



**PARLIAMENT OF VICTORIA**  
Legislative Council  
Economy and Infrastructure Committee

**Fourth report into  
infrastructure projects**

Parliament of Victoria  
**Economy and Infrastructure Committee**

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# Committee functions

The Economy and Infrastructure Standing Committee is established under the Legislative Council Standing Orders Chapter 23 – Council Committees and Sessional Orders.

The committee's functions are to inquire into and report on any proposal, matter or thing concerned with agriculture, commerce, infrastructure, industry, major projects, public sector finances, transport and education.

The Economy and Infrastructure Committee (References) may inquire into, hold public hearings, consider and report on other matters that are relevant to its functions.

The Economy and Infrastructure Committee (Legislation) may inquire into, hold public hearings, consider and report on any Bills or draft Bills referred by the Legislative Council, annual reports, estimates of expenditure or other documents laid before the Legislative Council in accordance with an Act, provided these are relevant to its functions.

Government Departments allocated for oversight:

- Department of Economic Development, Jobs, Transport and Resources
- Department of Education and Training
- Department of Treasury and Finance.

# Committee membership



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This report is available on the Committee's website.

# Contents

<b>Preliminaries</b>	
Committee functions	ii
Committee membership	iii
Committee staff	iv
Terms of reference	ix
Chair’s foreword	xi
Finding and recommendations	xiii
<b>1 Introduction</b>	<b>1</b>
1.1 Scope of the inquiry	1
1.2 Inquiry process	2
1.3 The report	2
1.4 Part One: Infrastructure project updates	3
1.5 Part Two: CBD Disruption	3
<b>2 Health infrastructure project updates</b>	<b>5</b>
2.1 Bendigo Hospital	5
2.2 Monash Children’s Hospital	6
2.3 Victorian Comprehensive Cancer Centre	7
2.4 Victorian Heart Hospital	7
2.5 Joan Kirner Women’s and Children’s Hospital	8
2.6 Other health projects of note	9
2.6.1 Sunshine and Footscray Hospitals	9
2.6.2 Maroondah Breast Cancer Centre	10
2.6.3 Broadmeadows Surgery Centre	10
2.6.4 Casey Hospital expansion	10
2.6.5 Goulburn Valley Hospital	10
2.6.6 Moorabbin Hospital	10
2.6.7 National Proton Beam Therapy Centre	10
2.6.8 Northern Hospital	11
<b>3 Transport infrastructure</b>	<b>13</b>
3.1 Transport for Victoria	13
3.2 The West Gate Tunnel Project (formerly the Western Distributor)	14
3.2.1 Monash Freeway upgrade	14
3.2.2 Webb Dock access improvements	14
3.2.3 The Environment Effects Statement process	14
3.2.4 Truck traffic and toll lanes	15
3.2.5 Toll concession extensions	17

3.2.6	Future works and timelines	19
3.2.7	Committee Comments	19
<b>3.3</b>	<b>Level Crossings Removal Project</b>	<b>19</b>
3.3.1	Progress	20
3.3.2	Caulfield to Dandenong section	20
3.3.3	Future works and timelines	21
<b>3.4</b>	<b>Melbourne Metro Rail Project</b>	<b>21</b>
3.4.1	Project and station names	21
3.4.2	Project overview	22
3.4.3	Governance arrangements	23
3.4.4	Progress on the project since May 2017	24
3.4.5	Future work and timelines	26
<b>3.5</b>	<b>Committee Comments</b>	<b>27</b>
3.5.1	Melbourne Metro Rail Project	27
3.5.2	West Gate Tunnel toll road lanes	27
3.5.3	Level crossing priority list	27
<b>4</b>	<b>Disruption in the Central Business District caused by the Melbourne Metro Rail Project</b>	<b>29</b>
4.1	Locations	29
4.2	Construction noise, dust and vibration	30
4.2.1	Construction noise	30
4.2.2	Vibration	31
4.2.3	Air quality - dust	31
4.3	Road closures	32
4.3.1	State Library Station	32
4.3.2	Town Hall Station	33
4.4	Extra truck traffic	33
4.5	Impact on the tram and metropolitan train networks	35
4.6	Acquisition of buildings	36
4.7	Disruption to businesses	37
4.7.1	State Library Station	37
4.7.2	Town Hall Station	37
4.8	Risk to heritage buildings	38
4.9	Removal of trees	38
<b>5</b>	<b>Measures to control disruption in the Central Business District</b>	<b>39</b>
5.1	The Melbourne Metro Rail Authority	39
5.1.1	The Environment Effects Statement process	40
5.1.2	Area of focus	41
5.1.3	Measures to control construction noise	41
5.1.4	Construction noise during work hours	42
5.1.5	Construction noise on weekends and in the evenings	44
5.1.6	Construction noise mitigation for residents	44

5.1.7	Truck noise	48
5.1.8	Vibration	48
5.1.9	Traffic	52
5.1.10	Heritage	54
5.1.11	Spoil management and air quality	56
5.1.12	Trees	57
5.1.13	An independent reviewer	59
5.1.14	Disruption in an international context	59
<b>5.2</b>	<b>The City of Melbourne</b>	<b>60</b>
<b>5.3</b>	<b>Public Transport Victoria</b>	<b>61</b>
5.3.1	St Kilda Road construction works 2017	62
5.3.2	Managing disruption from the level crossing removal project	62
5.3.3	Metropolitan rail network failure July 2017	64
<b>5.4</b>	<b>Victoria Police</b>	<b>65</b>
<b>6</b>	<b>Disruption to businesses in the CBD</b>	<b>67</b>
<b>6.1</b>	<b>Businesses compulsorily acquired</b>	<b>67</b>
<b>6.2</b>	<b>The MMRA’s business support guidelines</b>	<b>68</b>
<b>6.3</b>	<b>State Library Station</b>	<b>71</b>
<b>6.4</b>	<b>Town Hall Station</b>	<b>75</b>
6.4.1	Scott Alley traders	76
<b>6.5</b>	<b>Tourism</b>	<b>76</b>
<b>6.6</b>	<b>Long-term economic benefits for business</b>	<b>78</b>
<b>7</b>	<b>Consultation for infrastructure projects</b>	<b>79</b>
<b>7.1</b>	<b>Ideal consultation blueprint</b>	<b>80</b>
<b>7.2</b>	<b>Committee evidence on consultation practices</b>	<b>84</b>
7.2.1	The Level Crossing Removal Project	84
7.2.2	The Melbourne Metro Rail Project	89
7.2.3	The West Gate Tunnel Project	97
<b>7.3</b>	<b>Common themes</b>	<b>102</b>
7.3.1	Scope of stakeholder engagement	103
7.3.2	Communication with culturally and linguistically diverse communities	103
7.3.3	Transparency and timeliness of information	104
7.3.4	Lack of clear responsibility and complaints hierarchy	104
7.3.5	Evaluation and oversight of consultation process	105
<b>7.4</b>	<b>Recommendations</b>	<b>106</b>
<b>Appendices</b>		
<b>1</b>	<b>Public Hearings</b>	<b>109</b>
<b>2</b>	<b>Answers to Questions on Notice</b>	<b>111</b>
<b>Extracts of proceedings</b>		<b>125</b>
<b>Minority report</b>		<b>129</b>



# Terms of reference

## Inquiry into infrastructure projects

On 27 May 2015 the Legislative Council agreed to the following motion:

That the Economy and Infrastructure Committee inquire into, consider and report, at least once every six months, on public sector infrastructure and public works projects, including current and past infrastructure projects and proposals and, in particular —

- (a) projects relating to the removal of railway level crossings;
- (b) the Western Distributor;
- (c) the Melbourne Metro Rail Project;
- (d) the sale/lease of Port of Melbourne; and
- (e) Melbourne Airport Rail Link;

and any other public sector infrastructure or public works projects the Committee determines appropriate.

On 25 October the Legislative Council agreed to the following motion:

That the Resolution of the Council of 27 May 2015 requiring the Economy and Infrastructure Standing Committee to inquire into Infrastructure Projects, and report every six months in June and December, be amended so as to now require the Committee to present reports every six months in April and October.



# Chair's foreword

Over the course of this parliamentary term the Economy and Infrastructure Committee has carefully analysed and scrutinised the major public infrastructure works projects being undertaken in Victoria. The Committee has done so with limited resources but with a commitment to determining whether these public projects do indeed reflect what the public wants and believes to be necessary.

Each of the Committee's reports have investigated infrastructure according to a particular theme. You can find them all on the Committee's website.

In Report Four we looked into disruption to Melbourne's Central Business District resulting from projects being undertaken there.

I fully support the construction of infrastructure in Melbourne and believe it's necessary to constantly improve our transport and amenities in this fantastic and dynamic city. As the Member for the Western Metropolitan region I know all too well how important access to roads and transport is for my own community.

However as Chairman of the Economy and Infrastructure Committee I have been shocked at how often it is difficult to get specific costings for a project especially in terms of expected profits for private partners from tolls for example, and how disappointed communities are at the lack of consultation with them. This can affect the success of a project and is very disheartening for those stakeholders that are directly affected.

The Committee have sought information from a number of government and private partnership bodies that are working on major projects and we have not received adequate information. It is even more difficult for the general public. The contract document released for the West Gate Tunnel project on 30 December 2018 is nearly 1 500 pages long and almost incomprehensible with no clear outline of costs for the project.

I believe that government can do a lot better to ensure adequate consultation and provision of information. This report makes recommendations for how this can be done.

The Committee believes that implementing our suggested recommendations would lead to outcomes that the public would embrace, including:

- Greater availability of information about projects such as the West Gate Tunnel
- Fairer compensation for businesses adversely affected by construction activities
- More effective communication and consultation with stakeholders

## Chair's foreword

All Victorians want our infrastructure to be world class, but this will not happen until our processes improve.

I thank the Committee Secretariat team for their work on this Inquiry and the report which required ongoing revision and updating: Lilian Topic, Secretary; Kieran Crowe, Research Assistant; Michelle Kurrle, Research Assistant and Kirra Vanzetti, Chamber and Committee Officer. I also thank my colleagues on the Committee for their contribution to our work on Infrastructure projects.

I commend the report to the House.



**Bernie Finn MLC**  
**Chair**

# Finding and recommendations

## 3 Transport infrastructure

**RECOMMENDATION 1:** That the Government make publically available information about the following aspects of the West Gate Tunnel Project:

- The amount of funding Transurban will be contributing to the cost of the construction of the West Gate Tunnel Project
- The amount of funding the Government will be contributing to the cost of the construction of the West Gate Tunnel Project
- How much motorists in each vehicle class will pay in tolls on the West Gate Tunnel and CityLink for each year between 2019 and 2029
- An estimate of how much Transurban will receive in toll revenue for the life of the CityLink and West Gate Tunnel toll concession period until 2045
- Information from Transurban illustrating that it will not meet the equity return threshold of 17.5 per cent, even with the increased toll revenue from the West Gate Tunnel. . . . . 19

## 5 Measures to control disruption in the Central Business District

**FINDING 1:** The measures to control disruption in the CBD as outlined in the Melbourne Metro Rail Project’s Environment Effects Statement and Environmental Performance Requirements are comprehensive and have been subject to public consultation and independent scrutiny. . . . . 60

## 6 Disruption to businesses in the CBD

**RECOMMENDATION 2:** That businesses affected by construction activities for public infrastructure projects should receive compensation for lost revenue, or, where businesses are forced to close, compensation should be provided for the value of the business and costs associated with closing. This should only apply to businesses that demonstrate all of the following:

- The business was not acquired and did not receive compensation under the *Land Acquisition and Compensation Act 1986*
- The business is or was located in the designated project area of public infrastructure works. This includes projects declared public works under the *Environment Effects Act 1978* or to which the *Major Transport Projects Facilitation Act 2009* applies, as well as other large public infrastructure projects
- Evidence of a loss of revenue over a sustained period as a result of public infrastructure construction work, as determined by a third party government agency
- Efforts by the authority responsible for the project to support the business were inadequate, as determined by a third party government agency. . . . . 74

## 7 Consultation for infrastructure projects

**RECOMMENDATION 3:** That the Government develop a best practice communication and consultation guide for public infrastructure projects which should include, but not be limited to, the following points:

- Risk identification and performance management criteria for stakeholder consultation processes should be documented in the project’s business case or plan
- Information about complaints mechanisms and responsibility hierarchies should be provided to stakeholders directly and through a central information hub such as a website, by both the Government and relevant project partners
- Consultation should consider culturally and linguistically diverse communities affected by the project and steps should be taken to facilitate engagement with these groups
- Projects should provide substantive documentation to stakeholders well in advance (ideally 60 days prior to being asked to provide feedback or make decisions based on it)
- Project documentation for stakeholders should focus on areas of direct relevance to different groups and be available in varying degrees of length and complexity
- Stakeholder consultation should include collaborative consultation approaches and use of a broad range of consultation activities across all project phases, and should not be limited to requesting feedback or consultation after a decision has been made
- Information about the impacts of the project (for example noise, road closures, changed traffic conditions and public transport disruptions) should be provided to affected stakeholders across a range of communication platforms, including a central platform such as a website with as much notice as possible. . . . . 106

**RECOMMENDATION 4:** That stakeholder consultation processes and activities for public infrastructure projects be evaluated against the stated planning outcomes, objectives and activities and be made publically available. This should include:

Collection and maintenance of data documenting consultation and stakeholder engagement processes, outcomes, and lessons learned

Reports of stakeholder feedback on the project, responses to this feedback, and stakeholder responses to the consultation process. . . . . 107

# 1 Introduction

## 1.1 Scope of the inquiry

This is the fourth report by the Economy and Infrastructure Committee as part of an ongoing inquiry into infrastructure projects in Victoria.

The Committee's previous (third) report was tabled in May 2017 and is available, along with reports one and two, on the Committee's website ([www.parliament.vic.gov.au/eic](http://www.parliament.vic.gov.au/eic)).

The terms of reference for the Committee's Inquiry into Infrastructure Projects call for the Committee:

... to inquire into, consider and report, at least once every six months, on public sector infrastructure and public works projects, including current and past infrastructure projects and proposals and, in particular –

- (a) projects relating to the removal of railway level crossings;
- (b) the Western Distributor;
- (c) the Melbourne Metro Rail Project;
- (d) the sale/lease of Port of Melbourne; and
- (e) Melbourne Airport Rail Link;

and any other public sector infrastructure or public works projects the Committee determines appropriate.

For this fourth report, the Committee decided to examine the impact of the disruption caused by infrastructure projects in the CBD, in particular the Melbourne Metro Rail Project.

The report does not consider the Port of Melbourne or the Airport Rail Link projects. The Port of Melbourne lease has been finalised and there has been little reportable progress on the Melbourne Airport Rail Link. In November 2017, the Government announced further planning for an airport rail link.<sup>1</sup> The Committee will examine this development in its next reporting period if more detail becomes available.

