lease and ownership of the entrance to the station. I am not sure of the status exactly of the tram stop upgrade outside. So the master plan is being developed as funding and as the program are available.

Mr HIBBINS: So does the master plan include planning for works that are beyond the existing stage of upgrades to South Yarra station?

Mr YOUNIS: Yes, so there is a range of works. I am trying to recollect the works, but there are particularly some private development opportunities there that are not part of the current program of works—that go beyond the existing funded works but are part of our forward plan.

Mr FOA: But there is an agreed design now on the tram stop with the Metro Tunnel team and DOT, so that work is progressing.

Mr HIBBINS: Okay. Thank you. There was extra funding provided to public transport operators for cleaning—am I correct—during the 2019–20 period. Does the department actually track the overall existing cleaning budget for our public transport operators?

Mr YOUNIS: Yes. Within the franchises, they have a requirement—you are talking pre COVID?

Mr HIBBINS: Yes.

Mr YOUNIS: Within the existing franchises there is a cleaning regime that is agreed to and is a part of the services that are provided in the range of services that are required to be provided under those franchise arrangements. So we have an operations team that monitor all elements of the contractual arrangements—cleaning is one of those elements—to ensure what cleaning requirements set down in the contract are done. And we do an audit of that. We have regularly done an audit of the cleaning as a part of our normal contract management process. At the start of COVID, of course, the cleaning requirement went well beyond what was actually originally provided for in the franchise agreements, and that was monitored separately. So we set up an entire separate monitoring process to manage that.

Mr HIBBINS: So it is a case of setting the standards through the contracts. You do not nominate a dollar figure or track, for example, staffing numbers or staffing rates?

Mr YOUNIS: There is an amount allocated for that. It is around—look, I would have to check the figures. Mr Foa, have you got an update on those?

Mr FOA: I have not got the actual number within the MR4 contract, but I can say it is absolutely monitored if it is part of the overall performance regime. The performance regime is not just on-time delivery and reliability of service but it is also part of a customer feedback and experience measurement that we make, and so we do regularly check. Prior to COVID we were regularly checking cleaning practices.

Mr HIBBINS: Perhaps if you could take on notice any information that you could provide the committee in terms of the overall funding or it being spent—

Mr YOUNIS: Breakdown of costs. I am not sure if we have got the breakdown of that cost because it is part of a franchise payment and we would have to check if we have got a breakdown of that cost with the franchise.

Mr HIBBINS: Yes, okay. Thank you. I presume you do not actually have any sort of oversight in terms of how many cleaners are actually employed, what their conditions are or whether they are casual or whether permanent workers?

Mr YOUNIS: They are employed. That is a part of the franchise operations requirements. What we measure are the outputs and ensuring that the outputs are what we expected. They manage the inputs, which are the number of staff and the employment status of those staff.

Mr FOA: But we do insist on appropriate industrial agreements and industrial arrangements.

Mr HIBBINS: Okay. Thank you. And the extra funding provided for cleaning for COVID, is that due to expire or is that an ongoing—is there an expiration date on that funding?

Mr YOUNIS: Right now it is ongoing. We are planning to continue it until such time as—well, it is ongoing at this stage, so we are planning it for the rest of the financial year, and that will be part of a consideration through the budget. There is no indication that we will be ceasing that in the short—

Mr HIBBINS: Even just superficially it is good to see some nice clean public transport out there. It might attract people back to the network. Just finally—

Mr YOUNIS: Can I just say that is a really important part of it. We really need to have people using our public transport network if we want the community to continue to move, and the presentation of the network—and our feedback has been exactly what you have just said, that people are really appreciating the cleanliness of the network and the presentation of our trains, trams and buses.

Mr HIBBINS: I just want to ask now, part of the questionnaire listed the rather large number of business cases that you have or have prepared, but there seems to be a real inconsistency between whether business cases are actually made publicly available or not. What are the actual criteria for the release of business cases? Why are some business cases—like, for example, the North East Link, that is publicly available but the Mordialloc freeway is not publicly available?

Mr YOUNIS: Mr Hibbins, that is a decision of government. We provide the advice to government, we submit the business cases and the amount of the business cases and the complexity of the business cases—that is a decision of government.

Mr HIBBINS: Okay. So there are no set criteria for the release of those business cases? Okay. All right. Thank you. Thanks, Chair.

Mr HANNETT: Chair, can I just ask something of Sam?

The CHAIR: Yes.

Mr HANNETT: Sam, just double-checking that the reference to those auxiliary works of the councils and West Gate is in fact part of the budget, not a separate thing? Okay. I can take that on notice and come back to you.

Mr HIBBINS: Okay. Thank you.

The CHAIR: Thank you, Mr Hannett. Mr Danny O'Brien, MP.

Mr D O'BRIEN: Thank you, Chair. Good morning, all. Mr Younis, I am very pleased that Mr Hibbins was just talking about cleaning of public transport. I have a question that is a little bit related. As you are aware, Operation Esperance by IBAC exposed some fairly shoddy deals with respect to the former CEO of V/Line—and all of this has been publicly aired—where I believe they were sprinkling, I think the term was used, between \$10 000 and \$15 000 amongst each other as part of the cleaning contracts. But my question actually goes to the 2019–20 performance versus the Victorian Government Purchasing Board guidelines, where 20 per cent of purchasing by the transport department has not complied with the VGPB guidelines. Is that related at all to the issues that Operation Esperance outlined, and if not, what is the reason for that non-compliance and what is being done about it?

Mr YOUNIS: I had better be clear exactly what you are referring to. So you are referring to the questionnaire that would have non-compliance with procurement practices, is that—

Mr D O'BRIEN: Yes. In the questionnaire you have told us there is about \$9.47 billion of non-infrastructure-related goods and services procured by the department. The VGPB annual report, page 16, has a table of compliance with policies on purchasing for 2019–20. And as I said, Transport only complied 80 per cent overall, which is by far the lowest of any of the departments.

Mr YOUNIS: Mr O'Brien, we do a comprehensive audit of all of our purchasing programs on a consistent basis. We target certain areas of compliance, and we check every element of it. The non-compliances can range—and I am trying to recall—from an order not matching an invoice; that can be a non-compliance. A non-compliance can be that an order is a different outcome to an invoice that is sent or a cheque for the goods and services. So there are a whole range of different elements that make up a non-compliance. We have a really extensive audit program of those, and that would reflect the non-compliance issues.

One of the challenges we have had in the past, in the 2019–20 year, is that in bringing in three departments that have had three systems of procurement monitoring and management we have had to put more staff into those to manage those, and we are bringing those procurement practices and the procurement monitoring processes together so that we can look at trends and we can look at issues. Our audit committee—a really important part of the way that we run the department—oversees our procurement. They monitor that. There are independent people on that audit committee. But those non-compliances would be a range of issues.

Mr D O'BRIEN: So on that basis—I mean the next worst department was DJPR, who we asked about this yesterday, at 90 per cent compliance—can we get an assurance then from you that in future years you will be back up at least in the 90s or closer to 100 per cent compliance?

Mr YOUNIS: Mr O'Brien, I think it is really important. You mentioned the IBAC hearing, and the integrity of our procurement issues are really important. That is why we put such an emphasis on the audit process and target those non-compliances. And we, as an executive team, as a group do not want any figures that show that sort of level of non-compliance.

Mr D O'BRIEN: Okay. Thank you. Can I move on to the Suburban Rail Loop, which is referenced on both page 28 and page 61 of the questionnaire response. On Monday we heard from DTF about the finance strategy that they are preparing, and what was referenced is that DOT is undertaking the investment case. Who is undertaking that for DOT? Is it internal, or is it being done by external subcontractors?

Mr YOUNIS: The Suburban Rail Loop Authority has been established within the department. It is an administrative office within the department. They have set up a team of people to oversee and manage the development work as well as the implementation program for the Suburban Rail Loop—not dissimilar to what MTIA are within the department, where they would manage that. The investment case is being managed by them. They will use a range of different resources to inform the investment case. Of course a lot of that is part of the \$300 million funding that was provided for those early works, which are a lot of geotechnical works and a lot of consultant works and construction works on the ground to investigate the ground conditions. A range of it will be provided by consultants who have expertise in particular areas of the work that is being done. But they

have developed a team within SRLA now that manages that, and they will be doing some in house as well, so it is a combination of all of those.

Mr D O'BRIEN: So can you tell me: what is the actual cost of the investment case, the business case?

Mr YOUNIS: Look, I have not got a breakdown of the cost of the business case alone. There is \$300 million that has been allocated to provide all of that work, which would include all of that on-site work which would inform the business case, so that is the allocation that has been made.

Mr D O'BRIEN: So a good chunk of the \$300 million will go to the business case? Can we perhaps get a list of the private consultants that have been involved in the business case, on notice?

Mr YOUNIS: I think the consultancies are published. They are part of our normal annual publishing, so that would be available.

Mr D O'BRIEN: So is that in your 2019–20 annual report?

Mr YOUNIS: It should be in our 2019–20 annual report, yes.

Mr D O'BRIEN: Okay, thank you. We again asked the Department of Treasury and Finance about the deadline for the finance strategy to be finalised, and they told us again it is with the Department of Transport. What is the time line for the business case to be finalised?

Mr YOUNIS: The investment case that we are doing covers the entire loop. I have not got the current time lines in front of me for the—

Unless I have got it here somewhere.

Mr D O'BRIEN: If it assists, according to the questionnaire it is 2021. But that is 365 days worth. I am just trying to get a closer figure on when the public might know when this investment case will be done.

Mr YOUNIS: I will have to get back to you. We will have an expected completion date, which will be, as you said, probably 2021. I am just checking to see if we have got anything more up to date than that. I have not got anything more up to date, but what I do know is that with the Suburban Rail Loop the plan is to start the construction and on-site works in 2022, so next year. We need to have that investment case completed so that it will inform that stage 1 of planned works.

