

TRANSCRIPT

STANDING COMMITTEE ON THE ECONOMY AND INFRASTRUCTURE

Inquiry into infrastructure projects

Melbourne — 15 September 2017

Members

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Witness

Mr Evan Tattersall, Chief Executive Officer, Melbourne Metro Rail Authority.

The CHAIR — Welcome to you, Mr Tattersall, and thank you for joining us this morning. We have got a subcommittee for you today, so we will get through it a lot more quickly. You will be pleased to hear that, I am sure. As I am sure you are aware, the evidence that we are hearing today is in relation to the inquiry into infrastructure projects, and this evidence is being recorded. All evidence taken at this hearing is protected by parliamentary privilege, therefore you are protected against any action for what you say here today, but if you go outside and repeat the same things, those comments may not be protected by privilege. Once you have given an opening statement of perhaps 5 to 10 minutes, we will then open it to questions. I would ask you to open now.

Visual presentation.

Mr TATTERSALL — I will get straight into a presentation that gives a bit of an update on where we are at. I will start with this one, which is a sort of milestone thing. The simple message from this one is that back in early 2015, when we started, we set ourselves some targets as to where we wanted to be by this stage. In the first year, 2015, it was to get our business case up, get our money, which we did. In the second year, 2016, it was to go through the planning approvals process and get planning approval done, which we did. This year it was all about getting the major contracts up, awarded and in place so that we can get into the major works next year, and we are right on track with all of that.

The whole idea is to try to build ourselves a bit of contingency or comfort at the early end of the project, knowing that we are going to need it when we get into the digging-holes-under-Melbourne phase of it. So it is all going pretty well so far.

Just to give you a bit of an idea of what we are doing, this is our station out in the west at Arden. You can see the North Melbourne footy ground just up there. We are demolishing, and pretty much at the back end of the demolition now. The whole site is nearly clear.

Up in Carlton, at Parkville, that is Grattan Street. Where the blue dotted line is is the station box location. It is all about moving services out of the way of the station box at the moment to set it up for the main contractors. That is a shot looking down Royal Parade, for example, where we are currently moving telecommunication services out of the way. It is all going fairly well up there.

At the top end of the city you can see the blue box again between La Trobe and Franklin. That is for the station. In Franklin Street we have got shaft construction underway, and in A'Beckett Street we have got shaft construction underway. We are about to start demolition at the corner of La Trobe and Swanston. We have acquired all the property there, and we are about to start knocking buildings down, so that will increase the impact in the city area. This is just a photograph of the shaft works between the city baths on the left and RMIT on the right — very deep holes in not great ground there I have got to say.

At the bottom end of the city the main works are all round City Square. Again we have acquired the property on the corner of Flinders and Swanston behind Young and Jackson's, and we have actually started demolition there, but the City Square works are all happening underneath. It is essentially modifying the structure under the Westin hotel and adjacent to it, so we can then create the big open area where that crane is to enable access down to build the station. Fairly delicate works in under the operating hotel, as you would appreciate.

Down at Domain we have closed off Domain Road already. The main focus here is also service relocation, but some of them are bigger than others. We have relocated tram stops to set up for the main station works. We are putting a major sewer diversion in at the moment. They are 20-odd-metres deep those shafts, with a mini TBM underground at the moment. I mentioned CBD property possession, so it will start to create a lot more impact in terms of noise and truck movements in the city area.

On that — managing disruption — one of the primary things, and the reason for doing the shafts that I just showed in the central city area, is because we made the decision to go under the existing city loop. So this is at CBD North here. We are going deeper under the city, rather than the shallower option, which meant moving all the trams and all the major services under Swanston Street, which would have been quite doable but would have created a much greater level of disruption and impact on Melbourne. So that is a really significant method that we have applied to reduce the impact.

Once we start these stations really the station sites themselves will be like major building sites around Melbourne that you see all the time. The bigger issue will be this one — the roads that we close, which creates traffic issues and of course add that to our truck movements that are supporting the station builds. That is where the main disruption is going to come from.

Just briefly here, Grattan Street — we will be shutting that early next year for about four years. Franklin Street and A'Beckett Street are already closed for the next five years or so. On Flinders Street there will be relatively short-term closures — yet to be finalised. St Kilda Road we will be reducing to one lane in each direction from early next year, and that will also create significant disruption. And Domain Road is already closed.