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<sup>1</sup> Daniel Andrews MP, Premier, 'Speech to the Victorian Chamber' (media release), 23 November 2017

## 1.2 Inquiry process

The Committee conducted a number of public hearings to gather relevant information from stakeholders, including:

- Fiona Sweetman, Victoria Tourism Industry Council
- Michel Dubois, Roule Galette
- Lucie Mulet, Roule Galette
- Frank Bazzano, Alpha Barbers
- Acting Commander David Clayton, North West Metropolitan Region, Victoria Police
- Chris Hewison, Executive Director, Property Services, RMIT
- Jeroen Weimar, CEO, Public Transport Victoria
- Gillian Miles, Head, Transport for Victoria
- Trevor Jensen, Save St Kilda Road
- Marilyn Wayne, Save St Kilda Road
- Malcolm Wulf, former publican, Oxford Scholar Hotel
- Evan Tattersall, CEO, Melbourne Metro Rail Authority
- John Merritt, CEO, VicRoads
- Peter Sammut, CEO, Western Distributor Authority
- Scott Charlton, CEO, Transurban.

Transcripts from the hearings are available on the Committee's website ([www.parliament.vic.gov.au/eic](http://www.parliament.vic.gov.au/eic)).

The Committee thanks all those who provided information and advice for the report.

## 1.3 The report

This report has two parts. Part One gives an update on the infrastructure projects examined in the Committee's previous three reports; these include health and transport projects. The updates give information on future work and timelines as well as an overview of issues raised by organisations or individuals at public hearings.

Part Two deals with the disruption caused in Melbourne's Central Business District (CBD) by major infrastructure projects, most notably the Melbourne Metro Rail Project. It gives an overview of the disruption and examines the measures agencies are undertaking to control this disruption. Part Two also looks at consultation and communication for public infrastructure projects and makes a range of recommendations on ways Government can improve this process.

## 1.4 Part One: Infrastructure project updates

In Part One of the report, Chapter 2 provides an update on health infrastructure projects examined in the Committee's third report. The Committee provides information about large hospital and health infrastructure projects under construction including the Bendigo Hospital, the Monash Children's Hospital and the Victorian Comprehensive Cancer Centre. The chapter also outlines a number of other health infrastructure projects of note.

Chapter 3 provides further information on transport infrastructure projects in Victoria since the Committee's last report. Information is provided for the West Gate Tunnel Project, the Level Crossings Removal Program and the Melbourne Metro Rail Project. The Committee notes the number of toll lanes on the West Gate Tunnel project and the Government's prioritisation of level crossing removal projects.

## 1.5 Part Two: CBD Disruption

In Part Two, the Committee focuses on the disruption caused by major infrastructure projects in the CBD, in particular, the Melbourne Metro Rail Project. Chapter 4 examines the disruption that the construction of the project would cause in the CBD. This includes disruption caused by excavation, tunnelling and construction activities.

Chapter 5 looks at the measures employed by Government agencies to deal with disruption in the CBD. The Melbourne Metro Rail Authority (MMRA) provided evidence to the Committee that they had measures in place to prevent unnecessary disruption and to support residents and businesses that may be affected. The Committee heard from Public Transport Victoria (PTV) about the measures in place to keep the metropolitan train network and tram network running throughout the project's construction. Victoria Police and the City of Melbourne also provided evidence about their efforts to minimize disruption during the construction phase.

Chapter 6 deals with the disruption caused to businesses near the Metro Rail construction sites in the CBD. The Committee looked at the MMRA's policy of business acquisition on the sites that are required for shaft excavation, and the guidelines to support businesses affected by nearby construction activities. As part of this, the Committee looked at examples where businesses dealt with disruption from the project, including the Oxford Scholar Hotel and RMIT University. The Committee also heard from traders near Town Hall Station and the Victoria Tourism Industry Council about the possible impacts of the project in that area.

Chapter 7 of the report looks at stakeholder consultation for infrastructure projects. The Committee has examined consultation for infrastructure projects throughout the previous three reports, and based on this experience, the Committee proposes its own ideal consultation model. The Committee has used this ideal approach to examine the consultation efforts on recent

projects including the Level Crossing Removal Project, the West Gate Tunnel and the Melbourne Metro Rail Project. The Committee makes a number of recommendations in this area to address commonly identified problems.

# Health infrastructure project updates

In this chapter, the Committee examines health related infrastructure projects underway in Victoria. Victoria's health infrastructure requires a constant flow of projects to meet the demands of a growing and ageing population, and to update older facilities.<sup>2</sup> The infrastructure projects discussed in this chapter were the focus of the Committee's third report for the inquiry into infrastructure projects. This chapter provides an update for those projects previously discussed.

The 2017-18 State Budget estimate for health infrastructure projects in Victoria, at planning stage or underway, is \$3.1 billion.<sup>3</sup>

## 2.1 Bendigo Hospital

The Bendigo Hospital Project is a public private partnership between the Government and Exemplar Health, costing approximately \$1.11 billion.<sup>4</sup> Stage 1 was completed on 20 January 2017<sup>5</sup> and full service operations commenced in the new hospital on 25 January 2017.<sup>6</sup>

Stage 2 commenced in January 2017 and is expected to be completed by 30 June 2018.<sup>7</sup> A timeline of the works for Stage 2 is provided in Table 2.1 below.

In its previous report, report three, the Committee heard evidence that a proposal for Stage 3 of the project was in early consideration, subject to financial support from the Department of Health and Human Services and the Federal Government.<sup>8</sup> However, the Committee has since been informed by the department that there is no planned future Stage 3 for the project.<sup>9</sup>

<sup>2</sup> Please see the Economy and Infrastructure's third report into infrastructure projects (2017), pp.4-7

<sup>3</sup> Department of Treasury and Finance, *Budget Paper No. 4: State Capital Program 2017-18*, p.58

<sup>4</sup> Department of Treasury and Finance, *Budget Paper No. 4: State Capital Program 2016-17*, p.53

<sup>5</sup> Bendigo Health, 'Project update, December 2016', <bendigohospitalproject.org.au/project-update-december-2016>, viewed 25 September 2017

<sup>6</sup> Bendigo Health, 'Bendigo Health historic inpatient move complete', <bendigohospitalproject.org.au/bendigo-health-historic-inpatient-move-complete>, viewed 5 October 2017

<sup>7</sup> Bendigo Health, 'Timelines', <bendigohospitalproject.org.au/the-project-2/timelines>, viewed 25 September 2017

<sup>8</sup> Economy and Infrastructure Committee, *Third Report into Infrastructure Projects* (2017), pp.83-84

<sup>9</sup> Correspondence from the Department of Health and Human Services to Chair, Economy and Infrastructure Committee, 13 October 2017

**Table 2.1** Timeline of works for Stage 2 of the Bendigo Hospital Project

Bendigo Stage 2 milestone	Contract date
Works commencement	6 March 2017
Carpark structure commencement	1 September 2017
Barnard Precinct landscaping complete	11 November 2017
Link Bridge structure commence	23 November 2017
Link Bridge complete	31 January 2018
Carpark structure complete	28 February 2018
Alexander Bayne complete	8 March 2018
Carpark complete	9 March 2018
Lucan Precinct landscaping complete	12 April 2018
Retail space handover	28 April 2018
Commercial acceptance	26 June 2018

Source: Correspondence from the Department of Health and Human Services to Chair, Economy and Infrastructure Committee, 13 October 2017

## 2.2 Monash Children's Hospital

Monash Children's Hospital is a paediatric-specific hospital based next to the existing Monash Hospital Clayton campus. The Hospital opened in December 2016. Originally estimated to cost \$250 million to complete, additional funding of \$8 million was added for an on-site helipad and research wing<sup>10</sup>. The 2017-18 State Government Budget estimates \$271 million total expenditure on the project.<sup>11</sup>

The Hospital has shifted services from the old site in the following order:

- Emergency department, April 2017
- Paediatric intensive care, August 2017
- Mental health services between late 2017 and early 2018 — this is the final stage of the project.<sup>12</sup>

10 Victorian Auditor-General, *High Value High Risk 2016-17: Delivering HVHR Projects*, Victorian Auditor-General's Office (2016), p.33

11 Department of Treasury and Finance, *Budget Paper No. 4: State Capital Program 2017-18*, p.57

12 Monash Health, 'Monash Children's Hospital: Project scope and timeline', <[www.monashchildrenshospital.org/about-monash-childrens-hospital/new-hospital/project-scope-and-timeline](http://www.monashchildrenshospital.org/about-monash-childrens-hospital/new-hospital/project-scope-and-timeline)> viewed 26 September 2017; Monash Health, 'Monash Children's Hospital: New Hospital', <[www.monashchildrenshospital.org/about-monash-childrens-hospital/new-hospital](http://www.monashchildrenshospital.org/about-monash-childrens-hospital/new-hospital)> viewed 26 September 2017

## 2.3 Victorian Comprehensive Cancer Centre

The Victorian Comprehensive Cancer Centre (VCCC) is a specialist cancer hospital for population health research, clinical research and laboratory research. The building was completed in June 2016. Since the Committee's last report in May 2017, the VCCC partnership has grown to ten and now includes the Murdoch Children's Research Institute.<sup>13</sup> The building was designed to facilitate cancer-related clinical and research linkages between organisations based in the building.<sup>14</sup>

The 13<sup>th</sup> floor of the VCCC was undergoing additional fit-out work, which was due to be completed by the end of 2017.<sup>15</sup> The floor will become the Ian Potter Centre for new Cancer Treatments. It will be used for the Peter MacCallum Cancer Centre-led VCCC Immunotherapy Research Program, the Australian Genome Research Facility, the Cooperative Research Centre for Cancer Therapeutics and the Innovative Clinical Trial Centre.<sup>16</sup>

## 2.4 Victorian Heart Hospital

The Victorian Heart Hospital is a partnership between Monash Heart, Monash University and the Government to provide Australia's first cardiac-care specific hospital located at Monash University in Clayton. The hospital aims to improve Victoria's provision of cardiac care and related research and education.

In its third report for the Inquiry into Infrastructure Projects, the Committee heard evidence that the business case under development would be provided by the end of 2016. The Committee also heard that the project had received \$15 million in funding for planning and early works, but that there were no funding commitments from project partners and no formal project partners.<sup>17</sup> At the time of writing, no new investors or funding partners have joined the Government, Monash Health and Monash University partnership.<sup>18</sup>

The 2017-18 State Budget allocated \$15 million for planning and early works for the Heart Hospital<sup>19</sup>, in addition to a previously announced \$135 million.<sup>20</sup>

<sup>13</sup> Victorian Comprehensive Cancer Centre, *Strategic Plan 2016-2020* (2016), p.4

<sup>14</sup> Department of Treasury and Finance, 'Victorian Comprehensive Cancer Centre,' <[www.dtf.vic.gov.au/Infrastructure-Delivery/Public-private-partnerships/Projects/Victorian-Comprehensive-Cancer-Centre](http://www.dtf.vic.gov.au/Infrastructure-Delivery/Public-private-partnerships/Projects/Victorian-Comprehensive-Cancer-Centre)>, viewed 8 November 2017

<sup>15</sup> Kym Peake, Secretary, Department of Health and Human Services, *Public Accounts and Estimates Committee Inquiry into 2017-18 Budget Estimates Transcript of Evidence*, 17 May 2017, p.8

<sup>16</sup> Correspondence from the Department of Health and Human Services to Chair, Economy and Infrastructure Committee, 13 October 2017

<sup>17</sup> Please see the Economy and Infrastructure Committee's Third Report into the inquiry into infrastructure projects, p.114

<sup>18</sup> Correspondence from the Department of Health and Human Services to Chair, Economy and Infrastructure Committee, 13 October 2017

<sup>19</sup> Department of Treasury and Finance, *Budget Paper No. 4: State Capital Program 2017-18* (2017), p.58

<sup>20</sup> Jill Hennessy MP, Minister for Health, 'Vision for World Class Cardiac Care in Victoria' (media release), 6 May 2016

The Committee noted media reports and information provided from the Minister for Health, that the estimated cost of the business case options for the project have increased from \$350 million to \$450-600 million.<sup>21</sup> The Committee received information from the Department of Health and Human Services that the total estimated investment required for the project is dependent upon final scope and/or staging options, as well as whether the project would attract funding partners.<sup>22</sup> The Government provided an additional \$320 million to build the hospital in December 2017, which took the total Government contribution to \$470 million out of a total cost of \$543 million.<sup>23</sup> The Government received contributions toward the cost of the project from Monash University and Monash Health, although it seems that no new funding partners were able to be secured. The project is due to be completed in late 2019 or early 2020.<sup>24</sup>

## 2.5 Joan Kirner Women's and Children's Hospital

The Joan Kirner Women's and Children's Hospital will be a predominately maternity and children's services hospital built next to the existing Sunshine Hospital. Maternity services will be moved to the new building and the original Sunshine Hospital space will be used for other surgical or emergency short-stay beds.<sup>25</sup>

Construction on the new hospital commenced in August 2016. Since the Committee last reported, the status of project construction was:

- Full time operation of two construction cranes; Big Billy and Betty
- Pouring of ground concrete slab following significant rock breaking works
- Tunnel excavation and preparatory works for the link bridges to Sunshine Hospital
- As of 24 August 2017, 800 cubic metres of concrete had been poured.<sup>26</sup>

There is a discrepancy on the expected completion date for the hospital. Western Health states construction will be completed by late 2018 and that the hospital will open early in 2019, but the 2017-18 Budget papers list an expected completion

21 Jill Hennessy MP, Minister for Health, *Public Accounts and Estimates Committee Inquiry into 2017-18 Budget Estimates Questions without Notice*, 17 May 2017, p.1; ABC News, 'Victorian Heart Hospital plans 'botched', Victorian Opposition says', published 4 August 2017, <[www.abc.net.au/news/2017-08-04/victorian-heart-hospital-costs-increase/8773604](http://www.abc.net.au/news/2017-08-04/victorian-heart-hospital-costs-increase/8773604)>, viewed 26 September 2017

22 Correspondence from the Department of Health and Human Services to Chair, Economy and Infrastructure Committee, 13 October 2017

23 Daniel Andrews MP, Premier, 'Getting it Done: Building the Victorian Heart Hospital' (media release), 17 December 2017

24 Department of Treasury and Finance, *Budget Paper No. 4: State Capital Program 2017-18* (2017), p.58

25 Associate Professor Alex Cockram, CEO Western Health, *Transcript of Evidence*, 20 September 2016, p.4; Western Health, 'Joan Kirner Women's and Children's Hospital Project', <[www.westernhealth.org.au/OurSites/JKWCH/Pages/About%20the%20Joan%20Kirner%20Women's%20and%20Children's%20Hospital.aspx](http://www.westernhealth.org.au/OurSites/JKWCH/Pages/About%20the%20Joan%20Kirner%20Women's%20and%20Children's%20Hospital.aspx)>, viewed 26 September 2017

26 Western Health, 'Buzz of construction as hospital takes shape', <[www.westernhealth.org.au/AboutUs/News/Pages/Buzz-of-construction-for-new-hospital-.aspx](http://www.westernhealth.org.au/AboutUs/News/Pages/Buzz-of-construction-for-new-hospital-.aspx)>, viewed 26 September 2017

date of late 2019.<sup>27</sup> In response to the Committee's enquiry about the completion dates, the Department of Health and Human Services responded that 2019 date was the projects 'financial' completion.<sup>28</sup> No further explanation was provided.