Mr D O'BRIEN: If you are able to come back to us on notice with a more detailed time line—if that is possible, Mr Younis—that would be welcome, thank you. I am just for the record noting that you have nodded and said yes.

Mr YOUNIS: Sorry, yes. Sorry, Mr O'Brien.

Mr D O'BRIEN: Thank you. And, sorry, did you just say also that the business case is looking at the entire project?

Mr YOUNIS: Yes, the investment case for this—

Mr D O'BRIEN: Sorry, what is the difference between a business case and an investment case?

Mr YOUNIS: Well, the investment case will cover the whole lot; the business case will concentrate much more on the stages. There are three essential stages to the Suburban Rail Loop. There is stage 1, which is Cheltenham to Box Hill, Box Hill through to the airport and then the western connections. So the investment case will look at the entire program. The business case will concentrate more on the stage 1—

Mr D O'BRIEN: So is it more where things go and how it will be done, whereas the investment case is the finance, the whole package?

Mr YOUNIS: And the broader strategy around that, yes.

Mr D O'BRIEN: So just to clarify then, because Secretary Martine told us on Monday that the finance strategy was only being prepared for the first stage: does that mean you will have incomplete information for the full investment case for the whole project?

Mr YOUNIS: No, there will be enough information to make investment decisions for the Suburban Rail Loop to allow construction to begin early next year, in 2022.

Mr D O'BRIEN: Okay. What is the working assumption of the total cost of the project?

Mr YOUNIS: Look, that figure is being developed. That is what we are working through now. That number will be informed by the work that is being done now.

Mr D O'BRIEN: Okay. So we will have that figure this year, before construction starts?

Mr YOUNIS: That is part of the development work we will be doing, and that will inform the works that we plan to start next year.

Mr D O'BRIEN: This is obviously very important. It is the biggest project the state has ever undertaken. Will we have a total cost for the project before it starts, or is it going to be, 'We think the first stage will be this much, and then trust us on the rest'?

Mr YOUNIS: Mr O'Brien, this is, as you said, a long-term complex project that is not going to be completed in the next five to 10 years. It is going for decades. It will need to have the flexibility through that entire program. So it will be very difficult, and if I turned to someone like Corey and said, 'Can you cost this entire project for the next 30 years?', he would have a range of costs because of the uncertainties going out 10, 20, 30 years, but that does not mean you do not make investments now based on the information that you have and the best information. This is going to be a long-term investment by governments over decades.

Mr D O'BRIEN: Yes. It is interesting—I think the secretary of Treasury the other day hypothesised around 25 years. You have just mentioned 30. Is that what we are talking about, do you think?

Mr YOUNIS: That will depend on the funding profiles and the investment. This sort of project, it would take that sort of time to build it. It is a significant project. I do not think it would be fair to set a time frame or a budget on that at this stage. It is far too early.

Mr D O'BRIEN: But as you said, it is decades. It is not something that is going to be done in 10 or 15 years?

Mr YOUNIS: No. That is correct.

Mr D O'BRIEN: As part of the business case, then, will there be a cost-benefit analysis to know whether we are actually getting value for money for this project?

Mr YOUNIS: That would be a normal process in a business case development.

Mr D O'BRIEN: So, yes?

Mr YOUNIS: That would be a normal process. I am not developing the business case at this stage or the stage it is at, but that would be a normal outcome of a business case.

Mr D O'BRIEN: I guess what I am looking to see through here, Secretary—and again, the biggest project in the state's history, not initially on the list of projects recommended by Infrastructure Victoria—is if it is going to be \$150 billion over 30 years, shouldn't Victorians know whether it actually stacks up and is actually good value for money, as we do with almost every other case?

Mr YOUNIS: What we will be doing—I think the role of Transport in this and the role of the Suburban Rail Loop Authority is to develop all the information for government to make those decisions. That will include anticipated time frames you could build the project in, the options in relation to funding, the expected amounts of funding that would be required to build the project, as well as all of the other elements of value capture

opportunities that are there. So our role is to provide that information to government. That is what we will be doing over the next 12 months to inform the investment profile for government to make decisions.

Mr D O'BRIEN: You just talked about investment and funding decisions, and again Treasury indicated there was a number on the table, including value capture. Is there a decision made on what the impact zone would be for a value capture tax effectively on areas around the suburban loop?

Mr YOUNIS: That information would be all the information we would develop and provide options for the government to consider. Most of that value capture process is part of the work that Treasury are doing.

Mr D O'BRIEN: Can you rule out, for example, then, that there will be a \$5000 value capture levy on properties within a zone for the next 30 years?

Mr YOUNIS: That is not a part of Transport's remit to look at that. That is a Treasury consideration and part of their thing, so I cannot comment on that.

Mr D O'BRIEN: I am pretty sure the Department of Treasury and Finance told us it is really your call. Anyway we will be interested to see how that plays out.

Can I move on to some other issues. You referenced in your presentation at the start about the reconstruction of roads in bushfire-affected areas, and I wanted to ask a specific question about Princes Highway east. As you would be aware—I think I am right in saying—from Orbost to Genoa was basically closed for 4½ weeks or at least part of it. So the entire Highway 1 was closed because of the bushfire damage, and there was a period there where there was a firebreak being constructed. There was vegetation being removed—I think it was 30 metres either side—so that the trees would not fall over the road. That stopped. Why was that stopped?

Mr YOUNIS: I would have to go back into the exact details of that work. Post January we have gone through all of our program of tree clearance on roadsides and what is appropriate, particularly on those really important strategic routes, and are working with the department of planning to understand what is required in relation to an ongoing tree removal program or vegetation management program. In relation to that, as you would know, Mr O'Brien, there is a real challenge balancing the requirements of vegetation management on roads and the use of the roads. That is always a challenging space for us. We have gone through an extensive program of understanding what level of clearance is required to manage the risks and the risk profiles with particularly our really important strategic routes like that, because to have that road closed for such a long period of time really caused some significant issues for that community.

Mr D O'BRIEN: It certainly did. While I understand the vegetation issues—and there is probably an intersect with DELWP here, I imagine—would you agree that it would be completely unacceptable for the Monash Freeway, for example, or the Eastern Freeway or the West Gate Freeway to be closed for 4½ weeks? And can you give us an assurance that that will not happen again on a major highway like the Princes Highway?

Mr YOUNIS: Mr O'Brien, I cannot give assurances like that because this is a really dynamic environment. There are a range of issues that can cause disruption to our transport network in an incredibly dynamic environment. What we do is make sure that we are balancing the risks and all the other factors that are important to minimise the disruptions caused. I absolutely acknowledge that having the Princes Highway East closed for that period of time caused unacceptable concern and heartache to that community.

Mr D O'BRIEN: Okay. Will there be a clearing process reinitiated, because it was done for a number of kilometres—I think in the hundreds of kilometres—but then it stopped? Does the department have any intention to go back to clear a proper firebreak on the Princes Highway?

Mr YOUNIS: So, as I said, what we have done is gone back to understand exactly what we need in relation to tree clearance for the Princes Highway East. I am not exactly sure right now as to the status of the clearing program for that road. I know that there was a significant amount of works done, which was around that fuel management. That is an annual process we work through, so we continually do that. The status of the work that was done in probably February, March, then I will have to come back on where that is going.

Mr D O'BRIEN: Could I ask you to take that on notice and come back to us? That would be great. Thank you. Just more broadly speaking, can you detail for the committee how much was spent on the maintenance of the state's regional road network in 2019–20?

Mr YOUNIS: Yes. That was a figure—Mr Foa might have the exact figures—of close to \$430-odd million, \$435 million—

Mr FOA: 425.

Mr YOUNIS: \$425 million, was it?

Mr D O'BRIEN: Mr Foa, are you able to divide that up on what was routine, periodic and rehabilitation maintenance types? Do you have it to that level of detail?

Mr FOA: I do not have that breakdown in front of me right at the moment, Mr O'Brien.

Mr D O'BRIEN: Could I perhaps ask you to take that on notice?

Mr FOA: We do account for the programs on a routine maintenance versus upgrades, yes.

Mr D O'BRIEN: If you could provide that on notice, that would be appreciated.

Mr FOA: Yes.

Mr D O'BRIEN: Thank you.

The CHAIR: Thank you, Mr O'Brien. Ms Pauline Richards, MP.

Ms RICHARDS: Thank you, Secretary and officials, for your time here this morning. I would like to explore a little bit around frequency and reliability across the system. In a moment of parochialism, I am conscious that there have been additional services on a lot of lines, including Cranbourne. The 2019–20 budget allocated a significant amount of funding over four years for train and bus services—in BP3 on pages 100 and 104. I am interested in perhaps a threefold response. I am interested in how much was invested, how that investment has been spent and what outcomes it has achieved.

Mr YOUNIS: Thank you, Ms Richards. Just to clarify, so this is on our train services?

Ms RICHARDS: Train and bus, but, yes, train at the moment would be terrific.

Mr YOUNIS: I would have to go to that, but Mr Foa, do you have the numbers? It is a fairly broad question to run through. But I think you have correctly highlighted that what we have done is invested a significant amount in particularly our train and tram network over the 2019–20 financial year to prepare for upgrades and renewals into the network. So there is an operating part of the network which we invested in, and that is an increase in trains and trams on our network. We implemented that program in December last year or November; I cannot remember the exact date that we began that new program of works. On top of that we have got a massive investment in our rehabilitation and renewal program. A lot of that is in level crossing removals, and I might go to Mr Devlin to give us an update on really that investment in the level crossing program, which is a massive part of that, of the work that was done.

Ms RICHARDS: I could hear about level crossing removals until the cows come home. I think that is terrific. I am very interested in that element as well and the difference that makes to reliability.