We are doing a lot to try to minimise that impact, particularly when you add the cumulative impact of other projects. This is just an example of things we are doing, like changing the way intersections work, signalling, opening up roads, putting in more CCTV and bluetooth facilities so there is real-time monitoring and when traffic disruption commences VicRoads can change their traffic light sequences to help reduce impact if need be — that sort of thing. That is an example on Queensbury Street, where we are opening it up again to two lanes, instead of the current one lane in each direction, to help offset the impact of closing Grattan Street. That is just an example of this sort of stuff that is already underway.

Recently down on St Kilda Road we did have quite a big occupation there where we rebuilt the platforms for the trams. It was managed very well. A lot of work was done ahead of this happening, a lot of coordination with the community and all the various stakeholders. Surprisingly it went pretty well, because we took the trams out of action and replaced them with buses and reduced St Kilda Road to one lane in each direction. We thought the impact would have been greater than it was, but it just goes to show that with a lot of good pre-planning the impact is nowhere near as great. I think going on a trip from Flinders Street to High Street that normally takes about 18 minutes, the worst impact we had was about a 10-minute impost for people to come down on a tram, get on a bus, go round, get on a tram and go down — so not too bad.

A lot of stuff we are doing with businesses in particular, more around the CBD and Domain area, in terms of promotion, way finding, events: you have really got to do a case study for each business, because each one is unique and there are different impacts and there are different ways to mitigate the impact, so we have worked with about 200 businesses. We have got about 80 of those where we have got specific tailored support plans. There are challenges of course, but so far it is going reasonably well.

The other point here is we have worked pretty hard with a lot of event organisers, the Victorian tourism industry et cetera to just make sure that whatever we are doing is done in sync with all the other big stuff that happens around Melbourne, particularly when you are heading up to something like the Christmas period — the Aussie Open and things like that. We have got to make sure that as much as possible we take all that into consideration.

Community engagement: I just wanted to touch on the fact that we have set up community reference groups. You will see that the ones that have got the blue heading on them represent the community reference group. There are five of these. We looked at having one overarching group, but we decided to break it up into precincts, because there are very different issues driving each of those communities. We have got one out in the west that covers the portal area and Arden station, and we have got one for Parkville, one for the CBD area — so both CBD North and South combined — one for Domain and one for the eastern portal out at South Yarra. They have got representatives from the community, from local business, from the councils and from associations. We have had one already up and running in Domain. It has been going pretty well, and the others will all be up before the end of the year.

Finally, just on procurement, you are aware we have got John Holland out there doing all these early works. We have gone to preferred with the main tunnels and stations contractor now, so they will do all the tunnelling works and the five underground stations, and they will get underway in a big way at the start of next year.

We have got the rail systems alliance almost awarded — it is at preferred stage and not far off award — which covers all of the signalling systems on the whole of the corridor from Sunbury to Dandenong. Then the rail infrastructure alliance, which is the one in yellow there, is out for expressions of interest, and we hope to award that by the middle of next year.

The big PPP is comprised of some that you will know — Lend Lease, John Holland. On the right we have got Bouygues Construction, which is a French infrastructure company, but they specialise in tunnelling. They do tunnels all over the world. There are heaps of other people in these consortia.

With the rail systems, we have got CPB, which is the old Thiess-Leighton entity, and Bombardier, who you would be familiar with, combined with Metro Trains and ourselves in an alliance arrangement.

The key message in the next steps is that next year it will start to really ramp up in terms of activity when we start these underground stations proper. That is all I was going to say. I have got some more slides that I will not show unless you want me to, just around disruption, examples from around the world and so forth.

The CHAIR — Okay. Thank you very much indeed for that. One thing that immediately springs to mind, as you mentioned, is there will be short-term closures on Flinders Street. When you say short-term, how short?

Mr TATTERSALL — It is stuff that CYP are working through now, but months potentially — not days, but not years either like all the other roads.

For example, in Federation Square we put an entry in the corner there where the current visitor centre is, so we have to take all that out, put a big shaft down and then there is an underground connection directly to the station. Exactly how much of the lanes they need to occupy on Flinders Street in order to build that is what CYP are working through the detail of right now. Further down Flinders Street we are putting an underpass directly into Flinders Street station. There will be open cut, so we will have to have a hole in Flinders Street at some stage to do the connections through to the station. We are trying to minimise the amount of impact that has, but it will be months at various stages, and exactly when — the time is to be determined as well.

The CHAIR — The concerns about the impact on St Paul's Cathedral, have they been remedied?