## 2.6 Other health projects of note

### 2.6.1 Sunshine and Footscray Hospitals

Western Health operates the Sunshine and Footscray Hospitals. These hospitals attempt to cater to the growing population in inner and outer west Melbourne. Footscray Hospital is notable as being one of the oldest hospitals in the state. Development of Footscray Hospital has been neglected in favour of developing Sunshine Hospital into an acute campus.<sup>29</sup> Footscray Hospital south block and emergency department was described by the CEO of Western Health in evidence to the Committee as 'no longer fit for purpose'.<sup>30</sup> A total of \$50 million has been allocated in the 2017-18 State Budget to establish a business case for the development of Footscray Hospital.<sup>31</sup> Preparation for the business case will include options for land acquisition and urgent infrastructure works at the existing hospital.<sup>32</sup> The expected completion date for the business case is late 2019 to early 2020.<sup>33</sup>

The 2017-18 Budget allocated \$61.3 million for urgent infrastructure works for Western Health.<sup>34</sup> However, it is unclear what proportion will be allocated between Western Health Hospitals in Footscray and Sunshine. In her evidence to the Public Accounts and Estimates Committee, the Minister for Health noted that \$17 million worth of work had been undertaken around Footscray Hospital south block and that funding for works is included within the \$50 million for the new hospital, as noted in the Budget.<sup>35</sup> The remaining balance for Western Health as listed in the 2017-18 Budget has been allocated for urgent infrastructure works to Sunshine Hospital.

27 Western Health, 'Joan Kirner Women's and Children's Hospital Project', <[www.westernhealth.org.au/OurSites/JKWCH/Pages/About%20the%20Joan%20Kirner%20Women's%20and%20Children's%20Hospital.aspx](http://www.westernhealth.org.au/OurSites/JKWCH/Pages/About%20the%20Joan%20Kirner%20Women's%20and%20Children's%20Hospital.aspx)>, viewed 26 September 2017; Western Health, 'Accessing Sunshine Hospital services during construction of the Joan Kirner Women's and Children's Hospital', <[www.westernhealth.org.au/AboutUs/News/Pages/Joan-Kirner-Women%27s-and-Children%27s-Hospital-developments.aspx](http://www.westernhealth.org.au/AboutUs/News/Pages/Joan-Kirner-Women%27s-and-Children%27s-Hospital-developments.aspx)>, viewed 26 September 2017; Department of Treasury and Finance, *Budget Paper 4: State Capital Program 2017-18*, p.57

28 Correspondence from the Department of Health and Human Services to Chair, Economy and Infrastructure Committee, 13 October 2017

29 Leanne Price, Director Infrastructure Planning and Delivery Department of Health and Human Services, *Transcript of Evidence*, 20 September 2016, p.15

30 Associate Professor Alex Cockram, CEO Western Health, *Transcript of Evidence*, 20 September 2016, pp.4-7; Department of Treasury and Finance, *Budget Paper No. 4: State Capital Program 2017-18* (2017), p.55; Department of Treasury and Finance, *Budget Paper No. 3: Service Delivery 2017-18* (2017), p.92

31 Associate Professor Alex Cockram, CEO Western Health, *Transcript of Evidence*, 20 September 2016, pp.4-7; Department of Treasury and Finance, *Budget Paper No. 4: State Capital Program 2017-18* (2017), p.55; Department of Treasury and Finance, *Budget Paper No. 3: Service Delivery 2017-18* (2017), p.92

32 Department of Treasury and Finance, *Budget Paper No. 4: State Capital Program 2017-18* (2017), p.55; Department of Treasury and Finance, *Budget Paper No. 3: Service Delivery 2017-18* (2017), p.92

33 Department of Treasury and Finance, *Budget Paper No. 4: State Capital Program 2017-18* (2017), p.55; Department of Treasury and Finance, *Budget Paper No. 3: Service Delivery 2017-18* (2017), p.92

34 Department of Treasury and Finance, *Budget Paper No. 4: State Capital Program 2017-18* (2017), p.58

35 Jill Hennessy Minister for Health, *Public Accounts and Estimates Committee Inquiry into 2017-18 Budget Estimates*, *Transcript of Evidence*, 17 May 2017, pp.9-10

### 2.6.2 Maroondah Breast Cancer Centre

There are no updates for the Maroondah Breast Cancer Centre since the Committee's previous report in May 2017. The expected completion date is March 2018.<sup>36</sup>

### 2.6.3 Broadmeadows Surgery Centre

The Broadmeadows Surgery Centre was opened on 29 August 2017 in conjunction with the unveiling of the renamed Broadmeadows Health Service to Broadmeadows Hospital.<sup>37</sup> The Committee has nothing further to report.

### 2.6.4 Casey Hospital expansion

The Casey Hospital expansion project is currently in procurement and expected to be operational in 2019.<sup>38</sup> The Committee has nothing further to report.

### 2.6.5 Goulburn Valley Hospital

The Goulburn Valley Hospital redevelopment was allocated a total estimated investment of \$170 million for planning and development.<sup>39</sup> Redetvelopment is anticipated to commence in 2018 and be completed in 2020.<sup>40</sup>

### 2.6.6 Moorabbin Hospital

There are no updates for the Moorabbin Hospital medical imaging and outpatient expansion project at the time of reporting.

### 2.6.7 National Proton Beam Therapy Centre

The business case, developed with the Commonwealth, for the National Proton Beam Therapy Centre has been finalised.<sup>41</sup> The Committee has nothing further to report.

36 Eastern Health, *Maroondah Hospital Capital Projects, Breast Cancer Centre*, <[www.easternhealth.org.au/locations/maroondah-hospital/maroondah-hospital-capital-projects#news-and-media](http://www.easternhealth.org.au/locations/maroondah-hospital/maroondah-hospital-capital-projects#news-and-media)>, viewed 24 January 2018

37 Northern Health, 'Broadmeadows Hospital Official Opening', <[www.nh.org.au/about-us/media-centre/latest-news/166-broadmeadows-hospital-official-opening](http://www.nh.org.au/about-us/media-centre/latest-news/166-broadmeadows-hospital-official-opening)>, viewed 4 October 2017

38 Department of Treasury and Finance, *Budget Paper No. 4: State Capital Program 2017-18 (2017)*, pp.12, 14

39 Ibid. p.56

40 GV Health, 'Building a healthier future for Shepparton', <[www.gvhealth.org.au/building-a-healthier-future-for-shepparton](http://www.gvhealth.org.au/building-a-healthier-future-for-shepparton)>, viewed 3 October 2017

41 Kym Paeke, Secretary, Department of Health and Human Services, *Public Accounts and Estimates Committee Inquiry into 2017-18 Budget Estimates Transcript of Evidence*, 17 May 2017, p.39

### 2.6.8 Northern Hospital

The Northern Hospital has been allocated \$162.7 million in funding for Stage 2 of its inpatient expansion project.<sup>42</sup> The expansion will see the Northern Health tower block, completed in June 2016 as Stage 1, grow an additional four storeys to provide 96 inpatient beds, three operating theatres, 18 intensive care and high dependency beds, supporting infrastructure and space for future use.<sup>43</sup> The project is expected to be completed in late 2020 or early 2021.<sup>44</sup>

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42 Department of Treasury and Finance, *Budget Paper No. 4: State Capital Program 2017-18*, p.55

43 Department of Treasury and Finance, *Budget Paper No. 3: Service Delivery 2017-18*, p.92; Northern Health, 'State Government Budget 2017/18', <[www.nh.org.au/about-us/media-centre/latest-news/144-state-government-budget-201718](http://www.nh.org.au/about-us/media-centre/latest-news/144-state-government-budget-201718)>, viewed 29 September 2017

44 Department of Treasury and Finance, *Budget Paper No. 4: State Capital Program 2017-18 (2017)*, p.55



# 3 Transport infrastructure

Several major transport infrastructure projects are currently being planned or are under construction in Victoria. This includes the West Gate Tunnel Project, the Level Crossing Removal Program and the Melbourne Metro Rail Project. These infrastructure projects are amongst the largest transport infrastructure projects in the State's history and aim to support economic development by reducing road and rail congestion. This chapter provides an update on the progress and future work timelines of these projects. The Committee also notes the establishment of a new government agency, Transport for Victoria, which has been created to coordinate all modes of transport infrastructure under a single organisation.

3

## 3.1 Transport for Victoria

Transport for Victoria (TfV) is part of the Department for Economic Development, Jobs, Transport and Resources. Its role is to act as a coordinating body that oversees all road, rail, active transport, and port and marine transport. It also takes on the planning, management and coordination functions of Victoria's transport system. Agencies such as VicRoads, PTV and V/Line are incorporated under TfV.

TfV has been created as part of the implementation of the *Transport Integration Act 2010*. The Committee spoke to Gillian Miles, head of TfV, and asked how TfV was different to the old Department of Transport. Ms Miles told the Committee that the agency is empowered by the Act to plan and develop formerly separate transport networks such as road and rail under a single agency:

Transport for Victoria as an entity has some powers to bring the disparate bits of the portfolio together when required, so mostly working with VicRoads and PTV, joining those bits together to make sure that we provide a holistic view of the network need and, in this case, manage disruption that actually affects all modes.<sup>45</sup>

TfV will also assist in the delivery of major transport infrastructure projects such as the West Gate Tunnel Project, the Level Crossings Removal Project and the Melbourne Metro Rail Project.

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45 Gillian Miles, Head, Transport for Victoria, *Transcript of Evidence*, 15 September 2017, p.36

## 3.2 The West Gate Tunnel Project (formerly the Western Distributor)

The West Gate Tunnel Project<sup>46</sup> intends to take traffic off the West Gate Bridge by providing an alternative route from the West Gate Freeway to the Port of Melbourne and West Melbourne. The scope of the project is comprised of the West Gate Tunnel, the Monash Freeway upgrade and Web Dock access improvements. The project is a 'market-led proposal', which was put forward by Transurban in 2015 as an alternative to the Western Distributor.<sup>47</sup> The project was updated in December 2017 to include a longer tunnel amongst other design changes and will cost an extra 1.2 billion than previously estimated.<sup>48</sup> Construction on the project began in January 2018.<sup>49</sup>

### 3.2.1 Monash Freeway upgrade

The Monash Freeway upgrade began construction in September 2016 and will continue until the project's expected completion date of September 2018.<sup>50</sup>

### 3.2.2 Webb Dock access improvements

Construction on the Webb Dock access improvement project was completed in late 2017.<sup>51</sup>

### 3.2.3 The Environment Effects Statement process

The planning and approvals phase of the West Gate Tunnel, including the Environment Effects Statement (EES) process and key project approval applications, has been completed.<sup>52</sup> As part of the EES process, an independent Inquiry and Advisory Committee (IAC) was appointed to consider the EES and public submissions. The IAC provided a report on its findings to the Minister for Planning in October 2017. The Minister provided his assessment of the IAC report in November 2017, which addressed the IAC's recommendations and found that the project would have an acceptable level of environmental effects.<sup>53</sup> The Minister made a number of recommendations in his report, which include:

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- 46 The Western Distributor was renamed West Gate Tunnel Project following the announcement of the preferred builder on 2 April 2017.  
Peter Sammut, CEO, Western Distributor Authority, *Transcript of Evidence*, 21 June 2017, p.25
- 47 Scott Charlton, CEO, Transurban, *Transcript of Evidence*, 26 October 2016, p.11
- 48 Daniel Andrews MP, Premier, 'West Gate Tunnel Contracts Signed, Construction Starts In Weeks' (media release), 12 December 2017
- 49 Daniel Andrews MP, Premier, 'Work Begins On The West Gate Tunnel' (media release), 31 January 2018
- 50 Western Distributor Authority, *Monash Freeway Upgrade - Current Status*, <westgatetunnelproject.vic.gov.au/monash>, viewed 27 September 2017
- 51 Western Distributor Authority, *Web Dock Access-Update*, <westgatetunnelproject.vic.gov.au/webbdock>, viewed 27 September 2017 ; Scott Charlton, CEO, Transurban, *Transcript of Evidence*, 21 June 2017, p.11
- 52 Department of Treasury and Finance, *Budget Paper No. 4: State Capital Program 2017-18* (2017), p.15
- 53 The Hon. Richard Wynne MP, Minister for Planning, *West Gate Tunnel Project: Assessment under the Environment Effects Act 1978* (2017), p.59

- lowering Wurundjeri Way
- re-locating V/Line stabling yards
- acquiring a number of houses on Hyde Street
- assisting residents on Millers Road in Brooklyn with the installation of noise-reduction measures on their homes.<sup>54</sup>

The Committee notes that the Minister did not approve the IAC's advice that filtration systems should be installed on the ventilation stacks to funnel air and exhaust fumes from the tunnel that will run underneath Yarraville. The IAC said that ventilation emissions would contribute only a small part of the total project emissions and that ventilation emissions are relatively minor compared to background concentrations in the area.<sup>55</sup> However, the IAC said that given the opportunity, the project should take every opportunity to improve the already poor air quality in the area.<sup>56</sup>

The Minister for Planning was not convinced that the measures to install filtration systems were cost effective or that they would deliver a measurably better outcome.<sup>57</sup> The Minister said in a media release that:

...he accepts the EPA's submission that the filtration of tunnel ventilation emissions will do little to improve local air quality, and proposes that they are not included.<sup>58</sup>

The Minister went on to say that the construction of the ventilation stacks would not preclude the introduction of filtration technology in the future.<sup>59</sup>

The publication of the Minister's report completed the EES process.