Mr DEVLIN: Yes, and look, we have, to the end of 30 June 2020 for the budget period, removed 35 level crossings, and we were seeing significant benefit to the local communities in terms of road disruption. Some examples we were seeing included the halving of some of the maximum trip times in some of those areas, particularly on the Pakenham line with such high volumes of trains. So we are really seeing the benefits for the road network, not to mention the safety benefits we saw. And it is not always that the stats reveal the full benefits for some of the risk-taking behaviour of pedestrians, cars and cyclists across the level crossings, so there was a significant improvement in safety across all those sites removed. Together with that there are the active transport measures that we have been able to implement at that point. I think we also built an additional

35 kilometres of shared paths for walking and cycling, so again the investment in not just removing the level crossings but improving facilities for local communities and increasing that active transport effort along activated, safe and enjoyable spaces along the rail corridors that were previously locked up and unusable. So again those broader secondary benefits, but quite significant benefits, are flowing from the investment that has been undertaken and contributed to the transport network.

That has also obviously freed up and enabled more trains to run and helped facilitate the new timetable, with 450 additional services running. We would not have been able to do that with the amount of boom gate downtime that would have created for corridors, say like Cranbourne-Pakenham. So we really think once we have finished the projects we will get huge community sentiment, particularly around the new station precincts—that pride of place and urban renewal and also the new stations. I think that to date there are 23 new train stations, and again, that is really driving economic investment into those shopping strips, which often the stations are obviously centred in. So a collection of very good benefits for the investment to date, and that is continuing at pace.

Ms RICHARDS: Great. Thanks, Mr Devlin.

Mr YOUNIS: Ms Richards, I apologise; I think I misunderstood your question. I apologise for that.

Ms RICHARDS: That is fine.

Mr YOUNIS: It was more about the performance outcomes, and Mr Foa will be able to cover that. But a really important part of our investment—I think it goes to the entire program on transport—is that our level crossing removals will add to the performance because some of the disruptions and some of the impacts that we have on our network are caused by those conflict points within the network. The more we remove of the conflict points, the more reliable our network becomes, so it is not just the investment we make in those performance outcomes, which I know have varied across the network, it is the infrastructure improvements that are so crucial to that long term. You do not see improvements overnight in that, that takes time. But Mr Foa, I think, can cover a lot of the issues that you have raised in your question.

Ms RICHARDS: Thank you.

Mr FOA: Thank you, Ms Richards; it took me a moment. 98.5 per cent was the service delivery performance against the target of 99. That 0.5 was really affected by the last few months of the year with the introduction of COVID, and we then did see of course the public transport with lower numbers of patronage actually increase performance beyond that, as you would expect. That has been really helpful in understanding what are the drivers of performance on the network net of passengers, so there has been an enormous amount of learnings during that period. But we do get an annual performance plan from Metro Trains every year, and we then try and build on gains and initiatives on each of those performance plans. So in the year in question we concentrated on proactive management of dwell times; more staff on the stations to try and reduce dwell times for passengers; more information displays; more Myki readers—the smart readers, the Vix readers—that enable greater functionality; and importantly, improved training and collaboration with Victoria Police around the management of unwell passengers or trespassers on the network, which are, again, a major driver of those performance issues. We obviously do work very closely with MTIA across all portfolios in terms of disruptions and planned disruptions, and we have a very, very good team of people that works for my area as well as Evan's or Kevin's area in regard to managing those planned disruptions, but that does have an impact on Metro's reliability.

Similarly for trams: again, upgrades to passenger information displays; more concierge-type arrangements at busy tram stops; and working with councils to introduce tram separators to ensure that U-turning vehicles are less of a problem, which is a massive problem for trams. Trams cannot swerve, and there will be a program coming out—marketing coming up—about that. Tram performance achieved was 98 per cent—just below its target of 99.2 for the year.

Ms RICHARDS: Thank you, Mr Foa and Mr Devlin, for those insights. I am interested in understanding the impact of some of that expenditure on services in peak periods.

Mr FOA: We have been doing a lot of work with off-peak fares in discounts in the current time, but peak periods are where we try to target works away from, so we will do lots of overnight shuts, for instance, on the

transport network to try and avoid peak periods. There has been a great deal of work ongoing—planned in 2019–20 but for implementation now.

Ms BOURKE-O'NEIL: Thanks, Mr Foa. I will just add, Ms Richards, that the performance at peak is always really critical and a lot of people still travel at the height of the peak. I think something we have learned through the COVID experience as well is how important it is to offer more services in shoulder peak periods and encourage travel outside of that 8.00 am to 9.00 am and 5.00 pm to 6.00 pm period when stations are crowded, when platforms are busy and carriages are busy as well. So this would always be a good long-term objective for the performance of any rail system, any transport system. Obviously for us we have had the additional driver of wanting to give people more space and give them options on their timetable that support—well, more working from home will obviously be a variable—flexible work. So if employers can also encourage that, then people can take opportunities to travel at times outside of the busiest part on the timetable. Part of our work through, I think, from May to July was to round out the shoulder peak periods with those 95 extra services and our new timetable build has added even more, so we are elongating the peak period to 3 hours-plus at the start of the day and the end of the day, and we currently have an off-peak discount in place as well to encourage passengers.

Ms RICHARDS: You are elongating the peak period. I am going to try and use that somewhere, somehow. I am not sure when.

Ms BOURKE-O'NEIL: Yes, you are welcome to have it.

Ms RICHARDS: I am interested in understanding how regional Victorian areas have benefited from the additional investment as well—whoever is inclined.

Mr FOA: Thank you, Ms Richards. Certainly the Ballarat line upgrade, which Mr Tattersall may want to talk to later, is a really important contributor to allowing us to have recently implemented a new greenfield timetables change, which has provided an increase of another 125 services a week for the Ballarat community. We are also spending a lot of money on upgrading sleepers and ballasts and doing the Regional Rail Revival program again, which Rail Projects Victoria can talk to. But for regional customers V/Line is starting to serve a peri-urban community in a much greater way, so the boardings on V/Line and the uptake on V/Line—I got this stat a moment ago—was some 30 per cent increase over about a five-year period. So we are seeing it play a much greater role as a commuter service and as its reliability increases. As we get the changes in rolling stock, we are able to then do more work, such as the extra service to Warrnambool that has been announced. Again, that is part of the benefits of the Regional Rail Revival program. Perhaps Mr Tattersall may want to comment on that, but yes, we are seeing a great deal of benefits to regional customers.

Ms RICHARDS: Terrific. Do you want to expand?

Mr TATTERSALL: Sure. I think everyone is reasonably familiar with the Regional Rail Revival project. We have got now about \$4 billion worth of funding committed to upgrading every regional line in Victoria. It is consistent with the regional network development plan the Department of Transport deliver, which is in essence where the endgame is to get 20-minute peak services—so a train every 20 minutes in the peak—and a train every 40 minutes in the off peak and then five services to the outer regional areas, like Warrnambool and Bairnsdale and so forth. We have just completed the Ballarat project and introduced another 125 services a week on that line. That has been a really good investment for that region because it also helps with the services, the shorter starters, that come from areas like Melton, which is growing, as we all know, in population and demand. We have awarded a contract—we are about to finalise it, but we are underway—on the Gippsland line. We have got a contract in place on the Warrnambool line and construction is underway. We have awarded a contract on the Shepparton line and we have awarded contracts at Bendigo for works to start on some of the station upgrades in that area. So there is a lot of work going on across all areas of the state.

Ms RICHARDS: Yes. There is a lot. Now, this question goes broadly across the network. The context of this question is an interest in how customer information and support has been put in place to just make sure that customers can seamlessly adjust to the changes that have been brought in.

Mr YOUNIS: I think, Ms Richards, as I said, the customer experience is a really important part across our whole network and every part of our department is concentrating on improving that, and so I think we will probably—

Mr FOA: Perhaps if I start. Through COVID there have been about four releases on the PTV app, which is getting about 900 000 users a month. The PT website, which has also been upgraded, is getting 1.4 million users per month, and there is journey planning across all those modes. I will get Ms Bourke-O'Neil to talk about the work we are doing in the private sector in a moment. We also have the PT hubs and the integration now of the Myki card into the PTV app, so the journey planning is much more seamless. The passenger information displays, the PIDs, on station platforms and tram platforms are much more seamless. We have a working group with the DOT team as well as our operators that meet weekly on how we improve our service to customers. We get a daily report on the voice of the customer, what we are hearing from the network, and we are making sure that we are driving investments into our PTV app channels to make sure that we hear them. We also have upgraded the phone survey. Up until 2019–20 it was a landline telephone survey, middle of the day. That was not really giving us accurate data about the users. So we are crowdsourcing a lot of our information now and have got some very exciting work going on with the private sector.

Ms BOURKE-O'NEIL: Just to add to Mr Foa's comments, we are using all the channels that we have available to us, and customer information is also real and live when you enter a station or you arrive at a service. But something we prioritised this year was to really stretch our thinking on how can we assist people to feel confident in their return to public transport. To that end we wanted to ask the private sector to partner with us. We ran an innovation process, had many, many interesting proposals—39 of them formally submitted to the department—and we worked with five different companies on this core problem of how do you increase confidence in using public transport in a COVID and post-COVID environment. The proposals we got back really homed in on the importance of accurate, real-time information. This is so essential right now so that people feel like they can make the journey time that is going to work for them, they know when their service is going to arrive and, importantly, 'How busy will my service be?'. So we are really wanting to promote the idea of choosing the services where you can give yourself space, in combination with all the other things we have done on the network.