Mr TATTERSALL — We have had a lot of interaction with St Paul's. Obviously it is an old building that needs to be treated very delicately, but we have got very strict performance criteria. What we do not do is say to the contractors, 'You will build it this way'. We give them an envelope and criteria, like 'You can't let it settle for more than X millimetres. You can't create more than Y noise' — that sort of thing. We have got performance criteria to work within. That means there will be no damage to any of these historic buildings. We have got the Nicholas Building, we have got Young and Jackson's pub, we have got the town hall, for that matter — we do not want to get them offside. The criteria are there such that there will be no impact to St Paul's Cathedral.

The CHAIR — I am pleased to hear that. The buildings that you have acquired and the businesses that are no longer operating on Swanston Street, what sort of compensation have they received?

Mr TATTERSALL — There are two main areas. There is behind Young and Jackson's there, where there are six buildings, and then there is the corner of Swanston and La Trobe, where there are nine buildings. One of those is an apartment building, so there are about 45 residents in there in apartments. All of those have been or are in the process of being compensated. It obviously varies for each business. It is either relocating them and setting them up in new premises — like we did with Brunetti's, for example, in city square; they are moving just down Flinders Lane, and we are paying for all of that move and set-up into the new premises to keep them whole. They are all being compensated. It is just a matter of exactly what their change is and what their requirements are. Some of them are just being completely compensated for the business itself as opposed to moving the business.

The CHAIR — So they were not given any choice in the matter. It was just, 'We're moving in; you're moving out, and we'll just negotiate some compensation for you'?

Mr TATTERSALL — They have a choice inasmuch as we help them to find alternative locations in the city if that is what they want to do, and some of them are certainly doing that. Others have chosen not to do that, particularly some of the fast-food chains that have got other facilities close by and they are just consolidating those, for example. It just depends on the business.

The CHAIR — When those buildings are replaced, what sorts of buildings will they be replaced by? When you have finished doing what you are doing underground and so forth, what sorts of buildings will they be replaced by, particularly the ones next to Young and Jackson's and opposite the cathedral?

Mr TATTERSALL — It will be a building that has a height limit of 40 metres. It will be a mix of residential — sorry, not residential — retail and commercial most likely. That is still a process that is being worked through. We are also working with the City of Melbourne to put a library in there that at the moment sits in Flinders Lane that council is keen to have in that building. It gives it just a better profile and better access. We may put the tourist information centre that is on the corner Federation Square that we are going to have to take out of action in there as well. It just depends a bit on what the council would like to do without one. But above that would be commercial, and the ground level and probably the first level would be a mix of cafes and retail-type shops.

The CHAIR — In terms of the look, though, that is a particular part of Melbourne that we cherish. What sort of effort will be going into ensuring that the same sort of look is maintained that fits in with the cathedral, Young and Jackson's and some of those buildings around there — and the town hall?

Mr TATTERSALL — Yes, and Flinders Street station. The whole precinct is iconic. We worked up in conjunction with the Victorian state architect, the City of Melbourne and others — our own architectural adviser firms — guidelines that we then put as part of the contracting conditions for CYP, who are now the preferred. Again we do not say to them, 'You shall design it exactly this way', but we say, 'Within these criteria: this is not just your normal high-rise square box. This needs to be something that's in keeping with the precinct that you're in', so there are criteria that they have to deliver to. They are in the process of finalising architectural designs that respond to that. Again we will have the state architect, the council and others assessing the detail of that once it comes to us.

The CHAIR — On the issue of traffic, it seems to me that inner Melbourne and the city itself, throughout the course of 2018 and probably 2019 as well — and it has already started in fact — is going to be almost a no-go zone. A lot of areas will be no-go zones for traffic. Could that have been handled better?

Mr TATTERSALL — It will not be a no-go zone. If you look at the number of vehicles moving around the city, the increase in the number of vehicles is actually relatively small. It is a few per cent on what actually moves around at the moment. We saw the same thing in London. They were doing heaps of work over there and there was this view that you cannot do more work because you do not have the capacity, but you would just see three London buses come past and then a truck come past and people would not even notice it, so it is how you manage that traffic.

Our focus has been to get the traffic — the trucks in particular — away onto major arterial roads and then onto the freeways to get them out of the central area as quickly as possible, rather than having them winding around the lower level streets more than necessary. We are going to have to use some of the minor streets to get onto the arterials, but as much as possible that is how we will manage it. Like I say, it will be like a series of big building sites; we have just got five of them happening at once. But there are a lot of big building projects going on around Melbourne and we are going to add to that.