### 3.2.4 Truck traffic and toll lanes

Over the course of the inquiry, the Committee has expressed concern to the Government and Transurban that trucks would use residential streets in order to bypass the tolls on the West Gate Tunnel. To prevent trucks using residential roads, full time truck bans will be in place for:

- Francis Street, Yarraville
- Somerville Road, Yarraville
- Buckley Street, Footscray
- Moore Street, Footscray

54 The Hon. Richard Wynne MP, Minister for Planning, *Environmental Effects Assessed For West Gate Tunnel* (media release 27 November 2017)

55 West Gate Tunnel Project, *Inquiry and Advisory Committee Report* (2017), pp.137-138

56 West Gate Tunnel Project, *Inquiry and Advisory Committee Report* (2017), p.138

57 The Hon. Richard Wynne MP, Minister for Planning, *West Gate Tunnel Project: Assessment under the Environment Effects Act 1978* (2017), p.39

58 The Hon. Richard Wynne MP, Minister for Planning, *Environmental Effects Assessed For West Gate Tunnel* (media release 27 November 2017)

59 The Hon. Richard Wynne MP, Minister for Planning, *Environmental Effects Assessed For West Gate Tunnel* (media release 27 November 2017)

- Blackshaws Road, Altona North
- Hudsons Road, Spotswood.<sup>60</sup>

The Committee spoke to Mr Peter Sammut, CEO of the Western Distributor Authority about the project. According to Mr Sammut, modelling predicts that 9300 trucks would be taken off inner Melbourne roads.<sup>61</sup> With the inclusion of truck bans, an additional 5000 trucks are estimated to be removed from residential streets.<sup>62</sup> Mr Sammut conceded however that there would be increased truck traffic on Hyde Street in Seddon and Millers Road in Altona North.<sup>63</sup>

In addition to truck bans, the Government has announced that they are reintroducing truck tolls on the West Gate Freeway. This is a significant change for the transport sector. The Government believes that the introduction of one truck toll point on the West Gate Freeway will contribute to a reduction in the number of trucks using Millers Road by 3000 by the year 2031.<sup>64</sup> Alongside the new tolling obligation, there will be soundproofing on Millers Road between the West Gate Freeway and Geelong Road.<sup>65</sup>

Noise walls will also be built at:

- Crofts Reserve, Altona North
- McIvor Reserve, Yarraville
- Stone Creek Reserve, Yarraville
- Donald McLean Reserve.<sup>66</sup>

This is in addition to the 8.5 kilometres of noise walls already planned.<sup>67</sup>

60 Western Distributor Authority, *West Gate Tunnel Project to Deliver More 24/7 Truck Bans*, <westgatetunnelproject.vic.gov.au/west-gate-tunnel-project-to-deliver-more-247-truck-bans>, viewed 27 September 2017

61 Peter Sammut, CEO, Western Distributor Authority, *Transcript of Evidence*, 21 June 2017, p.27

62 Western Distributor Authority, *West Gate Tunnel Project to Deliver More 24/7 Truck Bans*, <westgatetunnelproject.vic.gov.au/west-gate-tunnel-project-to-deliver-more-247-truck-bans>, viewed 27 September 2017

63 Peter Sammut, CEO, Western Distributor Authority, *Transcript of Evidence*, 21 June 2017, p.27

64 Western Distributor Authority, *Fewer Trucks and Less Noise with West Gate Tunnel*, <westgatetunnelproject.vic.gov.au/fewer-trucks-and-less-noise-with-the-west-gate-tunnel>, viewed 14 September 2017

65 Western Distributor Authority, *Fewer Trucks and Less Noise with West Gate Tunnel*, <westgatetunnelproject.vic.gov.au/fewer-trucks-and-less-noise-with-the-west-gate-tunnel>, viewed 14 September 2017

66 Western Distributor Authority, *Fewer Trucks and Less Noise with West Gate Tunnel*, <westgatetunnelproject.vic.gov.au/fewer-trucks-and-less-noise-with-the-west-gate-tunnel>, viewed 14 September 2017

67 Western Distributor Authority, *Only the best for the west with the best noise walls in Melbourne*, <westgatetunnelproject.vic.gov.au/only-the-best-for-the-west-with-the-best-noise-walls-in-melbourne>, viewed 27 September 2019

### 3.2.5 Toll concession extensions

Transurban has signed a contract with the Government which will allow it to receive an extension on its concession to toll users of the CityLink toll road, in exchange for funding part of the construction cost of the West Gate Tunnel.<sup>68</sup> Transurban will also be given a concession to toll users of the West Gate Tunnel, once it is complete.<sup>69</sup> Transurban will toll CityLink users for an extra 10 years on top of its concession to toll users until 2035. This means that users of CityLink and the West Gate Tunnel will pay tolls until 2045. In exchange for the toll extension, Transurban will reportedly fund \$4 billion of the \$6.7 billion cost to construct the West Gate Tunnel.<sup>70</sup> The Government has allocated \$1.46 billion in the 2016-17 budget to put towards the cost of the project.<sup>71</sup>

Under Transurban's contract to build and operate CityLink in the 1990's, the company was granted a concession to toll users of the freeway until 2035, or until the company received a 17.5 per cent per-annum equity return on the initial investment of building the road.<sup>72</sup>

The Committee was concerned that the company may have already reached the threshold of a 17.5 per cent equity return and that as a result, Transurban's concession to toll CityLink users could be legally terminated. Mr Scott Charlton, CEO of Transurban told the Committee that the 17.5 per cent threshold has not been reached because Transurban had spent money upgrading the freeway, on operating costs, and because traffic flow reduced during the 2008-09 financial crisis:

We have also invested another \$2 billion into the network. We also had the GFC, which impacted traffic flow back in 2008 and 2009, and as we have said on multiple occasions, including at our AGM by our chairman, we have our own independent auditor, we have our own experts, we have external experts that review all our concession arrangements, and we have not met, nor have we forecast to meet, that level at this point. It is subject still to a traffic forecast but is based on our forecasts, and of course we have the state and VicRoads, which administer the contracts as well.<sup>73</sup>

Further, Mr Charlton said that:

We have invested billions and billions of dollars into the network and we spent hundreds of millions of dollars on operating costs, and the answer is, yes, we have not met the 17.5 per cent.<sup>74</sup>

68 Daniel Andrews MP, Premier, 'West Gate Tunnel Contracts Signed, Construction Starts in Weeks' (media release), 12 December 2017

69 Department of Treasury and Finance, *Budget Paper No. 2: Strategy and Outlook*, 2016-17, p.7

70 Adam Carey, 'Western Distributor Explained', *The Age*, 14 April 2016, <[www.theage.com.au/victoria/western-distributor-explained-20160414-go6ktz.html](http://www.theage.com.au/victoria/western-distributor-explained-20160414-go6ktz.html)>, viewed 20 November 2017

71 Department of Treasury and Finance, *Budget Paper No. 2: Strategy and Outlook*, 2016-17, p.7

72 Agreement for the Melbourne City Link, S.1(a)(i)

73 Scott Charlton, CEO, Transurban, *Transcript of Evidence*, 21 June 2017, p.10

74 Scott Charlton, CEO, Transurban, *Transcript of Evidence*, 21 June 2017, p.6

Mr Charlton also believed that the equity threshold would not likely be reached before 2035 with, or without the construction of the West Gate Tunnel.<sup>75</sup>

The Committee believes that information illustrating that Transurban will not meet the forecast equity return of 17.5 per cent before the end of the toll concession period in 2045 should be made publically available.

The Committee notes that Transurban received \$687 million in toll revenue from CityLink in 2016-17.<sup>76</sup> If Transurban were to continue to receive this level of revenue from CityLink alone until 2035, the company would receive \$12.36 billion in tolls over the next 18 years. If the concession were to be extended until 2045, at the present rate of toll income, the company would receive an extra \$6.87 billion in toll revenue. This forecast does not take into account the growth in toll revenues on CityLink, which in 2015 was 7.8 per cent, in 2016, was 7.3 per cent and in 2017 was 4.1 per cent.<sup>77</sup> Nor does it take into account the extra income that the company would receive from the tolls on the West Gate Tunnel, once it is built.

The toll pricing for the West Gate Tunnel precinct for 2017 is outlined in Table 3.1

**Table 3.1 Toll pricing for the West Gate Tunnel precinct for 2017**

	Cars	Motorcycles	Light Commercial Vehicles	Heavy Commercial Vehicles		High Productivity Freight Vehicles	
				Day	Night	Day	Night
West Gate Freeway	No toll	No toll	No toll	\$14.60	\$9.75	\$21.90	\$14.60
Hyde Street	\$3.00	\$1.50	\$4.85	Trucks will pay a flat fee when entering the West Gate Freeway, which will allow access to Hyde Street and the West Gate Tunnel. A city access AM peak charge will not apply.			
West Gate Tunnel	\$3.00	\$1.50	\$4.85				
City access (AM peak only 7am-9am)	\$4.80	\$2.40	\$7.70				

Source: West Gate Tunnel Project, Toll Prices, <westgatetunnelproject.vic.gov.au/tolls>, viewed 29 January 2018

The agreement between the Government and Transurban indicates that tolls will rise by 4.25 per cent each year between 2019 and 2029.<sup>78</sup> The Committee notes this is well above the current inflation rate and will result in significant revenue for Transurban.

<sup>75</sup> Scott Charlton, CEO, Transurban, *Transcript of Evidence*, 21 June 2017, p.6

<sup>76</sup> Transurban, *Annual Report 2017 (2017)*, p.59

<sup>77</sup> Transurban, *Annual Report 2015 (2015)*, p.12; Transurban, *Annual Report 2016 (2016)*, p.8; Transurban, *Annual Report 2017 (2017)*, p.8

<sup>78</sup> The State of Victoria and Transurban WGT Co Pty Ltd, *West Gate Tunnel Project Agreement, Execution Version (2017)*, Schedule 28, p.733

### 3.2.6 Future works and timelines

A consortium led by John Holland and CPB Contractors was announced as the preferred tenderer for the West Gate Tunnel project on 2 April 2017.<sup>79</sup> Construction started in January 2018 and is expected to be completed in 2022.<sup>80</sup>

### 3.2.7 Committee Comments

The exact amount of public funding to be contributed to the total project cost of \$6.7 billion is unclear to the Committee, despite the release of the contract between Transurban and the Government.

The Committee believes the contract document between Transurban and the Government, which was released on December 30 2017 and is 1 465 pages long, does not present information relating to the Tunnel in a clear and easily accessible manner. The Committee believes that the Government should provide a more easily accessible document that includes information of public interest in order to build public confidence in the project. The information should include how much the Government and Transurban are contributing to the cost of the project, how much the tolls will be in the future and whether Transurban will make enough profits to satisfy the 17.5 per cent equity return clause.

**RECOMMENDATION 1:** That the Government make publically available information about the following aspects of the West Gate Tunnel Project:

- The amount of funding Transurban will be contributing to the cost of the construction of the West Gate Tunnel Project
- The amount of funding the Government will be contributing to the cost of the construction of the West Gate Tunnel Project
- How much motorists in each vehicle class will pay in tolls on the West Gate Tunnel and CityLink for each year between 2019 and 2029
- An estimate of how much Transurban will receive in toll revenue for the life of the CityLink and West Gate Tunnel toll concession period until 2045
- Information from Transurban illustrating that it will not meet the equity return threshold of 17.5 per cent, even with the increased toll revenue from the West Gate Tunnel.

## 3.3 Level Crossings Removal Project

The Level Crossings Removal Project plans to remove 50 level crossings across Melbourne. Other works are being conducted alongside level crossing removals, including building stations, modifying stations, power upgrades and signalling upgrades. The Level Crossing Removal Authority (LXRA), established in 2015, manages the program.

<sup>79</sup> Peter Sammut, CEO, Western Distributor Authority, *Transcript of Evidence*, 21 June 2017, p.25

<sup>80</sup> Peter Sammut, CEO, Western Distributor Authority, *Transcript of Evidence*, 21 June 2017, p.25

### 3.3.1 Progress

Since the Committee's last report in May 2017, 11 level crossings have been removed and 17 are in design and construction.<sup>81</sup> The Mernda rail link and the Hurstbridge track duplication have started construction and are expected to be completed by 2019.<sup>82</sup>

The following level crossing removal works have been completed:<sup>83</sup>

Burke Road, Glen Iris (Completed mid-2016)	Furlong Road, St Albans (Completed mid-2017)
North Road, Ormond (Completed late 2016)	Scoresby Road, Bayswater (Completed mid-2017)
McKinnon Road, McKinnon (Completed late 2016)	Mountain Highway, Bayswater (Completed mid-2017)
Centre Road, Bentleigh, (Completed late 2016)	Blackburn Road, Blackburn (Completed mid-2017)
Main Road, St Albans (Completed mid-2017)	Heatherdale Road, Mitcham (Completed mid-2017)
Camp Road, Campbellfield (Completed late 2017)	

The following level crossing removal works are under construction (not including the Caulfield to Dandenong section):<sup>84</sup>

Thomas Road, Lyndhurst (due date not specified)	Melton Highway, Sydenham (due late 2018)
Grange Road, Alphington (due by 2019)	Lower Plenty Road, Rosanna (due by 2019)
Skye/Overton Road, Frankston (due mid-2018)	Kororoit Creek Road, Williamstown North (due late September 2018)
Abbots Road, Dandenong South (due by 2019)	Buckley Street, Essendon (due late 2018)

### 3.3.2 Caulfield to Dandenong section

The Caulfield to Dandenong section of the Level Crossing Removal Project commenced construction in August 2016 and is expected to be completed in mid-2018.<sup>85</sup> The level crossings will be replaced by rail over road infrastructure. Five new train stations are being built as part of the project at Carnegie, Murrumbeena, Hughesdale, Clayton and Noble Park.<sup>86</sup>

The following level crossings removal works are under construction as part of the Caulfield to Dandenong project:<sup>87</sup>

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- 81 Gillian Miles, Transport for Victoria, *Transcript of Evidence*, 15 September 2017, p.32
- 82 Ibid.
- 83 Adapted from Level Crossing Removal Authority individual crossing pages, <levelcrossings.vic.gov.au/crossings>, viewed 28 September 2017
- 84 Adapted from Level Crossing Removal Authority individual crossing pages, <levelcrossings.vic.gov.au/crossings>, viewed 28 September 2017
- 85 Level Crossing Removal Authority, *Caulfield to Dandenong Construction Brochure*, <levelcrossings.vic.gov.au/media-library/publications/caulfield-to-dandenong-publications/fact-sheets/caulfield-to-dandenong-construction>, viewed 28 September 2017
- 86 Level Crossing Removal Authority, Caulfield to Dandenong Project, <levelcrossings.vic.gov.au/crossings/caulfield-to-dandenong>, viewed 28 September 2017
- 87 Adapted from Level Crossing Removal Authority Caulfield to Dandenong individual crossing pages, <levelcrossings.vic.gov.au/crossings/caulfield-to-dandenong>, viewed 28 September 2018

Grange Road, Carnegie	Koornang Road, Carnegie
Murrumbeena Road, Murrumbeena	Poath Road, Hughesdale
Clayton Road, Clayton	Centre Road, Clayton
Corrigan Road, Noble Park	Heatherton Road, Noble Park
Chandler Road, Noble Park	

### 3.3.3 Future works and timelines

#### Level Crossing Removal Projects in planning:<sup>88</sup>

Glenroy Road, Glenroy	Moreland Road, Brunswick
Cherry Street, Werribee	Bell Street, Coburg
Ferguson Street, Williamstown	Aviation Road, Laverton
High Street, Reservoir	Werribee Street, Werribee
Station Street, Carrum	Bell Street, Preston
Edithvale Road, Edithvale	Station Street/Bondi Road, Bonbeach
Eel Race Road, Carrum	Charman/Park Roads, Cheltenham
Clyde Road, Berwick	Balcombe Road, Mentone
Hallam Road, Hallam	Seaford Road, Seaford
Maroondah Highway, Lilydale	South Gippsland Highway, Dandenong
Toorak Road, Kooyong	Manchester Road, Mooroolbark

## 3.4 Melbourne Metro Rail Project

### 3.4.1 Project and station names

The project will be referred to as the Melbourne Metro Rail Project throughout this report to align with the use of the term in the Melbourne Metro Rail Authority's Environmental Effects Statement. The project is also known as Metro Tunnel.