What this resulted in was a fairly recent announcement when we announced our new timetable—a crowding solution that is called RideSpace that is available through a link on the PTV app. It is available on multiple government websites, our own as well. It is a web app that will link you through to real-time information for metro trains, so just on trains at the moment, around how busy your service is—indicators to show you how crowded it is, including at your station. People can simply hold up their phones to QR codes in some stations to link straight through. This is quite new still, in its first month of delivery, so we are tracking usage pretty carefully. But the really core thing that it has done is help us plug some data gaps and deliver real-time information, and that is what, I think we know, in a COVID environment people need the most.

Ms RICHARDS: That is fascinating, thank you. I am just going to perhaps move into another area of interest, and that is responding to the questionnaire, at page 111 you have reported that \$4 million of funding has gone into the mode shift incentive scheme. That is another one that rolls off the tongue. Can you outline how the funding of the scheme has increased the efficiency and cost-effectiveness of freight movements and reduced road congestion in and around the port precincts?

Mr YOUNIS: Thanks, Ms Richards. The mode shift incentive scheme is another important part of that whole freight story, which has a number of elements. Ms Bourke-O'Neil actually looks after that scheme for us, and she will be able to update you on that.

Ms BOURKE-O'NEIL: Yes. Thanks, Secretary. This program, the mode shift incentive scheme, has been a really important response to retaining regional rail freight movement. It is a program that has been in place since 2012, and it supports the transport of around 42 500 export containers a year. It funds four regional container terminals or subsidises their costs so that freight movement can move straight from regional locations into the port of Melbourne. It is a really important initiative for us because it effectively removes thousands of trucks—around 28 000 per year truck movements, which is significant—from the road network, and it is a key part of government's policy direction that the department is implementing to move more freight by rail as well as being a key initiative under the Victorian freight plan.

This was first introduced, as I said, a few years ago now, and it is retaining regional container freight on rail. In the 2019–20 year it did achieve some significant delivery, a total of 32 734 TEU—20-foot equivalent units—carrying a variety of export goods from right around the state. We have four recipients under that scheme involved at the moment. This was a significant result, but as reported in budget paper 3, it was under the

target—it was around 77 per cent of the target—and this is because obviously the volumes available each year can vary. So for one of our four participants, due to drought conditions in Victoria and New South Wales they received less agricultural volume this year.

It is a real cornerstone initiative for us and it does have a significant on truck movement, but it is certainly part of a broader set of initiatives to grow freight rail, including through major infrastructure, the Murray Basin rail. Our rail stimulus package is repairing and upgrading about 400 kilometres of the freight-only network at the moment, and we are also progressing some other really important reforms for the freight industry—the port and freight sector, I should say—with the port rail shuttle network as well. It has received funding, \$4 million of funding, in the next budget as well and gets a fairly comprehensive review each year. I think as other capacity and system improvements progress in the freight space, some time in the future we may not need a subsidy like this, but for now it is absolutely essential to underpin export rail movement, particularly in context of the pretty big grain season we are expecting in the coming year. So it is a really important initiative.

Ms RICHARDS: Thank you. Thanks so much, Chair. I think I heard the—

The CHAIR: Thank you. Yes, you did, Ms Richards. You heard the clock. I will call a short break, but before I do, I just want to address the earlier issue we had regarding the tabling of documents as questions. First of all, there was a point of order taken and contributions on that point of order that referred to tabling of documents in the house and the processes around that.

First of all, documents in the house are only tabled by leave when no member disagrees, contrary I think to the contribution of yourself, Mr O'Brien. But separate to that, the clerks have advised that documents tabled as such in a committee are not actually formally tabled. They are also not formally asked, so witnesses may choose whether or not to answer questions that are, for want of a better word, not formally tabled. That said, the committee could choose to set up a process by which questions on notice could be provided to witnesses, but that would be a separate discussion for the committee to have at a separate point. Just so that the witnesses are aware, documents tabled are not questions formally asked.

Mr RIORDAN: So, Chair, are you suggesting that if you ask a question and you summarise that question for the ease of the person you are asking, that is not a valid way to ask a question?

The CHAIR: I am advised by the Clerk that it is very difficult to argue that questions which are tabled—

Mr RIORDAN: It was not a question tabled. The question was not tabled.

The CHAIR: Well, questions which are handed over on a piece of paper.

Mr RIORDAN: The question was not handed over, Chair.

The CHAIR: Mr Riordan, you have just asked me a question but you are not allowing me now to answer that question. What I am saying and what I am advised is (1) it is not actually formally tabling as we understand formally tabling documents within the house; (2) it is also hard to argue that the question is actually a question being asked in the hearing if it is a question put on a piece of paper and handed over.

Mr RIORDAN: But the question was not—

The CHAIR: Mr Riordan, if you could allow me—

Mr RIORDAN: Well, Chair, you are misrepresenting the question. So your basic premise, 'there was not a question asked', is wrong.

The CHAIR: But Mr Riordan, you have not allowed me to complete myself to then make an argument about whether or not I am misrepresenting you. That said, I am told that for passing over questions on a piece of paper—and certainly passing over questions on a piece of paper for committee members, other witnesses and indeed anyone at large who may be observing these proceedings—it is difficult to argue that that question has been formally asked. If you would like, in a separate meeting we can have a discussion about whether or not we will ask further questions on notice in addition to the questions on notice put in the questionnaire. But for the benefit of the witnesses, it is up to the witnesses to decide whether or not they will answer this question.

Mr RIORDAN: No, it is not up to the witnesses.

The CHAIR: Mr Riordan! I now declare this hearing—

Mr RIORDAN: No. Sorry, Chair, on a point of order. No way. Chair, you cannot make a pontification and then not allow for discussion.

The CHAIR: Mr Riordan, I am relaying the advice that I have—

Mr RIORDAN: I said very clearly, and we will get Hansard. We will get Hansard. I very clearly said, for the benefit of Mr Younis, my question is: all the capital projects identified in this budget—the very budget we are talking about—are listed here in budget paper 4, and I said, ‘For your benefit Mr Younis, I have summarised them’, and I gave him the summary. He does not have to refer to that summary. He can refer in fact to budget paper 4, like the question that was verbally given to him—the same question anyone who reads Hansard or who watches the video will clearly see. They are all the projects listed in this document that was produced by this government and you are now working flat out to prevent Victorians knowing what the outcome was. We said, ‘What is the outcome at 30 June?’—a totally legitimate question which your masters have instructed you to try and stop, and it is simply not good enough.

The CHAIR: Mr Riordan, I resent the allegations that you continuously put. The question that you asked, that is on the Hansard transcript, has been answered. And to the extent that Mr Younis took further parts of that question on notice, I am sure he will answer them. What I am saying is that to hand over a written document which was not available to the committee members, which was not foreshadowed with the witnesses and which was not available to the community at large witnessing this proceeding is not in and of itself a question. And Mr Riordan—

Mr RIORDAN: None of our questions are foreshadowed, Chair, none of our questions—that is the whole point of it. They are questions on notice.

The CHAIR: Mr Riordan, could you stop being shouty? You are being inappropriate. What I am saying is that questions you asked and which—

Mr RIORDAN: Because I am frustrated by the extent you will go to as a biased Chair to corrupt the findings of this committee.

The CHAIR: Mr Riordan—

Mr RIORDAN: This committee has clearly the right to ask questions about this budget that was done two years ago. We are now looking nearly 12 months later, much later.

The CHAIR: Mr Riordan—

Mr RIORDAN: The department and the Secretary have had all the time in the world to prepare these documents, and you are now wasting this committee’s time trying to shut it down. It is a disgrace, an absolute disgrace.

The CHAIR: Mr Riordan, control your frustration rather than shouting at me.

Mr RIORDAN: Well, no, because this government is running roughshod over transparency and clarity—

The CHAIR: Mr Riordan—

Mr RIORDAN: for the people of Victoria And you, Chair, should be ashamed of yourself aiding and abetting such corruption.

The CHAIR: Mr Riordan, your behaviour is totally inappropriate for this forum, or for anywhere for that matter. What I have said is that questions handed over on a piece of paper—

Mr RIORDAN: They were not questions.

The CHAIR: Mr Riordan, I am not referring to any questions that you asked on the Hansard, which were audible to all of us, including the witnesses, and I am sure they will answer them. What I am saying is that questions not asked—rather questions tabled, for want of a better word because they are not officially tabled in terms of the way these committee members understand them as members of the house—

Ms Vallence interjected.

The CHAIR: Ms Vallence, could you also please stop interrupting.

Ms VALLENCE: It is not a question, it is an extract from the budget papers.

The CHAIR: Tabled questions, for want of a better word, will not be considered questions. A process for questions on notice that the committee would like to consider will be dealt with in other business at another committee meeting if that is what committee members would like.

Ms Vallence interjected.

The CHAIR: Ms Vallence! Going forward, I would ask that where members have questions they ask them so they are audible to all. That would be the most appropriate way forward.

I declare this hearing adjourned for 15 minutes.

Mr RIORDAN: I have not finished. Excuse me.

Mr D O'BRIEN: On a point of order, Chair, I just want to clarify, because in the end Mr Riordan put the question and Mr Younis agreed to provide whatever information he could. I just want to clarify: you are not striking that from the record.

The CHAIR: I am not striking that question out. What I am saying is that questions handed over and questions in future handed over will not be accepted. Questions need to be asked.

Ms VALLENCE: I think also for clarification, for the public watching: it was not a question handed over but an extract from the budget paper—

The CHAIR: Well, with all due respect, Ms Vallence, neither the committee members—

Ms VALLENCE: It was an extract.

The CHAIR: Ms Vallence, you may say that, but there is not a committee member here other than Mr Riordan—maybe yourself from what you are saying—that actually saw what was handed to Mr Younis in advance or that any of the witnesses—

Mr RIORDAN: Chair, you know you have been emailed it. You have it there, and we are happy for you to strike any one of them that are not mentioned in the budget.