Ms HARTLAND — There is an *Age* article that I want to quote from in which it has been claimed that there will be 438 000 extra truck movements due to use of roadheaders instead of tunnel boring. Can you talk about what the accuracy of those comments is?

Mr TATTERSALL — They are not overly accurate. There are about 500 000 truck movements for the total period of construction across the whole corridor, so I am not sure how they think that is going to happen — and that is an extra over, which is just not right. The thing is, they might be looking at it and saying, 'Well, if you used tunnel boring machines all the way through, all your spoil would go out to either end of the job and that would reduce the amount of trucks in central Melbourne'. That is true. There is still a bit of optioneering going on in that space, but primarily because you have got caverns now, so you have got these holes under the ground that have to be opened up much bigger than the holes you allow trains to come through, which the tunnel boring machines will construct, you have to have this mining equipment down there anyway to open it up, so you have already got that gear down there and the view is that you are better to utilise that gear while your tunnel boring machines are coming in from either end and take the material out in parallel, because the reality is we have got to get this thing built in the next four or five years, as quickly as we can, because Melbourne needs it. If we wait to have tunnel boring machines come all the way in, it is just going to add a much longer time frame to the project. That is part of the reason why we are out there building shafts at the moment, to help get ahead of that.

Ms HARTLAND — Is that also part of why you have decided to go lower? Because in other presentations, if my memory is correct, you said you were going to be roughly at the same level as the current loop, but you have decided to go under. That will make it easier and there will be less disruption on Swanston Street.

Mr TATTERSALL — Yes. Originally we were going to go over the loop, but that meant creating big holes in Swanston Street to build the station. That meant moving all the trams and massive amounts of services, particularly Telstra services. It would have cost a couple of hundred million dollars alone just moving Telstra services out of Swanston Street, and then you have got to find somewhere to put them. The best place seemed to be Russell Street, so you are not only disrupting Swanston, you are disrupting Russell. With the costs and time of moving them and the disruption that goes with it, we decided on balance it was better to go deeper. Yes, there is a little bit more travel time for people to get to the station, but there is a major difference in the amount of disruption by coming in from the sides, coming in underneath and building it, and just leaving all the trams running and all the services in place.

Ms HARTLAND — So you are saying 500 000 truck movements. That will be the soil and the debris —

Mr TATTERSALL — That is everything.

Ms HARTLAND — Right, so —

Mr TATTERSALL — And that is indicative. That is not totally accurate.

Ms HARTLAND — We talked once before about the contamination, and it was thought that there would not be a large amount of contamination. Is that still true?

Mr TATTERSALL — It depends on how you define ‘contamination’. There is a low percentage — and it is only an assumption, because they will not know until they open up — of things that would need to go to a proper landfill that is managed under a waste management process, but there is a reasonable amount of what we call acid sulphate-type materials. So there is both rock and there is this Coode Island silt. The Coode Island silt is around the two rivers — the Moonee Ponds Creek and the Yarra — and there is not a lot of that. For the rock, there is quite an amount of that — about 25 per cent of the soil. The trick with that is that you do not leave it open to the air for a long time or it starts to oxidise and can become an issue. The trick is to get it in, get it covered up quickly, so there is a proper process for that, approved by the EPA. The thrust of our approach and CYP’s approach is to try and use all the material to, as much as possible, rehabilitate areas that are currently just wasteland, like old quarries, and there are quite a few of those around Melbourne.

Ms HARTLAND — Signalling is an issue that has always been talked about as to why the system does not work well or when there is a signal failure or whatever. Metro controls the Metrol control room. So with your partnership, is that going to also mean that there will be an upgrade of the Metrol room as well?

Mr TATTERSALL — There is an interface with that centralised control system, but in essence we are building a new standalone, state-of-the-art signalling system all the way from Dandenong to the west. The reason for that is that you need to put a new signalling system in so you can get greater throughput of trains, and we are picking the greatest and best you can get internationally in terms of high-capacity signalling systems to get more throughput of trains.

Ms HARTLAND — So what does that mean for the rest of the system?

Mr TATTERSALL — There is an interface with the rest of the system because they all need to talk to each other. If you are coming in on a train from Craigieburn, you want to know if you want to change at CBD North — obviously the information screens need to be able to tell you that. Apart from that it is essentially a standalone system. So there will not be major modifications to the central control system, but there will be some.

Ms HARTLAND — My understanding is that it probably needs major changes —

Mr TATTERSALL — That is a separate issue.