The stations for the Melbourne Metro Rail Project were given temporary names while the project was in its planning and early construction phase. In order from north to south, the stations were referred to as Arden, Parkville, CBD North, CBD South and Domain. The Government held a competition to re-name the stations. The public were invited to submit suggestions and an advisory panel was appointed to provide a short-list of names to the Government. The new station

<sup>88</sup> Level Crossing Removal Authority, level crossings., <[levelcrossings.vic.gov.au/crossings](http://levelcrossings.vic.gov.au/crossings)>, viewed 29 January 2018

names were announced on 29 November 2017.<sup>89</sup> The new station names are, in order from north to south, North Melbourne, Parkville, State Library, Town Hall and Anzac. The old and new station names are outlined in Table 3.2.

**Table 3.2** The old station names and new station names for the Melbourne Metro Rail Project

Old station name	New station name
Arden	North Melbourne
Parkville	Parkville
CBD North	State Library
CBD South	Town Hall
Domain	Anzac

Source: The Hon. Daniel Andrews, Premier, 'Names For Five New Metro Tunnel Stations Revealed' (media release), 29 November 2017

Some of the planning documents referred to in this report use the old station names.

### 3.4.2 Project overview

The Melbourne Metro Rail Project will link the Sunbury and Cranbourne-Pakenham lines through a tunnel travelling under the CBD. Five new underground stations will be built at North Melbourne, Parkville, State Library (interchanging with Melbourne Central Station), Town Hall (interchanging with Flinders Street Station), with major train/tram interchanges at Parkville and Anzac. Signalling, track and other infrastructure works will also be undertaken.

The Metro Rail Project will remove the Sunbury and Pakenham Cranbourne lines from the city loop. This will create more capacity for services on other metropolitan lines to use the city loop. The MMRA estimates that an extra 39 000 passengers will be able to use the system each peak period.<sup>90</sup>

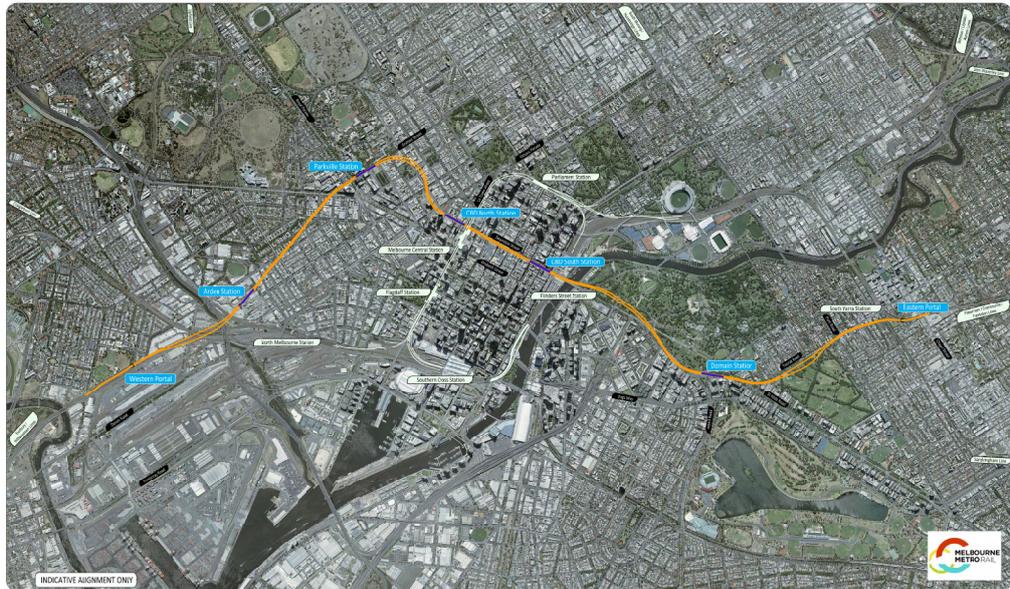
The project is also expected to create significant social and economic benefits with increased transport efficiencies, the creation of 7 000 construction jobs, and economic benefits for the catchments near the five new stations. According to the MMRA, it is expected that the construction and operation of the Metro Rail project will increase Victoria's Gross State Product by at least \$7 billion.<sup>91</sup>

<sup>89</sup> The Hon. Daniel Andrews, Premier, 'Names For Five New Metro Tunnel Stations Revealed' (media release), 29 November 2017

<sup>90</sup> Melbourne Metro Rail Authority, *Benefits of the Project*, <metrotunnel.vic.gov.au/about-the-project/project-benefits>, viewed 12 October 2017

<sup>91</sup> Melbourne Metro Rail Authority, *Benefits of the Project*, <metrotunnel.vic.gov.au/about-the-project/project-benefits>, viewed 12 October 2017

Figure 3.1 Melbourne Metro Rail Project Map



Source: Melbourne Metro Rail Authority, <metrotunnel.vic.gov.au/library/maps>, viewed 29 January 2018

### 3.4.3 Governance arrangements

The MMRA is the Government agency responsible for the delivery of the Melbourne Metro Rail project. The MMRA is incorporated under TfV at the Department for Economic Development, Jobs, Transport and Resources. The MMRA will oversee all aspects of the Melbourne Metro Rail Project including planning, site investigations, stakeholder engagement, planning approvals, procurement, construction delivery and project commissioning.<sup>92</sup>

Like the West Gate Tunnel, the MMRA has sought to procure stages of the project construction from private companies and consortiums under a Public Private Partnership (PPP) process. The early works stages of the project have been managed by John Holland, and the tunnelling and station construction will be delivered by the Cross Yarra Partnership.<sup>93</sup> A contract has also been signed with CPB Contractors and Bombardier Transportation to deliver the high-capacity signalling system.<sup>94</sup>

<sup>92</sup> Melbourne Metro Rail Authority, *About Melbourne Metro Rail Authority*, <metrotunnel.vic.gov.au/about-the-project/project-delivery/mmra>, viewed 10 October 2017

<sup>93</sup> The Cross Yarra Partnership is a consortium comprising Lendlease Engineering, John Holland, Bouygues Construction and Capella Capital.

<sup>94</sup> Daniel Andrews MP, Premier, 'Getting It Done: Metro Tunnel Contracts Signed' (media release), 18 December 2017

### 3.4.4 Progress on the project since May 2017

Early works for the project commenced in 2017. This includes utility services relocation, property acquisition, demolition and other preparatory works.<sup>95</sup> There have also been upgrades to surrounding roads to accommodate increased traffic flow as a result of long-term road closures during the project.<sup>96</sup>

The following works are currently underway across the six construction sites.

Kensington (Western Tunnel Entrance):<sup>97</sup>

- Site establishment and preparation works
- Ground condition testing and monitoring
- Constructing a retaining wall, temporary high voltage towers, and piling works
- Relocation of a high voltage tower.

North Melbourne:<sup>98</sup>

- Installation of ground water monitoring well
- Construction of a temporary electrical substation
- Geotechnical drilling
- Demolition of vacant buildings within Government-owned land
- Parkville Gas service relocation works
- Cable hauling works
- Sewer works
- Installation of water mains and ground water monitoring wells
- Road reinstatement works.

Melbourne CBD:<sup>99</sup>

- Construction of acoustic shed on A'Beckett Street
- Demolition and excavation of City Square Car park
- Installation of groundwater monitoring wells on Main Yarra Train near Princes Bridge and rowing clubs
- Demolition of buildings near Swanston Street and La Trobe Street
- Demolition of buildings near Swanston Street and Flinders Street.

<sup>95</sup> Evan Tattersall, CEO, Melbourne Metro Rail Authority, *Presentation to Public Hearing*, 15 September 2017

<sup>96</sup> Ibid.

<sup>97</sup> Melbourne Metro Rail Authority, *Construction in Kensington*, <metrotunnel.vic.gov.au/construction/kensington>, viewed 2 October 2017

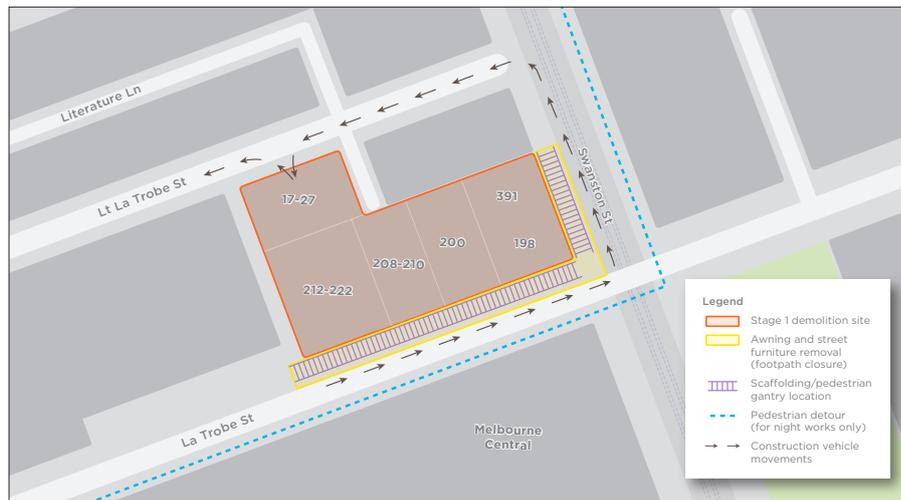
<sup>98</sup> Melbourne Metro Rail Authority, *Works to take place in the Parkville Precinct in 2017*, <metrotunnel.vic.gov.au/construction/parkville/works-2017>, viewed 2 October 2017

<sup>99</sup> Melbourne Metro Rail Authority, *City Square*, <metrotunnel.vic.gov.au/construction/cbd/city-square>, viewed 2 October 2017; Melbourne Metro Rail Authority, *Construction in Melbourne CBD*, <metrotunnel.vic.gov.au/construction/cbd>, viewed 2 October 2017

Anzac:<sup>100</sup>

- Roadworks on St Kilda Road for service relocations and changes to road, tram and bicycle networks.

**Figure 3.2** Buildings that have been demolished near State Library Station



Source: Melbourne Metro Rail Authority, Works Notification, 'Building Demolition - CBD North, September 2017 - April 2018'

**Figure 3.3** Buildings that have been demolished near Town Hall Station



Source: Melbourne Metro Rail Authority, Works Notification, 'Building Demolition on Swanston Street and City Square Works Update, September 2017'

<sup>100</sup> Melbourne Metro Rail Authority, *Service Relocations in Domain*, <metrotunnel.vic.gov.au/construction/domain/service-relocations-in-domain>, viewed 2 October 2017; Melbourne Metro Rail Authority, *Toorak Road West and St Kilda Road Tram Upgrades*, <metrotunnel.vic.gov.au/construction/domain/toorak-road-west-and-st-kilda-road-tram-works>, viewed 2 October 2017



Source: Melbourne Metro Rail Authority, Works Notification, 'Building Demolition on Swanston Street and City Square Works Update, September 2017'

### 3.4.5 Future work and timelines

The MMRA told the Committee that shaft excavation will be complete by the end of 2017. Temporary acoustic sheds up to twenty metres high will be built to enclose the CBD shaft sites at City Square, Franklin Street and A'Beckett Street.<sup>101</sup> Major construction on the tunnels and new stations will then begin in 2018. The project is expected to be completed in 2026.<sup>102</sup>

The CBD section of the tunnel will be built as 'trinocular caverns' accessible by four shafts to transport machinery, equipment and workers. Three overlapping tunnels will be mined with road headers to create the tunnels and station platforms.<sup>103</sup> The entrance to the tunnels and the North Melbourne, Parkville and Anzac stations will be built using a cut and cover technique.<sup>104</sup> Tunnel boring machines will be launched at North Melbourne Station and Anzac Station and will tunnel towards each other from opposite directions. They will stop once they reach State Library and Town Hall stations. The section of tunnel between State Library and Town Hall will be dug by a roadheader machine.<sup>105</sup>

<sup>101</sup> Melbourne Metro Rail Authority, *Building the CBD Stations*, <metrotunnel.vic.gov.au/stations/cbd-stations/building-cbd-stations>, viewed 5 October 2017

<sup>102</sup> Evan Tattersall, CEO, Melbourne Metro Rail Authority, *Presentation to Public Hearing*, 15 September 2017

<sup>103</sup> Melbourne Metro Rail Authority, *Building the Tunnels and Stations*, <metrotunnel.vic.gov.au/construction/building-the-tunnels-and-stations>, viewed 2 October 2017

<sup>104</sup> Melbourne Metro Rail Authority, *Building the Tunnels and Stations*, <metrotunnel.vic.gov.au/construction/building-the-tunnels-and-stations>, viewed 2 October 2017

<sup>105</sup> Melbourne Metro Rail Authority, *Tunnel Boring Machines*, <metrotunnel.vic.gov.au/construction/building-the-tunnels-and-stations/tunnel-boring-machines>, viewed 2 October 2017

## 3.5 Committee Comments

### 3.5.1 Melbourne Metro Rail Project

The Committee notes the impact the construction of the Melbourne Metro Rail Project will have on the CBD. This includes disruption to residents and businesses, traffic congestion and a potential threat to heritage buildings. This disruption is discussed in detail in Chapters 4, 5 and 6 of this report.

### 3.5.2 West Gate Tunnel toll road lanes

In the third report for this inquiry, the Committee expressed concerns about what appeared to have been a lane onto the West Gate Bridge being lost to a toll road.<sup>106</sup> In evidence to the Committee, Scott Charlton, CEO of Transurban said that while there will be three lanes for most drivers from approaching the bridge from the West Gate Freeway, extra lanes will feed in from Williamstown Road and just before the bridge so that all lanes on the bridge will be used.<sup>107</sup> The Committee notes further statements from the Western Distributor Authority that the West Gate Tunnel will add lanes to the West Gate Freeway from four lanes in each direction to six.<sup>108</sup>

### 3.5.3 Level crossing priority list

In the third report of this inquiry, the Committee expressed concerns regarding the process of prioritising level crossings for the project.<sup>109</sup> The Committee notes that several lists from various bodies, such as the RACV and the Australian Level Crossing Assessment Model differ in their determinations regarding the crossings which should be given highest prioritisation for removal.