The CHAIR: Mr Riordan, you have been heard to the extent that you had any point of order. So have you, Ms Vallence. I declare the hearing adjourned.

Ms VALLENCE: No, no, you are shutting me down. You did not let me finish a sentence.

The CHAIR: The hearing is adjourned, Ms Vallence.

Ms VALLENCE: You did not let me finish a sentence.

The CHAIR: Ms Vallence, you have been heard.

Ms VALLENCE: It is an extract.

The CHAIR: The hearing is adjourned. You can keep talking, but the hearing is adjourned.

I declare this hearing reopened, and the call is with Mr David Limbrick, MLC.

Mr LIMBRICK: Thank you, Chair, and thank you everyone for appearing today. I just want to start off with one question. With regard to metropolitan trains, do we know the ratio of those costs that are actually recovered by ticket sales? What percentage of the system expenditure is recovered by the ticket sales?

Mr YOUNIS: Mr Limbrick, I might get one of my colleagues just to fill in some gaps. For the fare box component, the franchisees take a part of that fare box component—I will get the percentage wrong if I try to say it, but a percentage of the fare box component. The state retains a part of the fare box component. With V/Line of course that is all the state retains—

Mr LIMBRICK: Yes, which is why I asked about metro, yes.

Mr YOUNIS: It is kind of a shared risk. For Victoria I think through the COVID period that has been shown to be probably a good outcome for us, in that the franchisees have still managed to run the network. It is a shared fare box risk, whereas in other jurisdictions, particularly in Britain, across there, there is much more emphasis on the operator taking all the fare box risk. That has caused enormous problems, and they have had to take over a lot of those franchises. So for us that model has proven to work through this really challenging period. But I am thinking 40 per cent of the fare box, but I would give you that figure, yes—30 per cent of the fare box.

Mr LIMBRICK: Yes, thank you.

Mr FOA: Yes, 30 per cent retained off, in pre-COVID times, about \$890 million or thereabouts.

Mr LIMBRICK: Sorry. Thirty per cent of what?

Mr FOA: Thirty per cent retained by the state.

Mr YOUNIS: Look, the state retains either 30 or 40 per cent. There is a percentage that the state retains. I think we had better clarify that number.

Ms BOURKE-O'NEIL: Just a correction. It is 40 per cent retained by the state; 60 per cent across the two franchises.

Mr LIMBRICK: Yeah. What I was getting at, though, of that amount that is retained, what proportion of expenditure is that? What I am trying to get at is how much are the ticket sales actually being subsidised, in effect is what I am asking.

Mr YOUNIS: Okay. So our total income from ticket sales across the franchises—look, I know what you are asking for. If you are asking are we subsidising the public transport network, absolutely yes—

Mr LIMBRICK: Well, I know we are, but—

Mr YOUNIS: Ticket sales make up around about probably—no, look I—

Mr LIMBRICK: Would it be possible to take that on notice?

Mr YOUNIS: Yes, we will take that on notice. It is about 30 per cent, but I think I would be a bit careful with that figure.

Mr LIMBRICK: Basically I am trying to figure out what is the actual cost of a ticket, a \$9 daily ticket. If that had to cover all of the costs, how much would that actually be, is what I am trying to get to.

I have got a couple of questions about the TAC. In the questionnaire there is a funding ratio that was listed as 137.1 per cent. Is there a target funding ratio?

Mr YOUNIS: Look, I apologise, Mr Limbrick. I have not got the details of the TAC. I would have to take that question on notice, and I have not got anyone from the TAC joining us today. I apologise for that.

Mr LIMBRICK: Okay. All right. Yes, if you could take that on notice then. That is a problem. I have got a few questions about the TAC.

Ms VALLENCE: Why aren't they here?

Mr YOUNIS: We had a limit on the number of people.

Mr LIMBRICK: You might have to take this one on notice as well then. There was a budgeted \$890 million repayment of capital from TAC which did not eventuate, and I am interested in knowing what are the reasons that was budgeted in the first place.

Mr YOUNIS: Yes, sorry. Mr Limbrick, that is probably a Treasury question as well. But if that can be answered, I apologise, I will have to take that on notice.

Mr LIMBRICK: Okay. And the other question I had is around premiums for the TAC, so you might have to take this one on notice as well then. There was a very large decrease in claims in the 2019–20 financial year, and I note that the premium was not indexed and it was frozen during that year rather than going through indexation. But if there is a large decrease in claims and we have a sufficient funding ratio, isn't there a possibility that premiums could be lowered here?

Mr YOUNIS: Yes, I get the premise, and once again I think it is much safer for me to take those questions on notice and make sure you get a full answer to those.

Mr LIMBRICK: All right. Thank you. I do not have any further questions then on that. Thank you.

The CHAIR: Thank you, Mr Limbrick. Ms Nina Taylor, MLC.

Ms TAYLOR: We are still in the morning, yes. Good morning, Secretary and other officials. I was wanting to explore the North East Link Project. Can I refer you to budget paper 3, page 107, and look at how the North East Link Project, outlined in table 1.20, will improve transport in Victoria.

Mr YOUNIS: Thank you. We do have Duncan Elliott here, the CEO of North East Link, who is right across this project. Once again the advantage of having this project as part of Transport is the North East Link is a part of an overall improvement profile, particularly for our freight network. But Mr Elliott will be able to take us through some of those details.

Mr ELLIOTT: Thank you, Paul. Yes, Duncan Elliott, CEO of North East Link. Thank you for the question. In relation to the project, it is the state's largest road infrastructure project. It was identified back in Infrastructure Victoria's 30-year plan back in 2016. It is the key missing link between the end of the ring-road at Greensborough—the M80—and the Eastern Freeway and EastLink. So the project is being designed to carry 135 000 vehicles a day. It will take enormous numbers of vehicles off local roads, particularly in the Rosanna Road, Bulleen Road, Manningham Road and Greensborough Highway corridors. Very importantly, those routes are currently catering for a large number of heavy vehicles that those roads were not designed for, so the project will certainly see 15 000 or so trucks come off those local roads onto the North East Link. Importantly, for people who know Rosanna Road, we will see a 75 per cent reduction in trucks on that particular corridor.

The project will deliver travel time savings between the south-east and the north of around 35 minutes, which primarily derives from the huge amount of congestion that we see on those existing corridors joining the Eastern and the M80, as I said earlier. The other key aspect is to cut out 18 sets of traffic lights along that corridor. One of the stats that we came across in developing the business case was that upon completion some half a million Victorians will live within 2 kilometres of an interchange on this project—so an enormous amount of increased accessibility for local residents, for people moving between regions of Melbourne, if you like, and for the freight industry.

In terms of the Eastern Freeway itself, one of the key elements of this project is to deliver the Doncaster busway.

Ms TAYLOR: Yes, I was going to ask about that, so good.

Mr ELLIOTT: That includes an improved Doncaster park-and-ride and a new park-and-ride in Bulleen. That bus corridor currently carries in excess of 18 000 patrons per day, so it is one of the busiest bus corridors in Melbourne. It currently runs on the shoulders of the freeway and intersects at each crossing point. Buses have to intersect with vehicles entering and leaving the freeway, which has safety issues but it also has particularly

problematic issues that arise in the peaks where traffic congestion across those ramps causes delays to buses, so we are implementing a fully dedicated, separated busway as part of the project to improve those travel times. That will see a 30 per cent reduction in travel times for those buses using that corridor.

The project will also incorporate at least 25 kilometres of new walking and cycling paths, and very importantly a number of those connections are strategic connections that have been unable to be delivered previously—so river crossings and key links between existing pathways that make up the corridors in that part of Melbourne.

Lastly I was just going to mention that the project is very challenging because it goes through parts of Melbourne that do not have a transport corridor reserved, so that has been quite a difficult and challenging process of engaging the community and key stakeholders on how to build the project and how to design it with that in mind. That is one of the reasons that the project incorporates one of Victoria's longest tunnels, which will be over 6 kilometres long, under the Banyule Flats and Viewbank. So that is a bit of a summary.

Ms TAYLOR: Excellent, thank you. On that point you just mentioned about public consultation, could you expand a bit further on the public consultation and the environment effects statement approach that the Victorian government is taking in that regard?

Mr ELLIOTT: Yes, thank you. The project started in 2017, and as I mentioned, at that stage there was no corridor in which to build North East Link. That was the actual recommendation of Infrastructure Victoria—for us to go away and do that work—so we spent the first 12 months of the project engaging people right across the northern and eastern suburbs of Melbourne in helping understand what issues and challenges the project needed to address. So that was our first stage. That was quite a deep and important part of us understanding how to do our business case and the reference design for the project. We have to date had something like 15 700 pieces of individual feedback on the project.

The environment effects statement was run for a longer period than is normally undertaken for a project like this. We had quite an extensive exhibition period and then we ran into I think just under eight weeks of hearings to consider all the issues across the project, from air quality and noise to groundwater management, and all of both the design and construction aspects of the project were considered through that panel hearing. That then led us to a minister's assessment and a set of environmental performance requirements that has been established. There are 110 of those, which we are now incorporating in the development of designs with our bidders for the project.

The project also includes acquisition of some properties. We have 36 residential properties and 110 businesses that are directly affected by the project, and we have been in consultation with those affected parties right back since late 2017. That is a difficult and challenging part of the project, but it has been a real focus of our team in terms of providing each and every one of those people with case managers and support along the way and trying to provide them with as much information as we can around the timing. The formal part of that process is now well and truly in play.

We have got two active community liaison groups that have been in place for a couple of years now that operate both at the north and south ends of the project, and we have a dedicated business liaison group for the Bulleen businesses that are directly impacted by the work. So there is quite a lot of engagement, and we have been very pleased with the amount of feedback that we have received along the way—both in the lead-up to and during the environment effects statement. That will be an ongoing focus of ours as we move into delivery, making sure that consultation and awareness of how the project will be delivered and how it will impact different communities are right the way through.