Ms HARTLAND — Yes, maybe that is an issue for questions later in the day, but I understand it is not the most modern of control groups.

Mr TATTERSALL — The train control management system itself — the TCMS, they call it — was put in relatively recently; it was only about five years ago they finished all of that. But it is like everything — it is like your phone; leave it a few years and it will become out of date.

Mr GEPP — Thanks, Mr Tattersall. Clearly projects of this size and scale will always cause disruption, and I am sure that you have drawn on experiences, both domestically and internationally, where there have been similar projects. Can you just take us through some of the places that you have looked at previously in relation to projects of the scale and how you have used those to assist with your planning?

Mr TATTERSALL — Yes. We have certainly looked at what has happened locally, not that Melbourne has done any metros. The most recent was probably the CityLink works. There was very significant disruption when they built that; there was very significant disruption when they built the city loop originally. So we have looked at the lessons we can learn from those, but probably more relevant are projects like Crossrail in London. I went over there early last year. I have seen so many letters and people on the radio talking about how they have built this Crossrail project in London and it caused no disruption at all. That is not the case. I walked through all of those central London station sites and they had roads shut, traffic diverted, big construction equipment to enable them to build shafts and tunnels all over London. It was very significant disruption. There were trucks everywhere. There was a taking over of public space and a taking over of public gardens that are 100 years old and just building shafts in the middle of them. It was all done very well. I think the difference is that Londoners shrug a little bit and say, ‘Oh, well, it’s a congested city. What’s a little bit more? At the end of the day we’re getting all this great new infrastructure’.

In Hong Kong — we went there as well and it was the same thing. They had major arterial roads with four or five shafts just opened up in the middle of the road that they were just diverting the traffic around. There were hoardings quite close to businesses that were clearly impacted. In New York — I went there, not for business but on holiday. I walked all the way up Second Avenue in the Upper East Side of Manhattan, where they were doing their most recent metro, and again there were big acoustic sheds over shafts in the middle of the roads. The traffic was being diverted. So we are doing nothing that is not typically done around the world when we are building these things. It can be managed.

Mr GEPP — Thank you. You talked a little earlier about the CRGs. I think you said we had five of them. How do people or organisations get onto those CRGs? Is there a process? Is it self-nomination? Is there an application?

Mr TATTERSALL — We have had a lot of interaction to date with all of the different entities in those areas: the locals, obviously; the community groups themselves; major institutions that are in the area, like RMIT in the north of the city; some of the hotels down near Domain; and obviously the councils. So we have selected and invited people to join, and we have found that process is working pretty well. If you take the Domain one, those who are attending are all in agreement that we have probably got a pretty good cross-section. Some of them would probably prefer not to have some of the ones on the other side of the table, but they recognise that you have to have a good balance, a good cross-section of entities, so it has been by invitation and acceptance has been pretty good.

Mr GEPP — Do they vary in size according to the expected disruption?

Mr TATTERSALL — They will be similar. The CBD one possibly could be a bit bigger, just because we may have more business representatives in that one. But they would be a similar size, because you have got all the same sorts of entities that you want involved. In the precincts themselves we have tried to plan them such that they are representative of a reasonable proportion of the alignment, so we would expect that they will be reasonably similar.

Mr GEPP — Just a couple more questions. Later on today we are going to have the owner of the old Oxford Scholar pub in Swanston Street appearing as a witness. That pub has closed. I recall in June that there were some media reports, I think in the *Age* and the *Herald Sun*, about the impact of the works on the pub. I think the articles were attributing the closure of the pub to the works. Can you outline what process MMRA went through with the publican to assist his business, and any compensation that subsequently followed?

Mr TATTERSALL — There is no question that we have had an impact on that hotel. It is a bit like having a big building site next to your business, which you see all over Melbourne. Probably one of the key issues for

the hotel was that they had an outdoor area on A'Beckett Street, and we took over A'Beckett Street to build the shaft. We tried to get that relocated out onto Swanston Street, but for a whole lot of approval reasons that was not able to happen, which had an impact on them.

But we worked from very early days in advance of any works happening, as we did with many, many businesses, to discuss how they run their business and to let them know of the impact coming up — so early consultation. One of the things we did with the Oxford Scholar, for example, was that they do not open until about 11 o'clock, so we made sure that any works that had to happen out the front of the hotel as much as possible were all done before then, and come 11 o'clock they would work from behind the hoarding area, and there was a lot of minor interface stuff that we dealt with them over.