Despite the Committee's calls for the Government to make their selection process for level crossing removal prioritisation public, no such documentation has been forthcoming. This issue was also raised by the Parliament of Victoria's Public Accounts and Estimates Committee, which recommended that the transparency of the program be enhanced.<sup>110</sup>

In December 2017, the Victorian Auditor General released a report titled *Managing the Level Crossing Removal Program*. The report outlined that not all of the 50 level crossings selected for removal are the most dangerous and congested. It said that the most recent business case does not include any analysis or

<sup>106</sup> See Economy and Infrastructure Committee's third report into infrastructure projects, p.4

<sup>107</sup> Scott Charlton, CEO, Transurban, *Transcript of Evidence*, 21 June 2017, p.14

<sup>108</sup> West Gate Tunnel, Twitter post from January 7 2018, <twitter.com/WestGateTunnel/status/950264179432173569>, viewed 30 January 2018

<sup>109</sup> See Economy and Infrastructure Committee's third report into infrastructure projects, p.23

<sup>110</sup> Public Accounts and Estimates Committee, *Report on the 2017-18 Budget Estimates* (2017), p.136

rationale for why the 50 level crossings selected for removal were given higher priority and that some of those crossings have not been identified as dangerous or congested.<sup>111</sup>

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111 Victorian Auditor General's Office, *Managing the Level Crossing Removal Program* (2017), pp.7-8

# 4 Disruption in the Central Business District caused by the Melbourne Metro Rail Project

The Melbourne Metro Rail Project will require the excavation of a number of shafts in the CBD to dig out station caverns and train tunnels. At State Library Station, several shafts will be excavated, including on Franklin and A'Beckett Streets. At Town Hall Station, shafts will also be dug including at City Square and on a site surrounding Young and Jackson's Hotel on the corner of Swanston Street and Flinders Street.

This chapter outlines the disruption associated with the excavation, tunnelling and construction activities required to deliver the project. This disruption includes:

- construction noise
- vibration
- dust
- road closures
- increased traffic
- diverted public transport services
- acquisition of buildings, and
- disruption to businesses.

## 4.1 Locations

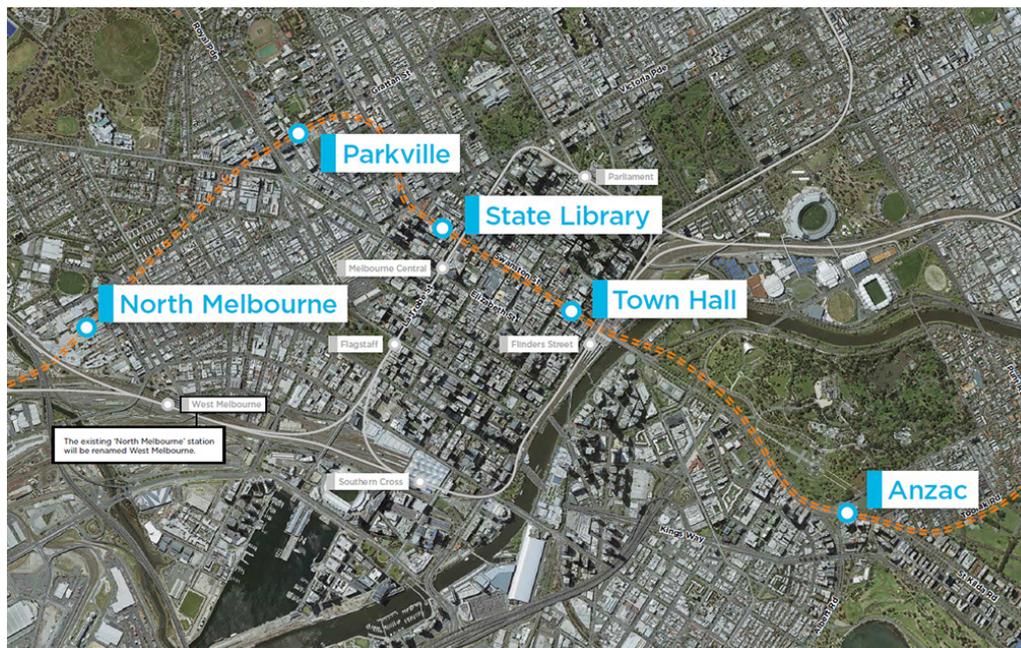
Early works are underway across several sites in preparation for major tunnelling and construction to begin in 2018. Construction sites are situated at the five new station locations and at the western and eastern tunnel entrances at Kensington and South Yarra. The new CBD stations will be located underneath Swanston Street at each end of the city, with underground connections to Flinders Street in the south and Melbourne Central in the north.<sup>112</sup> Construction of the CBD stations will take place underground to minimise disruption on the surface level and keep Swanston Street open.<sup>113</sup> Various levels of disruption are expected at all sites over the course of the project.

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<sup>112</sup> Melbourne Metro Rail Authority, *CBD Stations*, <[metrotunnel.vic.gov.au/stations/cbd-stations](http://metrotunnel.vic.gov.au/stations/cbd-stations)>, viewed 6 October 2017

<sup>113</sup> Melbourne Metro Rail Authority, *Building the tunnels and stations*, <[metrotunnel.vic.gov.au/construction/building-the-tunnels-and-stations](http://metrotunnel.vic.gov.au/construction/building-the-tunnels-and-stations)>, viewed 6 October 2017

Figure 4.1 Station locations for the Melbourne Metro Rail Project



Source: Melbourne Metro Rail Authority, <metrotunnel.vic.gov.au/stations>, viewed 29 January 2018.

## 4.2 Construction noise, dust and vibration

### 4.2.1 Construction noise

Construction noise will be caused by demolishing buildings, tunnelling, truck movements and plant machinery. This will cause disruption to nearby residents, businesses and other users of the CBD.

It is expected that at State Library Station there will be noise in Franklin Street from rock breakers, piling machines and excavators to dig the station shaft. A roadheader machine will be used to dig the cavern that will house the station and the connecting tunnel to Town Hall Station. Noise will also be generated by demolishing buildings to make way for space to excavate shafts near the corner of Swanston Street and Latrobe Streets. Throughout the construction process, plant machinery such as ventilation fans or pumps as well as trucks removing spoil will also generate noise.

At Town Hall Station, noise will be generated by similar construction activities, including demolition of existing buildings on Swanston Street, shaft digging and truck movements. The loudest areas will be where shafts are being dug at Swanston Street, City Square (near the Young and Jackson’s Hotel) and on the corner of Federation Square near Swanston Street and Flinders Street.

At the State Library Station precinct, the noise will affect residents in nearby apartment towers, businesses, RMIT University, Melbourne City Baths and possibly the State Library and Melbourne Central shopping centre and station, among others.<sup>114</sup>

At the Town Hall Station precinct, the noise will affect the Westin Hotel and residents, St Pauls Cathedral, Flinders Street Station, Young and Jackson's Hotel and users of Federation Square, among others.<sup>115</sup>

There are measures in place to mitigate construction noise. These are discussed further in Chapter 5.

## 4.2.2 Vibration

Vibration will be caused by the excavation of shafts at various sites in the CBD. Rockbreaking machines, pile driving machines and excavators will cause a significant amount of vibration that has the potential to impact nearby buildings and affect the amenity of residents and businesses.

There may also be perceptible vibration from the tunnel boring machines for up to 10 days as they approach State Library and Town Hall Stations from opposite directions. The section of tunnel between State Library and Town Hall will be dug by a roadheader machine. There may also be perceptible vibration from this machine for up to 32 days in some areas of the CBD.

The measures to reduce vibration are discussed in Chapter 5.

## 4.2.3 Air quality - dust

Dust is anticipated to be the main cause of changes in local air quality during construction of the tunnel. Dust emissions generated by construction work will have the greatest impact in places close to construction work sites. Construction works likely to generate dust include earthworks and clearing activities, wind-generated dust from exposed surfaces, an on-site concrete batching plant, and wheel-generated dust.<sup>116</sup> Figure 4.2 provides a summary of air quality risks at the station construction sites.

<sup>114</sup> Melbourne Metro Rail Authority, *Noise and Vibration*, Technical Appendix 1 (2016), p.34

<sup>115</sup> Melbourne Metro Rail Authority, *Noise and Vibration*, Technical Appendix 1 (2016), p.40

<sup>116</sup> Melbourne Metro Rail Authority, *Melbourne Metro Rail Project: Environment Effects Statement* (2016), Chapter 12: Air Quality, p.10

**Figure 4.2** Summary of air quality risk factors at precinct level

Precinct	Main issues	Commentary
All precincts	Receptors in very close proximity to works that have the potential to generate dust emissions	Dust emissions would likely to be intermittent in nature, with potential for short-term impacts at sensitive receptors. Some locations would be more affected than others, due to a higher volume of spoil being extracted, handled and transported.
All precincts	Construction works coinciding with days of high background PM <sub>2.5</sub> and PM <sub>10</sub> Intensive construction works for extended periods in close proximity to sensitive receptors	During days of high background particulate matter, the addition of incremental impacts from construction dust emissions could exceed the PM <sub>10</sub> (24-hour) criteria set by SEPP (AQM) of 50 µg/m <sup>3</sup> .
All precincts	Potential to encounter contaminated spoil requiring high level dust containment Intensive construction works for extended periods in close proximity to sensitive receptors	Dust and odour emissions resulting from the excavation and handling of contaminated soil and the operation of construction vehicles/equipment over existing contaminated soils could give rise to contaminated dust particles (such as heavy metals) or odours, impacting on the nearest sensitive receptors.

Source: Melbourne Metro Rail Authority, Melbourne Metro Rail Project: *Environment Effects Statement*, Chapter 12: Air Quality, p.10

## 4.3 Road closures

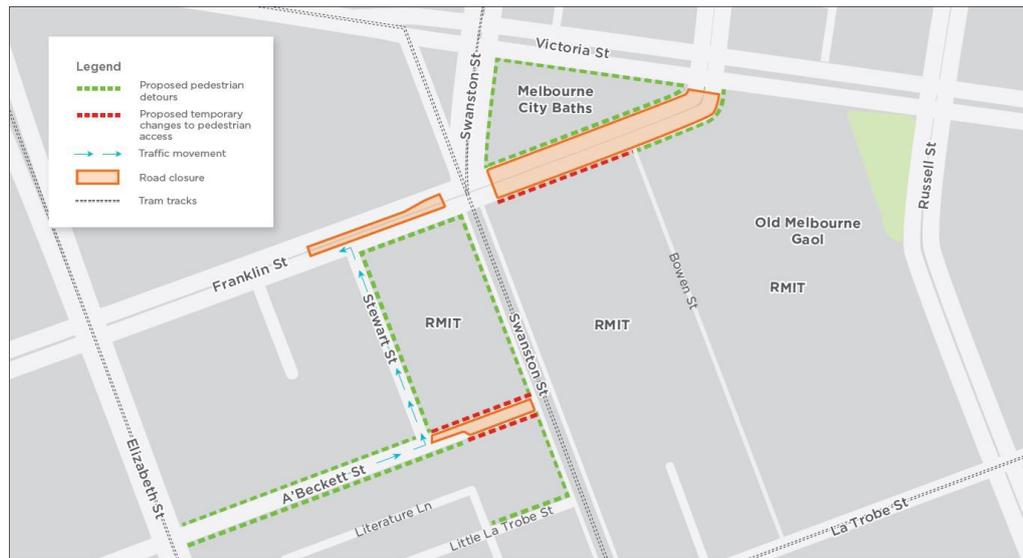
### 4.3.1 State Library Station

Franklin Street, between Victoria and Swanston Streets is closed to enable construction of the station. The eastern end of A’Beckett Street is also closed. Franklin Street, to the west of Swanston Street, will be kept open throughout Melbourne Metro’s construction phase, but will be reduced from two lanes in each direction to one lane in each direction.<sup>117</sup>

Traffic will be diverted around the construction work sites to alternative routes, which would lead to some roads (such as Victoria Street and La Trobe Street) carrying increased traffic volumes.

<sup>117</sup> Melbourne Metro Rail Authority, *CBD Traffic Changes*, <metrotunnel.vic.gov.au/construction/cbd/cbd-traffic-changes>, viewed 10 October 2017

Figure 4.3 Road closures near State Library Station



Source: Melbourne Metro Rail Authority, *CBD Traffic Changes*, <[metrotunnel.vic.gov.au/construction/cbd/cbd-traffic-changes](http://metrotunnel.vic.gov.au/construction/cbd/cbd-traffic-changes)>, viewed 10 October 2017

### 4.3.2 Town Hall Station

Short-term partial closures of Flinders Street will be required to construct the cut and cover underground connection linking Flinders Street Station to the new Town Hall Station. Transport management plans will be implemented to minimise traffic disruption as a result of these closures.<sup>118</sup>

## 4.4 Extra truck traffic

Construction on all sites will result in additional truck traffic, as trucks move excavated soil and construction materials.

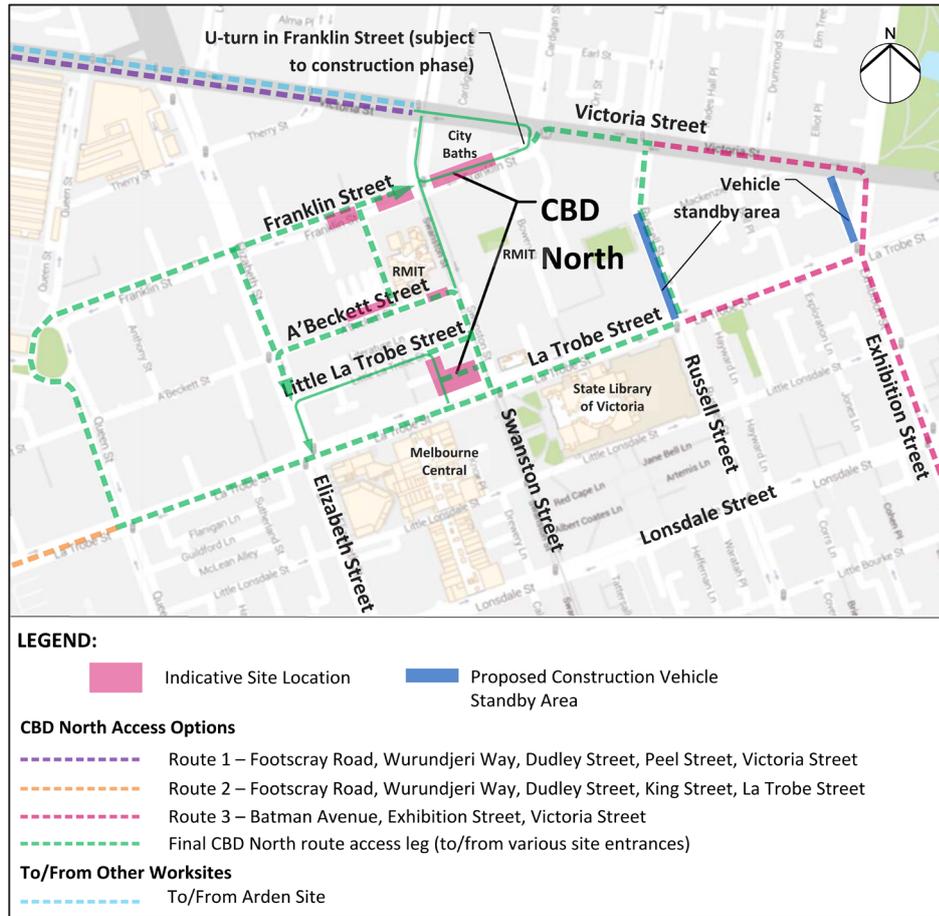
Construction work at the State Library Station precinct is predicted to generate 150 truck trips each day over four years. During peak times of activity, this could increase to 210 truck movements per day. On La Trobe Street, this would represent a one per cent increase in daily traffic volume.<sup>119</sup> It is expected much of the truck movements will take place outside of peak times and would not have a significant impact on traffic flow.<sup>120</sup>

<sup>118</sup> Melbourne Metro Rail Authority, *Building the CBD Stations*, <[metrotunnel.vic.gov.au/stations/cbd-stations/building-cbd-stations](http://metrotunnel.vic.gov.au/stations/cbd-stations/building-cbd-stations)>, viewed 10 October 2017

<sup>119</sup> According to the environment effects statement, around 18,000 vehicles a day use La Trobe Street.