Ms TAYLOR: Okay. It is a huge project indeed. Thank you very much for that. I would like to move along to regional roads and rail, so I refer you to budget paper 3, pages 6 and 14. Could you please explain how regional road and rail transport infrastructure initiatives outlined in tables 1.4 and 1.5 will improve the lives of regional Victorians? I do not know who I am looking at, so—

Mr YOUNIS: Thank you, Miss Taylor. I think there are a few elements to that program, and it goes to sort of our long-term planning and our strategic planning on the network. It is really about connecting communities and making sure people can move to where they want to be. Certainly the regional rail program is based on probably different levels. There is the freight movement, so moving freight around our regional networks is really, really important. The upgrades to our freeway network and even the investment on some of our minor

arterial roads—particularly in some of those heavily trafficked minor arterial roads, you know, in the south-west in particular, which you will be familiar with in heavy dairy industries in Gippsland and the south-west—are really important upgrades to keep the freight moving on those. We have made a range of investments in those, particularly through this latest COVID period, in upgrades to some of those inland routes that support that. So that freight movement is really crucial for those communities to keep their costs down and keep their margins as low as they possibly can.

The same goes for our grain areas in other parts of Victoria and the investment we are making on our rail network. There is no question that the challenge we have got on our regional freight rail network is that it needs work on it. We are doing a lot of maintenance work on it now, we are doing upgrade works across it, and that investment will take time, but it is a really important investment in improving that transport of freight across the network and reducing the margins of our rural community in providing that.

The other element is of course our commuter work, and connecting communities is very much an important part of our process. Mr Tattersall talked about the regional network development plan and the work that he is doing to realise that, and what that is about is making sure people are connected to 20-minute train journeys in peak and 40-minute in off-peak. That is getting to a point where people can make real decisions about where they work and how they move around the network. I think what the planning system tells us is that in households now you have a number of different people that work in different locations, so it is about providing the network for them to be able to work in city areas, work in regional areas. And importantly people are living in city areas but working in regional areas.

The connections we made into the Bendigo line—there is quite a significant number of commuters that travel into Bendigo in the morning. I have not got the numbers, and someone might have the numbers for me, but it is a significant cohort, particularly in the education sector. Bendigo is itself a very significant destination point for our public transport network, so it provides that choice. Particularly I think what we will find during COVID is that people will want to have much more choice about where they live, and have flexibility around travel. It may not be exactly the same travel patterns that they have had before, in that everyone goes to work five days a week at those particular hours. I think there will be much more flexibility around how people want to travel, and that is really the investment we are making in our network. The additional, I think it was, 120 services on the Ballarat line—

Mr FOA: 125.

Mr YOUNIS: 125 services on the Ballarat line means that that entire cohort of that growth area—it is not just Ballarat; it is that entire growth corridor through Melton—is able to make much better choices around working in Melbourne, working around Sunshine. There will be connections to the airport from there at a point in time, going to schools in Ballarat and much more accessible options, and we are providing much more off-peak. So those investments—and it is not just about spending money on the network; it is actually providing outcomes, which provide the community opportunities and choices about where they work, where they live and how they move around.

Ms TAYLOR: Okay, thank you. And how has the government's investment supported the quality of the regional transport system in Victoria? It is quite a broad question, but it is an important one, I think.

Mr YOUNIS: It is. We measure quality in a range of different ways. On the road network we go to some really technical measures of quality. If we want to go to those sorts of technical measures, there are things like rutting that we measure, there is cracking that we measure, there is roughness that we measure. What we have found is that with the investment we make in our network we are making gradual improvements in that process the entire time. So those investments are really important in improving that quality.

On our train network, getting our train network up to a standard where we can run high-quality trains and faster is a really important element. I think, Mr Foa, you have got some figures on what that sort of investment is showing in there.

Mr FOA: Yes, so just on roads, we talked earlier about road maintenance, about \$425 million. But that is 21 000 potholes, that is 2200 kilometres of snow cleared, 40 000 kilometres of roadside grass, 28 000 signs repaired or replaced, 2200 out-of-hours call-outs to continually maintain the roads. But also in terms of an upgrade program, where our asset management program kicks in and gives us the information and data about

what roads we need to upgrade, there was \$155 million in 2019–20 on a range of key arterials, as the Secretary has alluded to—Surf Coast; Birregurra; Calder; Napier Street, Bendigo.

In relation to Bendigo and the connectivity, the Bendigo 3 project is connecting Goornong, Huntly, and Raywood stations, increasing the opportunity for people to commute on the rail networks in and around Bendigo on the Bendigo-Echuca line upgrade. That has been a really significant one in terms of almost providing commuter benefits for people from Bendigo.

Mr YOUNIS: I think I might add, Ms Taylor, that there are other packages of work, and I will just reference something like the Keeping Ballarat Moving package of work, which is an investment in intersection upgrades—those types of programs that are really targeted to that particular community to make sure that the growth, particularly around that area, is able to be managed, and that investment over a period of a couple of years will make significant improvements in that Ballarat region.

Ms TAYLOR: Okay, thank you. What is the government doing to leverage commonwealth investment and support in these projects and initiatives?

Mr YOUNIS: Yes, look, there has been quite an extensive commonwealth partnership in relation to investment in particular in both our regional rail network and our road network. There was a package of works that the commonwealth committed to in relation to urban congestion funding, regional roads upgrades and roads of regional significance, and they have been an important partner particularly in a bridge upgrade program and those regional roads of strategic importance for a number of years. There are a range of rail projects that they have also contributed to through the regional network development plan works. The work that Evan's team are doing on our regional rail network is a part of a joint commitment. And they also committed in the 2019 year to a commuter car park program. So while a lot of those programs have a lot of development work, they are certainly an important part of our network upgrade.

The CHAIR: Thank you, Secretary. Ms Bridget Vallence, MP.

Ms VALLENCE: Thank you, Chair. Thank you, Secretary and department, for appearing. I will ask questions to you, Secretary, and if there is someone else relevant, then that is fine. Just first up on the level crossing removal program, the 2019–20 financial report, at page 165, has nearly \$337 million required from the Treasurer's advance—and that is exclusive of COVID activities—for the Level Crossing Removal Project. Can you provide for the committee a detailed breakdown of that \$337 million and where it was allocated across that program?

Mr YOUNIS: Mr Devlin here, who is the CEO of the level crossing removal program, might be able to give us an overview of what that sort of—

Mr DEVLIN: I just would seek more clarification in the question, sorry. I might have to take that on notice.

Ms VALLENCE: I am not sure what more clarification you need. In the financial report, the Treasurer's advance in 2019–20, the Level Crossing Removal Project had to use—I guess effectively off the government's credit card—\$337 million extra. So I am really just asking for a breakdown of that \$337 million and what it was allocated to across the program.

Mr DEVLIN: I would have to take that on notice, because I do not have the details of the accounting treatments that potentially the Treasury have done there, but it is not an additional allocation as such in terms of TEI for the project.

Mr YOUNIS: Ms Vallence, generally, and particularly in Transport, projects are allocated funds, and the Treasurer keeps a bunch of those funds and releases it for development works. So a lot of the Treasurer's advance is part of the funding that is allocated to that project. We do not get allocated all of the project funding in one hit, and we request the Treasurer's advance for development funding. So that is generally what they are—they are not additional funding.

Ms VALLENCE: Did you have appropriation for that?

Mr YOUNIS: What I would say is it would generally be the case that there is an appropriation for that, the Treasurer retains those funds and we go to the Treasurer and say, ‘Can we have that now for some of the development work?’.

Ms VALLENCE: It is the third-biggest line item in all of the Treasurer’s advance, so I would have hoped that you would have some clarity and understanding, being responsible for it, as to where that \$337 million was allocated to. Isn’t it that you did not have appropriation to spend that money? Is it really that that was because there was blowout in the level crossing removal program?

Mr YOUNIS: No. As I said, they are a drawdown on funds that are allocated to the project. Treasurer’s advances, particularly in transport, are generally a drawdown on those funds. We do not get the entire funding across to us, and particularly in the development work we draw down on those payments.

Ms VALLENCE: But this is out of the advance, so it is not an appropriation.

Mr YOUNIS: Yes. It goes in the Treasurer’s advance, and that is how we fund. So it is not additional funding.

Ms VALLENCE: Okay. Well, thank you very much for taking on notice a breakdown of that. In terms of the Suburban Rail Loop project—and I understand that for the first phase they have announced between Cheltenham and Box Hill—has a geotechnical engineering assessment been done already, and can you make that available to the committee?

Mr YOUNIS: The geotechnical assessment will be part of the development work, and that will form a part of the overall investments case and will be across the entire network. So that will form simply—

Ms VALLENCE: So does that mean that you have selected a route without knowing what the geotechnical assessment is?

Mr YOUNIS: No, the geotechnical assessment will inform the route. So what we do is a scatter of geotechnical assessments around to determine, and that will help inform the best route. And that will form part of certainly the approvals process going forward and will be made available through that approvals process.

Ms VALLENCE: Okay. And just on that, the West Gate Tunnel program, which is also in budget paper 4, and we know that—we have heard many times around that that was an unsolicited bid to come forward from Transurban. Did that bid presented to the government include a geotechnical engineering assessment as part of that, and can you make it available to the committee?

Mr YOUNIS: Mr Hannett is probably in the best place to answer that question.

Mr HANNETT: I was not on the project at that point in time, but as part of the tender process for procuring those works there was a series of investigations done by consultants for Transurban. That information was given to the tenderers and they proceeded with that, and obviously the contract was awarded on the basis—

Ms VALLENCE: Are we able to get a copy of those geotechnics, that engineering assessment, for the committee?