It was their decision to close, and that is unfortunate. Had they kept going we would have done a lot of things to help them manage their business, as we are doing with the city baths just over the road, for example. There is a cafe in there that we are working very closely with, and that is going pretty well.

Mr GEPP — So there were options available to keep the business open?

Mr TATTERSALL — There were. A simple example would be things like offering to put in a new pizza oven — a commercial-type oven — that would help them to have a slightly different nature to their business, or add to their business. But I respect the fact that they made the decision not to continue. I understand their lease was up at the end of the following year anyway.

I think you have just got to step back a little bit and look at why we are doing all of this. I do not think there is anyone around this room who would not respect that this infrastructure that we are building is vital to Melbourne and that there is going to be disruption. There are going to be different impacts on different players as we go through the project.

Mr GEPP — Just a final one if I may. We have heard around the place that there are some alternatives that were canvassed in relation to the location of Domain station.

Mr TATTERSALL — Okay.

Mr GEPP — Can you explain why those options were not accepted or why they were rejected, and whether the Shrine supports the government's current proposal and the attitude of the National Trust to the current option?

Mr TATTERSALL — I will start with the basic reason why we have Domain station under St Kilda Road. There are nine different tramlines that go up St Kilda Road and up Swanston Street. They converge by the time they get up to the top end of the city. It is a very busy line; one of the most congested lines in the world. Part of the logic here of having a station where it is is such that people coming up a tram on St Kilda Road will get off the tram and get onto the train if they want to go to the top end of the city, or in particular to the uni precinct and the health precinct up there, because they will transfer quickly; they will be up there in a few minutes as opposed to the sort of 15–20 minutes it takes at the moment going up by tram.

So having the station under St Kilda Road at a shallow depth encourages people to get off the tram and onto the train. It is a very quick escalator-driven transfer there. About 50 per cent of the people who use the station will transfer; that is the modelling. So if you start to move the station from that location to the Shrine grounds or to Fawkner Park, which is the other option that has been mooted, it adds travel time for that transfer; it is about an extra 3 minutes in each direction if you go to the Shrine and more if you go to Fawkner Park. So it immediately detracts from the whole fundamental reason for having a station there.

If you take the Shrine grounds, there has been a lot of stuff mooted about how much money you would save by moving to the Shrine grounds because you are not spending all this money in mitigating disruption on St Kilda Road, and \$800 million has been out there. It is just absolute rubbish, because that \$800 million is based on, apparently, the \$500 million that we were going to spend on Punt Road to mitigate the impact, \$100 million on Kingsway, \$30 million on Ferrars Street and \$50 million on Beaconsfield Parade. It is rubbish. We are spending \$25 million across the whole of the project on different road initiatives et cetera. So it is completely unfounded.

It is about \$100 million more to go into the Shrine grounds. You do not save a lot in terms of trees. You do save disruption on St Kilda Road, there is no doubt about that, in building it, but you still have to put a big box under

St Kilda Road to enable the escalators and the lifts and the plant and equipment to create that tram-train connection, even though when they get down they have got to then walk several hundred metres to get to the station.

So you have got a level of disruption that still comes there, you do not save a lot of trees, you spend a lot more money and the National Trust and the Shrine are vehemently opposed to putting the station on the Shrine grounds. That is only one more issue. There are about 60 memorial trees that would have to go there. There are war veteran plaques at the bottom of those magnificent old trees that we would have to rip out to put a station in there. So for a whole lot of reasons it does not make a lot of sense.

Mr GEPP — I did have a question, Chair, about whether or not the MMRA have thought about the additional foot traffic that might be associated with a Richmond premiership, but that is probably a question for another day. It would be a nice problem to have.

The CHAIR — The day is not far away, Mr Gepp, at all.

Ms HARTLAND — In regard to your comment about London, I was fortunate enough to be there last summer, and I experienced the congestion around the works. It was really quite amazing how people were managing it. I think people just figure that in the end it is going to be an amazing project. In regard to air quality during this project, how is that being monitored and what are you expecting to see?

Mr TATTERSALL — We have done a lot and continue to deal with CYP to develop what we call background monitoring, so we know what is there now. There are requirements on us that have come out of the EES process, and they are in the environmental performance requirements that we have locked our contractors into that they cannot damage the air quality above certain EPA-driven limits. In terms of initiatives, apart from the normal stuff like watering down dust et cetera, one of the main things we are going to do is put acoustic sheds over all the open shaft areas, because that is where most of the dust would be generated from. Having the sheds in there that are environmentally controlled is a big plus for that. It is not only for air; it is obviously also for noise. Other initiatives would be akin to your normal construction-type management of air quality.