<sup>120</sup> Melbourne Metro Rail Authority, *Melbourne Metro Rail Project: Environment Effects Statement (2016)*, Chapter 8: Transport, p.40

Figure 4.4 Construction truck traffic around State Library Station

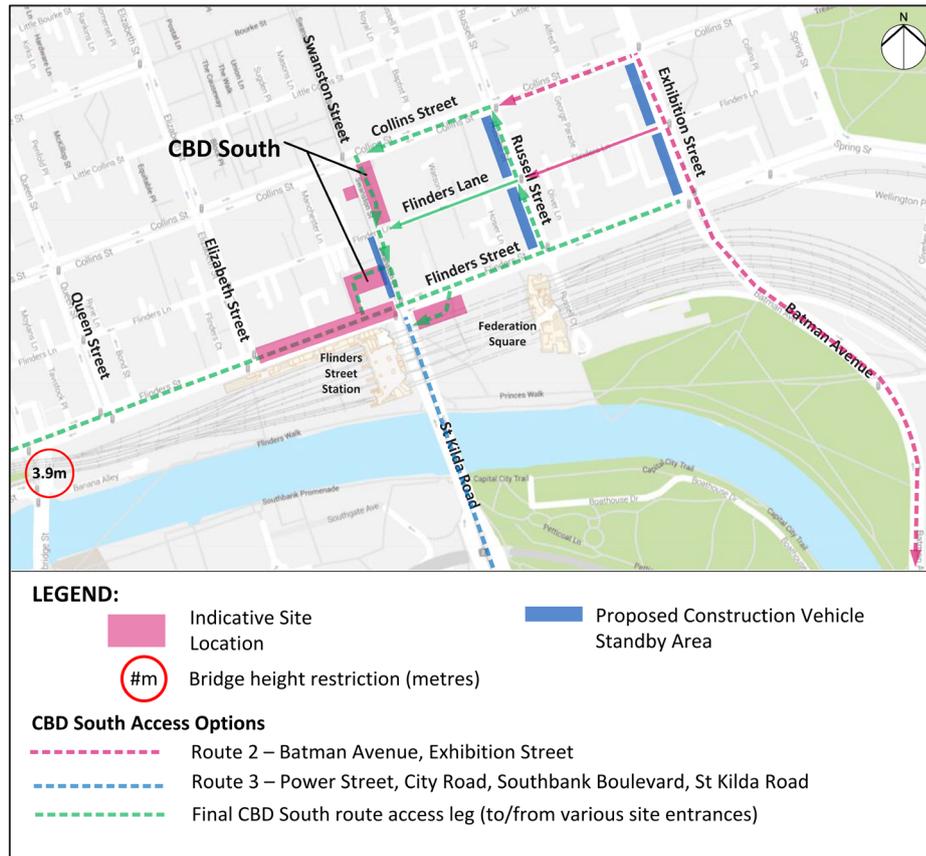


Source: Melbourne Metro Rail Authority, *Melbourne Metro Rail Project: Environment Effects Statement*, Chapter 8: Transport, p.40

Construction work at Town Hall Station will also generate an average of an additional 150 truck trips each day over four years. Like at State Library Station, this could rise during peak activity periods to 210 truck movements per day. On Flinders Street, this would represent a one per cent increase in daily traffic volume.<sup>121</sup>

121 According to the environment effects statement, around 20,000 vehicles a day use Flinders Street.

Figure 4.5 Construction truck traffic around Town Hall Station



Source: Melbourne Metro Rail Authority, *Melbourne Metro Rail Project: Environment Effects Statement*, Chapter 8: Transport, p.45

## 4.5 Impact on the tram and metropolitan train networks

The construction works at Town Hall Station have the potential to have a significant impact on public transport operations for short periods of time. Construction traffic will need to be managed to minimise disruptions to tram services along Swanston Street.

Flinders Street will be temporarily closed to construct the underground pedestrian connection from the new station to Flinders Street and Federation Square.<sup>122</sup> This will affect trams, traffic and footpaths. Additionally, construction works will temporarily affect tram services along Swanston, Flinders, Collins and La Trobe Streets.<sup>123</sup>

There have been disruptions along the St Kilda Road tram corridor as part of preliminary construction works for Anzac Station. This included rerouting tram lines and upgrading facilities so that tram services can continue to run along

<sup>122</sup> Melbourne Metro Rail Authority, *Building the CBD Stations*, <metrotunnel.vic.gov.au/stations/cbd-stations/building-cbd-stations>, viewed 10 October 2017

<sup>123</sup> Melbourne Metro Rail Authority, *Building the CBD Stations*, <metrotunnel.vic.gov.au/stations/cbd-stations/building-cbd-stations>, viewed 10 October 2017

St Kilda Road during the construction period. Tram lines have been moved from Park Street and Domain Road and now operate along Toorak Road West.<sup>124</sup> TfV will evaluate whether trams will return to their old routes following the completion of the tunnel.<sup>125</sup>

Mr Jeroen Weimar, head of PTV noted that:

St Kilda Road is the biggest single tram corridor anywhere in the world. It has eight tram lines running up and down it. More to the point, we have a tram up and down that route every 1 or 2 minutes and around 200 000 people using that corridor every single weekday. It carries as many people as the West Gate Bridge, but rather more efficiently than the West Gate Bridge. To sever those tram connections for the 2.5-kilometre section of the St Kilda Road works, roadworks are critical to enable the early preparation works for the new Metro tunnel station at Domain.<sup>126</sup>

There will also be flow-on effects to the public transport network from construction works at the tunnel entrances. The eastern tunnel entrance construction will generate additional truck traffic along Toorak Road, which will effect tram movements and traffic flow.<sup>127</sup> There will also be a number of rail disruptions to connect the tunnel to the Cranbourne-Pakenham line in the east and the Sunbury line in the west.<sup>128</sup>

## 4.6 Acquisition of buildings

Acquisition and temporary occupation of commercial land during construction will result in the displacement of some businesses. Land acquisition will affect around 87 businesses, which employ approximately 1 100 people.<sup>129</sup>

Businesses will be displaced in the following locations:

- Precinct 1 - Tunnels: one business, the Fawkner Park Tennis Centre in Fawkner Park
- Precinct 2 - Western portal (Kensington): around 14 businesses, including 13 currently operating from the 50 Lloyd Street Business Estate in Kensington, mainly businesses involved in transport, warehouse and storage activities
- Precinct 3 – North Melbourne Station: seven industrial businesses currently leasing land in the publicly owned VicTrack site at Arden Street, including two concrete batching plants

<sup>124</sup> Melbourne Metro Rail Authority, *Toorak Road West and St Kilda Road Tram Upgrades*, <metrotunnel.vic.gov.au/construction/domain/toorak-road-west-and-st-kilda-road-tram-works>, viewed 9 October 2017

<sup>125</sup> Melbourne Metro Rail Authority, *Toorak Road West and St Kilda Road Tram Upgrades*, <metrotunnel.vic.gov.au/construction/domain/toorak-road-west-and-st-kilda-road-tram-works>, viewed 9 October 2017

<sup>126</sup> Jeroen Weimar, CEO, Public Transport Victoria, *Transcript of Evidence*, 15 September 2017, p.34

<sup>127</sup> Melbourne Metro Rail Authority, *Eastern Tunnel Entrance Construction Plans*, <metrotunnel.vic.gov.au/construction/south-yarra/eastern-tunnel-entrance-construction>, viewed 6 October 2017

<sup>128</sup> Melbourne Metro Rail Authority, *Eastern Tunnel Entrance Construction Plans*, <metrotunnel.vic.gov.au/construction/south-yarra/eastern-tunnel-entrance-construction>, viewed 6 October 2017; Melbourne Metro Rail Authority, *Western Tunnel Entrance Construction Plans*, <metrotunnel.vic.gov.au/construction/kensington/western-tunnel-entrance-construction>, viewed 6 October 2017

<sup>129</sup> Melbourne Metro Rail Authority, *Melbourne Metro Rail Project: Environment Effects Statement* (2016), Chapter 11: Business, pp.2-3

- Precinct 4 - Parkville station: four businesses in Carlton would be displaced for construction purposes
- Precinct 5 – State Library Station: around 37 businesses, mainly occupying offices in Swanston, La Trobe and Little La Trobe Streets. Some street level retail would also be displaced
- Precinct 6 – Town Hall Station: around 32 businesses along Swanston and Flinders Streets and in Port Phillip Arcade, mainly retail businesses, cafes, fast food and convenience services.<sup>130</sup>

Building acquisition and the impact on businesses is considered in detail in Chapter 6.

## 4.7 Disruption to businesses

### 4.7.1 State Library Station

There will be a displacement of 37 businesses and 385 jobs in the precinct around Swanston Street, La Trobe Street and Little La Trobe Street. These businesses may access compensation where they are entitled to do so. Compensation for businesses on land that has been acquired is discussed further in Chapter 6 of this report.

Some businesses will be disrupted as a result of changed amenity, additional truck movements and disruption to road traffic and tram services, reduced access to the CBD for potential customers, and a reduction in foot traffic.

### 4.7.2 Town Hall Station

It is estimated that 32 businesses and 278 jobs will be displaced in the Town Hall precinct. This includes a number of food and beverage businesses that were situated at the base of the Westin Hotel on the eastern side of City Square. On Swanston Street, a number of buildings surrounding the Young and Jackson's Hotel have been demolished to make way for construction works. This includes the Port Phillip arcade and a number of fast food businesses on Swanston Street.<sup>131</sup>

Some businesses will be disrupted temporarily as a result of changed amenity, additional truck movements and disruption to road traffic, tram services and pedestrian traffic. This includes a number of traders in Scott Alley who will have one end of thoroughfare closed due to the demolition of Port Phillip Arcade.<sup>132</sup>

<sup>130</sup> Melbourne Metro Rail Authority, *Melbourne Metro Rail Project: Environment Effects Statement* (2016), Chapter 11: Business, pp.2-3

<sup>131</sup> John Masanauskas, 'Swanston St fast food restaurants among shops to be demolished for Metro Tunnel project', *the Herald Sun*, 4 September 2017, <[www.heraldsun.com.au/news/victoria/swanston-st-fast-food-restaurants-among-shops-to-be-demolished-for-metro-tunnel-project/news-story/3d2a27e68811c15294e0feb043e6cd64](http://www.heraldsun.com.au/news/victoria/swanston-st-fast-food-restaurants-among-shops-to-be-demolished-for-metro-tunnel-project/news-story/3d2a27e68811c15294e0feb043e6cd64)> , viewed 7 December 2017

<sup>132</sup> Guy Stayner, 'Metro Tunnel project: Scott Alley traders struggling because of construction disruption', ABC News online, 22 August 2017, <[www.abc.net.au/news/2017-08-22/metro-rail-project-traders-struggling-because-of-disruptions/8828802](http://www.abc.net.au/news/2017-08-22/metro-rail-project-traders-struggling-because-of-disruptions/8828802)> , viewed 7 December 2017

Disruption to businesses is considered in detail in chapter 6.

## 4.8 Risk to heritage buildings

Construction of State Library Station will involve cut and cover works adjacent to the City Baths in Franklin Street. Appropriate protection measures have been developed to ensure that there are no impacts on the fabric of the building. Other heritage buildings in the area, including the State Library, are not expected to be affected.

The precinct around Town Hall Station contains some of Melbourne's most significant heritage buildings. At Flinders Street Station, impacts would include the removal of two shops and the introduction of new escalators and would require the removal of internal walls and floors. None of the exterior would be altered and the complex as a whole will remain largely unaffected.<sup>133</sup>

The Young and Jackson's Hotel on Flinders Street would also be impacted by construction works due to the demolition of buildings on the north and west sides of the building.

## 4.9 Removal of trees

Some trees will be removed as part of the project to make way for construction sites. The number of trees that will be removed will vary between station precincts. At the Parkville and Anzac sites in particular, a number of mature trees may be need to be removed to accommodate the new stations.<sup>134</sup> Community groups such as Save St Kilda Road have expressed concern about the removal of the trees located along St Kilda Road and neighbouring parkland, which they argue are an important part of a significant heritage area. The MMRA has said that up to 223 trees may be removed in the Anzac Station precinct,<sup>135</sup> however, measures are in place to reduce this number. More trees are expected to be removed as construction ramps up.

The MMRA will plant at least two trees for every tree that is removed. At the conclusion of the project, the MMRA claim that at least 900 trees will be planted, some during the construction period.<sup>136</sup> The removal of trees is discussed further in Chapter 5.

<sup>133</sup> Melbourne Metro Rail Authority, *Melbourne Metro Rail Project: Environment Effects Statement* (2016), Chapter 14: Historical and Cultural Heritage, p.43

<sup>134</sup> Melbourne Metro Rail Authority, *Managing Trees and the Natural Environment*, <[metrotunnel.vic.gov.au/construction/construction-impacts/managing-trees-and-the-natural-environment](http://metrotunnel.vic.gov.au/construction/construction-impacts/managing-trees-and-the-natural-environment)>, viewed 9 October 2017

<sup>135</sup> Melbourne Metro Rail Authority, *Environmental Effects Statement* (2016), Chapter 16 Landscape and Visual, p.34

<sup>136</sup> Melbourne Metro Rail Authority, *Managing Trees and the Natural Environment*, <[metrotunnel.vic.gov.au/construction/construction-impacts/managing-trees-and-the-natural-environment](http://metrotunnel.vic.gov.au/construction/construction-impacts/managing-trees-and-the-natural-environment)>, viewed 9 October 2017

# 5 Measures to control disruption in the Central Business District

The Melbourne Metro Rail Project is the largest infrastructure project underway in the CBD. The Committee heard that the Melbourne Metro Rail Authority (MMRA), Public Transport Victoria (PTV), Victoria Police and the City of Melbourne have measures in place to mitigate the disruption that will be caused by the construction of major infrastructure projects.