Mr HANNETT: I think with the EES all the technical studies are actually on the West Gate website. But the answer is yes, we can provide you what we have provided publicly before. I do not see a problem with that.

Ms VALLENCE: Okay. Yes, that would be great. Now, I will just move to the ports and freight section. So I am not sure who—I will just ask you, Secretary.

Mr YOUNIS: Ask me. It is generally Ms Bourke-O’Neil who is right across our ports and freight section.

Ms VALLENCE: Secretary, in your questionnaire at page 7 it refers to the port rail shuttle network. What was the expenditure at 30 June 2020?

Mr YOUNIS: Ms Bourke-O’Neil will be able to take you through that port rail shuttle program.

Ms BOURKE-O'NEIL: Yes, thank you. Thanks for your question. I have not got the exact figure, but it was around 29 per cent of what we had predicted for the target for 2019–20, so well under target. So I might just speak to that issue.

Ms VALLENCE: I guess just on that, and with the greatest respect, we obviously are here and the witnesses are coming here today to talk about the 2019—20 budget and you are telling me you do not have an actual figure available for this particular existing project listed in the budget?

Ms BOURKE-O'NEIL: I mean, I would like to take on notice and confirm the figure, but it is a \$58 million initiative overall and we made payments in the 2019—20 year only to one of the three now providers that will be delivering the port rail shuttle network, with that joint Victorian and commonwealth funding. So we will come back to you with the figure.

Ms VALLENCE: The actual figure?

Ms BOURKE-O'NEIL: Yes.

Ms VALLENCE: Okay, so then also could you perhaps provide—let us know now—the status of that project and when it will be fully implemented and operational?

Ms BOURKE-O'NEIL: Yes, thanks. I will. I mean, it is a really important initiative, as I mentioned earlier, for the overall goal and objective to move more freight by rail. This particular initiative targets those short-haul freight trips, moving from the port of Melbourne, which have a destination less than 50 kilometres, and that is actually 87 per cent of import containers—

Ms VALLENCE: I am not underestimating the importance of the project, but what really—the heart of the question is: when will it be implemented and operational, just a time frame?

Ms BOURKE-O'NEIL: Absolutely. So we have got three contracts now—project agreements signed with three private sector companies—to deliver infrastructure upgrades and connections to the intermodal terminals. They are all signed on now and they will progressively commence operations from 2022.

Ms VALLENCE: From 2022?

Ms BOURKE-O'NEIL: Yes.

Ms VALLENCE: With an estimated completion of?

Ms BOURKE-O'NEIL: My estimated completion would be over the course of 2022 to 2023. Each of them are on slightly different schedules, they have been signed up at different times, but delivery of connected port rail shuttle trains into the port of Melbourne will be from 2022.

Ms VALLENCE: And SCT, one of the areas, is being privately owned—being on privately owned land. Can you describe any issues and impediments in relation to progress particularly at SCT?

Ms BOURKE-O'NEIL: We do not have any delays at the moment within the terms of their project agreement.

Ms VALLENCE: No delays?

Ms BOURKE-O'NEIL: We are within the time frames we have set for commencement of their project.

Ms VALLENCE: Okay. Secretary, the questionnaire also refers to a port pricing and access review, which the questionnaire refers to as needed to address a lack of transparency. Can you provide a copy of that review to the committee?

Mr YOUNIS: Once again, Ms Bourke-O'Neil can answer that.

Ms BOURKE-O'NEIL: We have a summary of that report that has been issued to the stakeholders that participated, and we can certainly provide that to the committee.

Ms VALLENCE: On notice—thank you, yes. Secretary, regarding the bridge strengthening for freight efficiency project, it is a very important project. It is still not completed, and by the admission, I guess, of your department, it will not be until the end of this financial year. If you can take it through where that was at at 30 June and why it has been so delayed.

Mr YOUNIS: I would have to go back on the details of that program. The bridge-strengthening program has been a challenging program for us, particularly during this period, but we are on track to deliver all of that program. I think Mr Foa has got the details.

Mr FOA: Yes, there are two sites completed and seven remaining, but there is a preconstruction schedule for those now.

Ms VALLENCE: Are we able to have that schedule made available to the committee?

Mr YOUNIS: Yes, we can provide the time lines of when we expect those projects to be completed.

Ms VALLENCE: Just backtracking a little to the level crossing removal program and that very large sum of money taken from the Treasurer's advance to pay for the program, are you saying that there are no dedicated legal appropriations for the level crossing removal program?

Mr YOUNIS: No. The Treasurer's advance is just approval from the Treasurer to spend the money.

Ms VALLENCE: Well, Secretary Martine said that it was because there was no legal appropriation for the program and that is why you needed the Treasurer's advance.

Mr YOUNIS: Well, that is a question for the Treasurer. What I—

Ms VALLENCE: No, it is a question to you, because when I asked Secretary Martine he was quite clear in saying that the Treasurer's advance is either used because a department's budget is exhausted or there is no legal appropriation, no legal cover, for you to spend the money. So are you saying that for the level crossing removal program you go through no avenue for legal appropriation for any expenditure on that program? Is it all through Treasurer's advance?

Mr YOUNIS: No, there are certain funds allocated to us. The Treasurer's advance—what we do is go to the Treasurer. The Treasurer's advance is the authority spend or release funds from that project funding—generally project funding that is kept in contingency.

Ms VALLENCE: All right.

In terms of road safety, Secretary, on page 6 of the department's questionnaire, the Safer Roads program, it is referred to in the questionnaire that 71 road safety projects were completed, in your questionnaire. Could you provide to the committee a list detailing each of the 71 projects and the completed or final expenditure value for each of the 71 projects?

Mr YOUNIS: Yes. My recollection of that is that there were 71. We had a target of around 43 or 45, in relation to that, delivered. We have got a list of all of those projects. We did ramp up our—

Ms VALLENCE: Yes, perhaps you could not fit it in the table, but I note in the table it says 71 road safety projects completed. Just for the benefit of the committee, can we have a list of the 71 and the final value of each of the projects?

Mr YOUNIS: Yes, we would have those broken down into each project.

Ms VALLENCE: You can provide that to the committee on notice?

Mr YOUNIS: I will just clarify, because some of the projects may be treated as a single funding source, so we may not be able to break up every single project, 71, as funding. They might be combined into a program.

Ms VALLENCE: Okay. Like, for example, there could be two road projects and you have got an aggregate—that is fine. But if you are able to provide that on notice for the committee—

Mr YOUNIS: We will, yes.

Ms VALLENCE: Thank you. Also I noticed in the questionnaire around the school area safety program—it is on page 44 of your questionnaire—it is going to be a year late in delivery. You know, as a mum of kids in school, that is a pretty important project. Can you explain why that has been delayed by such a long period of time?

Mr YOUNIS: I am just checking to see if Mr Foa has got the details on the school safety program. It is usually listed in the questionnaire—

Mr FOA: It is: 'revised to quarter 4 ... due to a revised schedule of works'. That would just be in relation to our consultation with school communities.

Ms VALLENCE: Okay. All right—so just consultation. Well, then what is the delay? Are you just blaming the schools?

Mr FOA: I would have to get back to you on the nature of the individual delays, Ms Vallence.

Ms VALLENCE: That would be great. Thank you. To 30 June 2020 how much was spent on wire rope safety barriers?

Mr YOUNIS: Over the last financial year we actually put in a significant amount—nearly 900 kilometres—of wire rope barriers for the whole network. The actual spend on the wire rope barriers—we will have a figure on that. I have not got the number in front of me, unless Mr Foa has got it there.

Ms VALLENCE: On notice is fine.

Mr YOUNIS: Yes, we will take it on notice. But there was a significant completion of that program.

Ms VALLENCE: Yes, and obviously in terms of the state expenditure, not contributions from federal—delineate it out.

Mr YOUNIS: In the delivery of our wire rope barriers there are targeted programs that we have where we are doing a wire rope barrier project. In some of those projects the rollout is part of a broader program. For instance, if we are doing an upgrade to a road project it will be included in a part of that funding. I can give you the figure for the dedicated wire rope barrier installation program. We have put in nearly 900 kilometres. A number of those wire rope barrier installations would be a part of another road project.

Ms VALLENCE: Sure. Okay. Secretary, there have been multiple serious accidents on the Healesville–Koo Wee Rup Road in Pakenham. Are you aware that this road is notorious and of the number of deaths on this road?

Mr YOUNIS: We have a monitoring program of all our roads and we do inspections of all of our roads on a very regular basis to monitor safety. If there are incidents on roads, we get a report of those and they feed up into a program of works, and we—

Ms VALLENCE: So, for example, recently 34-year-old Tess Clarke and her unborn son, Asher, were tragically killed in a horror head-on crash. Now, we know that the government said that they would fix this road in 2018, but to this day there has not been any change or any fix to that road. Why was this project not completed in the 2019–20 year? It would have saved lives, so could you explain that to that community?

Mr YOUNIS: As I said, we monitor and report up and we complete projects as funding is available. Funding for those—

Ms VALLENCE: Monitoring and monitoring—communities hear this, you are monitoring roads, all of the time. There are a number of members of this committee who come from country communities, and we hear from the government all the time, 'We monitor roads'. But deaths continue to happen. The government committed to doing this project on the Healesville–Koo Wee Rup Road and so far has not, despite more deaths. Why?

Mr YOUNIS: Ms Vallence, we have an extensive road safety program that attempts to address all of those tragic circumstances that you have referred to. This is not something that we just brush off lightly. Our road safety program not only covers investments in road infrastructure—and we did a significant amount of that in the last financial year, and we completed most of those projects—but it also includes a significant investment with our partners Victoria Police and health providers. So it is a whole program.

Ms VALLENCE: Cold comfort for those communities. But with the time remaining I would like to ask about a number of other projects also. What is the status of the suburban roads upgrade northern and south-eastern projects, and have the contracts been awarded?