Ms HARTLAND — And so how will you monitor that?

Mr TATTERSALL — We would have monitoring equipment all along the alignment.

Ms HARTLAND — And so you would have someone on staff and that would be their responsibility? Who will you be reporting air quality monitoring to, or if there is a concern or if there is a spike?

Mr TATTERSALL — There are a number of layers to that. There are the contract obligations on CYP. We have an independent environmental auditor, who will come through on a regular basis and audit against this thing, which is the environmental performance requirements — not just air quality but every aspect of it — to make sure they are complying. We obviously have a layer of oversight to ensure the contractors are complying. Then there is also an independent reviewer that is driven by ourselves but equally by the financiers for the CYP to make sure that they are complying with all of their contract obligations, because the banks, at the end of the day, do not want to be left with any sort of liability. So there are a number of layers of control to make sure that they are complying across all aspects of these environmental performance requirements.

Ms HARTLAND — How many truck movements would you expect a day once you actually start doing the boring?

Mr TATTERSALL — It is going to vary considerably obviously depending on the stage and depending on the overlap between the stations. It is hard to put a figure on it. It is work that CYP are getting to the next level of detail on at the moment. There have been numbers thrown around — sort of 500-a-day-type numbers across the whole alignment — but really we will not know the detail of that for a while now.

Ms HARTLAND — My reason for asking that is because obviously a lot of these trucks are going to be diesel and there will be a problem around fine particulates. And so is there anything in your EES that says how you will be monitoring that? There is quite a dispute between the EPA and the community around the fact that fine particulates are often not required to be monitored. Obviously I am in Footscray so we have a massive problem there, so do you have anything in your EES that is going to deal with that?

Mr TATTERSALL — I am not sure is the answer. The percentage increase is actually relatively low, so it is not like we are going to have a whole huge concentration, but I think that is something I will take on notice, if that is all right, and we will come back to you on it.

Ms HARTLAND — And where is most of the spoil going to go?

Mr TATTERSALL — As I said before, the opportunities are everywhere. The focus is on what areas can be rehabilitated. You can just drive around Melbourne and look at all the old quarry sites. There are heaps of them. Some of them have gone through the process of becoming registered and have a licence in place to take material. Some of them have not. So that would be a fairly long process up-front. We are probably focusing more on ones that have got licences in place, but it is a CYP issue that they are working through. That is clearly an agenda of theirs — to try as much as possible to not put it to landfill but to actually do some good with the material.

Ms HARTLAND — Rehabilitation.

Mr TATTERSALL — Yes, rehabilitation — turn it into public space, park lands and things.

Ms HARTLAND — Because it is clean fill.

Mr TATTERSALL — Yes, for wherever it is clean fill, but even the acid sulphate stuff can be at the bottom of an old quarry and then covered up, and it is perfectly safe.

The CHAIR — We have a couple of other projects in and around town which are happening or will be about to happen, and may well be happening next year. One is, I understand, the reconstruction and repair of the sewer in Spencer Street, which is going to cause significant traffic problems, as I understand it. And of course if the West Gate tunnel goes ahead, that will also impact significantly on traffic and particularly with the larger number of trucks in the inner west side of Melbourne. Are you working with those two projects to ensure that as little difficulty as possible will be created?

Mr TATTERSALL — Yes. It is probably less of an issue with the Spencer Street works. They are shutting the southbound lanes there. It is not one of the routes we would be using for truck movements, and we have got defined routes that the contractors need to stick to. The West Gate tunnel is far more of an interface. Yes, we work very closely with them. One of the big areas will be from Arden — the area out to the west of the Arden station site — because that will be where all of the spoil will come from the tunnel boring machines, from the tunnels all the way into the top of the city. There will be quite a volume of material going out there and quite a volume of precast units coming in that then go back into the tunnel to line it. That predominantly will get out onto the Tullamarine Freeway and the Western Highway from there.

The CHAIR — I cannot wait.

Mr TATTERSALL — We have worked with them. We know that the capacity is there. It is not actually overly intense in terms of the number of trucks that come from our project, but it is steady. One of the other issues is when the West Gate tunnel opens — so right now, if everything went to plan, we would be opening up Grattan Street at the same time as the West Gate tunnel comes online and would start to bring more traffic into that north-western area of the city. If Grattan Street is open again, then that all works fine. If it is not, we have done the numbers to know that the work we are doing on Queensberry, plus other works on Victoria, can still handle the capacity. Say we run late, if they are running West Gate traffic into there, we can still handle all that, and we have worked all that through with VicRoads. So, yes, there is quite a bit of interface work. We recognise that you have this massive project there, and you have a few building sites — Queen Victoria Market maybe and even the level crossing works that are going on — and it all just adds to the cumulative effect of a number of projects that need to be managed.

The CHAIR — So you have been working with VicRoads or Transurban, or both?

Mr TATTERSALL — Both, and the West Gate tunnel authority as well. More broadly, we have got a transport and traffic working group that has VicRoads, councils, Yarra Trams and emergency services to look at all of the impacts across the combined inner metropolitan area of our works and to make sure that we are as coordinated as much as possible with everything else that is going on. One of the key issues is making damn

sure that whatever we do does not restrict emergency vehicles from getting into any of these places should there be a fire or an accident.

Ms HARTLAND — You have acquired a number of buildings in the city, and so after the project, what will happen with those buildings? Will they be recreated or will they just be put —

Mr TATTERSALL — That space you mean?

Ms HARTLAND — Yes.

Mr TATTERSALL — So if you take behind Young and Jackson's, that is where that more iconic-type building will be built, and the same at the other end of the CBD — the area on the corner of Swanston and La Trobe. There will be an oversite development there, which is part of the CYP bid. So the idea is once we get to the point where we start going down with our tunnels, they will start going up. We do not want to wait until we have finished and then say, 'Okay, now come in and build something above it', otherwise you have got people coming out of a station into a construction site. We want to try and time it so that that oversite development is done simultaneously with finishing the station works.

Other areas. Arden itself is quite a long-term development plan for out there that is not part of our project but will be done in parallel and in sync with it. The other station areas all get reinstated pretty much to what you see now, although with some enhancements — better public space. On Grattan Street we are going to one lane in each direction instead of two, for example, and making it a more user, pedestrian-friendly environment. Down at Domain we will do more on Albert Reserve. If you know it, on the western side, we are going to do more to upgrade that area as public space — so try and leave a bit of a legacy around these station sites as well.

Ms HARTLAND — What kind of work have you looked at in terms in cycling and places for people to actually secure their bikes et cetera? Also, will some of those buildings that you have purchased be returned as residential accommodation?

Mr TATTERSALL — Really, it is only the two in the city where we will have oversite development, and one of those is mooted to be a student accommodation-type arrangement, given RMIT and Melbourne Uni proximity, plus retail and other supporting functions. That is not returning what is there. If you have a look at what is there at the moment, it probably could do with a bit of a tidy up. We will have a much better facility there.

Ms HARTLAND — With the idea about student accommodation, does the project have any say in what kind of housing? I am thinking social housing, launch housing — one of those. It is just that I think the city has got quite an abundance of student accommodation. But good-quality social housing with one of those social housing groups, is it something that you have thought about or considered?

Mr TATTERSALL — We did consider it. It is not something that has been proposed. What we did was go to the market and say, 'What's the best mix and value that you can get out of these developments?' to try and help fund some of the project, to be honest. But there are definitely, as I understand it — not in our control — opportunities for social housing out at Arden in that development. That is a matter for government for policy consideration, but there is certainly a strong focus. So whether that happens at Arden, I do not know.

Ms HARTLAND — Also, too, does the project have any say in the kind of building? I am thinking about environmentally high-rating bike spaces and acceptance, especially if it is in the CBD, that you are not going to have a garage but you might have a space for your bike, and encouragement, obviously, onto public transport. Are those kinds of things being thought about?

Mr TATTERSALL — One of the problems with the two CBD developments is you really do not have availability for parking because we have got all our station stuff underneath. So unless you are putting parking up above ground, which is not —

Ms HARTLAND — So it is presumed it will not have parking?

Mr TATTERSALL — Yes. It really constrains the market there, which is one of the reasons why student accommodation makes sense, because they do not have cars in a lot of cases. There is a really strong market for

student accommodation. Not to try and contradict you, but talk to RMIT and Melbourne Uni — they are looking for places everywhere for student accommodation; it is quite scarce.

Ms HARTLAND — As usual thank you for actually answering questions; we do not always get that.

The CHAIR — Yes, it can be a bit of a rarity at times. Mr Tattersall, thank you very much for your time in coming in this morning. We do appreciate it, and we will certainly look forward with a great deal of interest to see your progress over the next few years.

Mr TATTERSALL — Thank you.

Witness withdrew.