The CHAIR: I am sorry, Ms Vallence, but your time has expired, and I will pass the call to Ms Pauline Richards, MP.

Ms RICHARDS: Thank you again. I have got some questions about rolling stock. Secretary or whoever is appropriate, I refer you to page 13 of the questionnaire. There has been some significant funding that has been invested into rolling stock. How has funding for the train and tram initiatives been spent? And following on from that, what impact has the investment had on the transport network and of course local manufacturing and the industry that supports that important investment?

Mr YOUNIS: The rolling stock program is an incredibly important program, not only for improving the performance of our network—because it replaces older trains—but because it also allows us to expand the operation of our network. Importantly, and I will get to a little bit of detail about that, it is such an important jobs focus. There are a number of programs we have got in place for it to develop really specialised but generalised funds, not only directly in the rolling stock industry but, significantly, in the supply chains that support it. We have just announced the 100 next-generation trams, which is going to be another important program in removing from the network particularly the high-floor trams and replacing some of those really older ones. We have got the E-class trams which are coming—an order of those. We have had an extensive program for those on the network. We are continuing the VLocity orders, and we have got a number of VLocity trains still on order.

I will give you an example. The high-capacity metro train program is an example where we have got 65 trains that are being built now down at Pakenham. That program will provide 60 per cent local content, and the building of the purpose-built depot down there has 87 per cent local content, resulting in over 1000 skilled jobs in the industry and across from the motor industry. There are things like bogie frames that have been awarded to local suppliers, which is an important part of that. At the train depot itself, just building the train depot there were 450 jobs at the peak of construction, from small and other firms, but ongoing there are 100 jobs in that south-east region of Melbourne, which are really important parts of that. Those trains are not only delivering jobs. We have worked with disability partners to make sure that those trains are really accessible. We have worked the spaces for wheelchairs and other devices into the set, so we have made a lot of impact on that. They have been designed around safety as well, so there is a range of CCTV surveillance through them, which is a really important part of that.

The HCMT program is another example where we roll it out and it provides a number of opportunities, because we have programs in there to employ young people and apprentices. There is a certain percentage of people employed through those programs that have not had a job before. There are apprentice programs that employ people from challenged and disadvantaged backgrounds. So they are not only just providing a pathway for ongoing employment, they are providing a pathway for people that have struggled to get into the workforce and particularly some of those that have been impacted by COVID. We have targets—and I know Corey's team does this as well—in relation to women's employment in these projects, so there are really important pathways for that sector. These programs have also provided opportunities for transition of people from the automotive industry, and there are a number of people that are employed in our rolling stock program that came from that industry. But it is not only our trains and our tram program; we are putting together a bus development program as well. The bus program is about low-emissions buses, so there is a significant environmental impact from that.

So when you talk about our rolling stock program, it covers so many elements of what is important not only for Victoria but important elements that we can deliver as a transport sector in improving the network performance, removing some of the older trams, trains and buses from the network, improving the customer experience by

providing much more accessible trains, trams and buses and much more comfortable trains, trams and buses, and, importantly, providing incredibly long-term, sustainable jobs and pathways for people that would struggle to get into other employment. So it is a really important program on our investment profile.

Ms RICHARDS: There are a couple of members of the committee from the south-east, so I think you will be seeing us smiling a bit more broadly behind our masks with all that talk of employment. There is a \$500 million investment outlined in budget paper 3 for new and upgraded Victorian-built trains and trams and supporting infrastructure. How many trains and trams have been ordered to date? Have you got the number there?

Mr YOUNIS: Have you got the number there, Mr Foa?

Mr FOA: Yes. Next gen obviously is a new announcement; E-class, there are 43 delivered, seven on order; high-capacity metro trains, obviously there is one in revenue service already—

Mr YOUNIS: There are actually three in revenue service at the moment.

Mr FOA: Three, sorry—thank you, Mr Secretary; 24 X'traps all delivered—X'trapolis; and there are 468 buses for metro, 150 in the franchise, country and regional buses are 208, school buses are 553 and V/Line coaches, 35.

Ms RICHARDS: Great, thank you. I would like to maybe go back, Secretary, to what you were talking about before with the local manufacturing. I am interested in exploring a little bit more how this investment in rolling stock is supporting local manufacturing and also just understanding a bit more about how the department engages with the industry to make sure that it can meet its local content targets, because that is something that has obviously been a priority, and further to that, what the level of engagement is with the community and the implementation of the tram infrastructure by your department? So there are a couple of elements to that.

Mr YOUNIS: Yes, there are a few elements to that. I think the employment profiles—let us take the X'trapolis trains that we ordered. They have been built at Alstom in Ballarat. They have got over 40 per cent local content, and they have delivered all of those trains to date. There is a lot of local content in the design process, not just the manufacturing but the design process. The VLocity trains are manufactured by Bombardier in Dandenong. They have got over 65 per cent local content. That particular program alone employs 100, direct jobs, but—I think what you are alluding to, which is the important part you are wanting to know—there are over 400 jobs just in that program in the supply chains. In the supply chains there is a range of different providers across Victoria that provide components for the trains. The E-class tram is another example of that, which is over 50 per cent. They are building them in Dandenong as well. Once again there are nearly 400 jobs outside the direct jobs, employed for that, in those supply chains. The HCMT trains are manufactured and assembled—there are 175 people currently employed—at Newport. There are over 1100 jobs in the supply chains for those projects, and they are all being built in Victoria—60 per cent local content and, as I mentioned, the new depot at Pakenham.

I think in relation to the engagement with the community, before we begin on any rolling stock program—and the next-generation trams, which you referenced, are going to be a part of that—we engage very closely with the manufacturers but also the unions and other stakeholders. Particularly—and I did talk about some of the trains and the accessibility issues with the HCMT development program—we worked very closely with the communities for wheelchair access, what that looks like for people with vision impairment, what elements. When you go into the new HCMT there are certain subtle elements in that that I did not particularly notice until they were pointed out to me, which are really important for those communities that rely on other types of signature issues to find their way around and navigate through the network. They are incredibly important parts of how we not only invest in our network but provide some of those additional important elements.

You talked about engagement and how we engage. It is not only engaging with those that are directly affected, but we also engage with a lot of the universities. Chisholm Institute are part of the engagement about what are the important training mechanisms that need to be put in place to train people up in the rolling stock industry. So there are a range of opportunities that we provide through that sector.

Ms RICHARDS: Thank you for expanding on that. I think Mr Foa might have talked about the funding for VLocity before, and I understand that you need to be able to meet the demand on the network. I am interested in finding out: are you on target to meet the demand and also how will that impact on regional Victoria?

Mr YOUNIS: I will just give you an overview of VLocity. I cannot remember the exact number we have got in service now, but we have increased the number of the VLocity trains through the regional network considerably. The majority of our trains that are run into the busy centres are VLocity. The amount of what we call the classic fleet, the older fleet, in the network is only doing some of the load. Importantly, the VLocity trains have taken up a significant amount of the growth in the network. Late last year we added 125 services to the Ballarat line. We needed the VLocity trains to provide that. Over the past few years we have added over 1000 services a week onto our regional network, and the VLocity trains have picked up the bulk—not only the bulk but almost the entire—increase in services for that network. Of course the VLocity trains are a very popular train. They are quite a comfortable train, and they are a great medium and long commuter train for that purpose.

Mr FOA: I will just add that it capitalises again on the investments through the Regional Rail Revival program. We were able on the latest timetable change to put the VLocitys out to Gippsland. That means we picked up four or five extra stations along the way with the same travel journey, because the trains are able to travel at the faster speeds. That has been a real boon to local communities through that route. Also, with the announcements to Warrnambool, we will be able to put an extra service a week into Warrnambool, and with the Warrnambool upgrades through the Regional Rail Revival, again we will be able to put VLocity trains on the Warrnambool line. So that will be a big improvement for people from the west.

Mr YOUNIS: Ms Richards, I think the other element of the investment we are making is the reality is that the classic fleet, the older fleet, are just unreliable. Whenever we have disruptions, particularly on our regional network, many of those disruptions are attributed to non-performance of that classic fleet. So the rollout of the VLocity trains to fill that gap improves the performance of the network, particularly in our regional train services.

Ms RICHARDS: I am not sure how much time I have got left. You have spoken about engagement quite a lot; it is obviously something that is deeply embedded into the way that you do business. But I am interested in finding out how the department engages with other agencies on delivering initiatives, like the local jobs commissioner, around local content. There has been a lot of talk in this conversation about local content, but I am interested in finding out a little bit more about that particular relationship.

Mr YOUNIS: MTIA actually do a significant amount of work on local content engagement. Corey, you might be able to give us a bit of a rundown on that.

Mr HANNETT: With all our project tenders, our tender documents have very clear requirements on what the state has asked us to do. Obviously we work closely with relevant departments on a number of initiatives. Whether it is the Local Jobs First policy or Indigenous employment, social inclusion, social procurement, there is a whole smorgasbord of things we do. Then obviously what we do do is we work closely with industry to make sure that we do not just put these targets out, that we actually achieve them. In the tender phases in particular across the projects, we use industry to have a competition to bid back to us the best possible outcomes. Depending on the project, how much competition we get just depends on what outcomes we achieve. Certainly it is a very big initiative and something that we put a lot of time and effort into.

Ms RICHARDS: Terrific. I think I will leave my questions there. Thanks, Chair, and thank you all.

The CHAIR: Thank you very much, Ms Richards. That concludes the time we have available for consideration with yourself, Secretary, and your officials today. We thank you very much for your time. Any questions which were agreeably taken on notice will require responses within five working days of the committee's request. We thank those who have appeared before us today. The committee will now take a short break before resuming consideration at 1.30 pm. Thank you for your time.

Witnesses withdrew.