The Committee heard from Mr Evan Tattersall, CEO of the MMRA about the measures they have in place to manage the disruption caused by the construction of the Melbourne Metro Rail Project. This includes measures to control:

- construction noise
- vibration
- traffic
- damage to heritage buildings and archaeological sites
- spoil and air quality
- loss of trees.

The Committee also heard from Mr Jeroen Weimar, CEO of PTV who outlined the measures PTV have in place to mitigate disruption from level crossing removal works and the construction of Anzac Station. Mr Weimar also provided evidence to the Committee about a system fault on the Metropolitan rail network that caused it to shut down in July 2017.<sup>137</sup>

Victoria Police and the City of Melbourne also provided evidence to the Committee about the strategies employed to deal with disruption as a result of major infrastructure projects.

## 5.1 The Melbourne Metro Rail Authority

The MMRA has developed a number of guidelines and policies to manage disruption to businesses, residents and others in the CBD as a result of the construction of the Melbourne Metro Rail Project. These policies are mostly outlined in the Environment Effects Statement (EES) and the associated Environmental Performance Requirements (EPRs).

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<sup>137</sup> Genevieve Alison and Cassie Zervos, 'Melbourne train delays: Metro Trains says due to infrastructure fault', *The Herald Sun*, 13 July 2017, <[www.heraldsun.com.au/news/victoria/melbourne-train-delays-metro-trains-says-due-to-infrastructure-fault/news-story/13cde60f3535bdd5f43084f3a2c11bc](http://www.heraldsun.com.au/news/victoria/melbourne-train-delays-metro-trains-says-due-to-infrastructure-fault/news-story/13cde60f3535bdd5f43084f3a2c11bc)> viewed 7 December 2017

## 5.1.1 The Environment Effects Statement process

The Melbourne Metro Rail Project was declared ‘public works’ under the *Environment Effects Act 1978* by the Minister for Planning in September 2015 because it was deemed to be capable of having a significant effect on the environment.<sup>138</sup> The Act requires all public works projects to produce an EES.<sup>139</sup>

An EES was prepared that provided:

- a description of the proposed development
- an outline of public and stakeholder consultation undertaken during investigations and the issues raised
- a description of the existing environment that may be affected
- predictions of significant environmental effects of the proposal and relevant alternatives
- proposed measures to avoid, minimise or manage adverse environmental effects.<sup>140</sup>

The EES was put on public display on 25 May 2016 for the public and stakeholders to comment and make submissions. A Joint Inquiry and Advisory Committee appointed by the Minister for Planning conducted an independent inquiry into the EES. As part of the inquiry, the Advisory Committee held public hearings with submitters between August and October 2016 during which approximately 115 parties were heard.<sup>141</sup>

The Advisory Committee concluded that the project could meet acceptable planning and environmental outcomes.<sup>142</sup> The Advisory Committee made 12 recommendations, which included changes to the Environmental Performance Requirements for businesses and residents as well as amendments to the Urban Design Strategy. The Minister for Planning supported or supported in principle 10 of the recommendations and noted the remaining two required further investigation.<sup>143</sup>

The Minister for Planning provided his own assessment in a report to the Minister for Public Transport in December 2016.<sup>144</sup> The Minister for Planning recommended that the project be approved. The project received full planning approval in January 2017.<sup>145</sup>

<sup>138</sup> The Hon. Richard Wynne MP, *Melbourne Metro Rail Project: Assessment under the Environment Effects Act 1978*, p.5

<sup>139</sup> *Environment Effects Act 1978* (Vic), s.4

<sup>140</sup> Department for Environment, Land, Water and Planning, *What is the EES process in Victoria?*, <[www.planning.vic.gov.au/environment-assessment/what-is-the-ees-process-in-victoria](http://www.planning.vic.gov.au/environment-assessment/what-is-the-ees-process-in-victoria)>, viewed 16 October 2017

<sup>141</sup> Inquiry and Advisory Committee Report, *Melbourne Metro Rail Project* (2016), p.1

<sup>142</sup> Inquiry and Advisory Committee Report, *Melbourne Metro Rail Project* (2016), p.4

<sup>143</sup> The Hon Richard Wynne MP, Minister for Planning, *Melbourne Metro Rail Project: Assessment under the Environment Effects Act 1978* (2016), p.5

<sup>144</sup> This is required under the *Environment Effects Act 1978* (Vic), s.6(2)

<sup>145</sup> Melbourne Metro Rail Authority, *Planning Approvals*, <[metrotunnel.vic.gov.au/planning/planning-approvals](http://metrotunnel.vic.gov.au/planning/planning-approvals)>, viewed 16 October 2017

The Committee notes that major infrastructure projects may also receive planning approval through the *Major Transport Projects Facilitation Act 2009*, or through planning scheme amendments.

## 5.1.2 Area of focus

This section provides a summary of the measures outlined in the MMRA's EES to manage disruption caused by the project. The Committee does not examine the effectiveness of these measures because at the time of writing, major excavation of the shafts and tunnel boring is yet to begin.

The Committee did receive evidence from businesses about the disruption caused by the early stages of construction. This disruption and the measures to support businesses are discussed in detail in Chapter 6.

## 5.1.3 Measures to control construction noise

As discussed in Chapter 4, the construction of the shafts for the new underground stations and the associated tunnelling activity will create noise that may affect residents, businesses and others in the CBD. The MMRA acknowledge that 'construction is expected to be audible at times but – with appropriate mitigation – is not anticipated to give rise to unreasonable impacts on nearby residents in any of the Melbourne Metro precincts.'<sup>146</sup>

The MMRA has put in place the following strategies to avoid or reduce impacts from construction noise:

- providing guidelines for construction noise and vibration that outline maximum noise and vibration levels and the hours when those levels are acceptable
- minimising noise and vibration where possible through the use of acoustic sheds and noise barriers
- changing work practices so that noisy work is scheduled during working hours
- completing property pre-condition surveys where properties may be affected by vibration-causing activities
- ongoing communication and consultation with nearby residents and businesses to create awareness and understanding of project impacts prior to works occurring.

<sup>146</sup> Melbourne Metro Rail Authority, *Environment Effects Statement* (2016), Chapter 13 Noise and Vibration, p.2

## Construction noise guidelines

The MMRA will manage construction noise in accordance with the Environment Protection Authority's (EPA) noise control guidelines publication 1254 and its own EPRs.<sup>147</sup> The EPA guidelines set out in Table 5.1 provide maximum levels for construction noise during working hours, weekends, evenings and at night-time.

**Table 5.1** EPA publication 1254 guideline noise levels

Time period	Applicable hours	Guideline noise levels	
		Up to 18 months after project commencement	18 months or more after project commencement
Normal working hours	7am to 6pm Monday to Friday, 7am to 1pm Saturday	No specified guideline noise level – noise reduction measures apply	
Weekend/ evening work	6pm to 10pm Monday to Friday, 1pm to 10pm Saturday, 7am to 10pm Sunday and Public Holidays	Noise level at any residential premises not to exceed background noise by 10dB(A) or more.	Noise level at any residential premises not to exceed background noise by 5dB(A) or more.
Night	10pm to 7am Monday to Sunday	Noise is to be inaudible within a habitable room of any residential premises.	

Source: MMRA, Environment Effects Statement, Chapter 13 Noise and Vibration, p.12

### 5.1.4 Construction noise during work hours

As indicated in Table 5.1, there are no specified maximum guideline noise levels during working hours (for construction noise). However, the MMRA has outlined that where construction noise is 10 A-weighted decibels<sup>148</sup> (dB(A)) above background noise for a period of 15 minutes, or if the noise reaches above 75dB(A) in total, then action will be taken to manage the noise levels.

There are a number of noise reduction measures and work practices recommended by the EPA to reduce noise. These measures include:

- installation of hoardings
- fitting of noise suppression tools on plant equipment and pneumatic machines
- suppression of reversing warning systems on trucks and other vehicles
- planning the construction site so that access roads are away from residences and the need for reversing vehicles is minimised.<sup>149</sup>

<sup>147</sup> Melbourne Metro Rail Authority, *Environmental Management Framework* (2017), Chapter 6 Environmental Performance Requirements, NV21, pp.64-70

<sup>148</sup> dB(A) indicates A-weighted decibels. A-weighted means a measure using a filter designed to reflect the response of the human ear at low sound pressure levels (*Occupational Health and Safety Regulations 2017* (Vic), Part 1, s.5)

<sup>149</sup> Environment Protection Authority, *Noise Control Guidelines, publication 1254* (2008), p.3

The MMRA refers to these measures as general mitigation measures.<sup>150</sup> Other general mitigation measures include:

...undertaking community consultation about when an activity might increase airborne noise levels and such as scheduling noisy activities for day-time where possible, stockpiling material overnight for daytime removal and planning for day-time deliveries where possible.<sup>151</sup>

The MMRA also undertakes more specific mitigation measures that are tailored to address particular acoustic impacts. These measures include acoustic sheds and temporary noise barriers.<sup>152</sup>

### Acoustic sheds

Acoustic sheds are one of the specific measures the MMRA has adopted to suppress construction noise. Temporary acoustic sheds will be installed to enclose the construction shafts in Franklin Street and A'Beckett Street near State Library Station and City Square near Town Hall Station. The sheds will minimise noise, light and dust spill. The walls of the sheds will contain acoustic insulation to suppress noise. Mr Evan Tattersall, CEO of the MMRA told the Committee that acoustic sheds were effective when he gave evidence in October 2016:

The acoustic sheds are what are commonly used around the world. When you have got an open shaft where you are bringing dirt up from, you get an acoustic shed over the top as quickly as possible. These are insulated sheds that reduce your noise dramatically.<sup>153</sup>

**Figure 5.1** An artist's impression of the proposed acoustic shed on Franklin Street, Melbourne



Source: City of Melbourne, Melbourne Magazine, <[magazine.melbourne.vic.gov.au/city-news/metro-tunnel-works-track](http://magazine.melbourne.vic.gov.au/city-news/metro-tunnel-works-track)>, viewed 10 October 2017

<sup>150</sup> Melbourne Metro Rail Authority, *Environment Effects Statement* (2016), Chapter 13 Noise and Vibration, p.27

<sup>151</sup> Melbourne Metro Rail Authority, *Environment Effects Statement* (2016), Chapter 13 Noise and Vibration, p.27

<sup>152</sup> Melbourne Metro Rail Authority, *Environment Effects Statement* (2016), Chapter 13 Noise and Vibration, p.27

<sup>153</sup> Evan Tattersall, CEO, Melbourne Metro Rail Authority, *Transcript of Evidence*, 19 October 2016, p.40

### 5.1.5 Construction noise on weekends and in the evenings

As noted in Table 5.1, there are restrictions on construction noise on weekends, in the evenings and at night. For weekends and evenings (6pm to 10pm Monday to Friday, 1pm to 10pm Saturday, 7am to 10pm Sunday and Public Holidays) noise in residential premises should not exceed background noise by 10dB(A) for up to eighteen months after project commencement. For any time after that, construction noise should not exceed 5dB(A) in residential premises.

At night (between 10pm and 7am Monday to Sunday) construction noise should be inaudible within a habitable room of any residential premises.

Where these requirements cannot be met, the MMRA has policies in place to manage the impacts, including acoustic treatment and the provision of alternative accommodation.

### 5.1.6 Construction noise mitigation for residents

As noted in Chapter 4, residents living near construction sites in the CBD will be affected to varying degrees by construction noise. The impact of the noise will differ depending on the proximity of residents to the construction sites, the time of day, the type of construction activity and the duration of the work. The MMRA has produced residential impact mitigation guidelines that set out requirements for notification and relief measures for noisy construction work. The measures are triggered at the following noise levels:

- 10dB(A) above existing ambient noise for more than 15 minutes or 75dB(A), whichever is higher, during working hours<sup>154</sup>
- 5dB(A) above existing ambient noise for more than 15 minutes during evenings, weekends and at night.<sup>155</sup>

If the MMRA expects these guideline levels will be exceeded, it is required to notify residents 5 business days in advance of daytime works and 10 business days in advance of noise outside working hours.<sup>156</sup> The notification measures include:

- general works notifications – mail outs (electronic and hard copy) to give advanced warning of works, the nature of the works and the timing
- phone calls and individual briefings – to inform residents personally about the impact and timing of works as well as the mitigation measures that will be implemented

<sup>154</sup> Working hours as outlined in EPA Publication 1254 as Monday to Friday from 7am to 6pm and Saturday from 7am to 1pm (Melbourne Metro Rail Authority, *Environmental Management Framework* (2017), Appendix 1, Residential Impact Mitigation Guidelines for Construction, p.91).

<sup>155</sup> Evening and Weekend hours as outlined in EPA Publication 1254 are 6pm-10pm Monday to Friday, 1pm-10pm on Saturdays and 7am – 10pm on Sundays and public holidays. Night time hours are 10pm-7am Monday-Sunday (Melbourne Metro Rail Authority, *Environmental Management Framework, Appendix 1, Residential Impact Mitigation Guidelines for Construction* (2017), p.91).

<sup>156</sup> Melbourne Metro Rail Authority, *Environmental Management Framework* (2017), Appendix 1, Residential Impact Mitigation Guidelines for Construction, p.94

- specific notification – targeted communications to residents to advise of construction activity that may exceed guidelines and the mitigation measures that will be offered.<sup>157</sup>

Where the construction noise exceeds the guidelines, the MMRA will deploy general mitigation measures. Should the noise continue to exceed the guidelines, affected residents would be eligible for relief measures which reflect how loud the noise is and how long it will go for. These measures include respite offers, acoustic treatment and alternative accommodation.<sup>158</sup>

### Respite offers

Eligible residents will be offered incentives to leave their homes during periods of noisy construction work. Residents will be given the choice of:

- Pre-determined and pre-paid respite options such as tickets to cultural or sporting activities, public transport vouchers and gift vouchers to restaurants or retail stores
- Reimbursement of the reasonable costs incurred by the resident while away from their home due to construction work, up to a value equivalent to the pre-determined respite offers.<sup>159</sup>

### Acoustic treatment

Acoustic treatment includes measures such as the installation of extra glazing on windows or other treatments to decrease sound travel through windows and doors.<sup>160</sup> Acoustic treatment will be offered to residents where the noise level measured one metre in front of the most exposed window or door over a period of one hour exceeds 55dB(A) or 5dB(A) above existing ambient noise level. The noise must occur between 10pm and 7am for at least 40 separate days over six consecutive months.<sup>161</sup>

The resident mitigation guidelines note that offers of acoustic treatment will be based on pre-construction modelling of predicted construction noise levels, although consideration will be given if actual noise levels are higher than predicted.<sup>162</sup>

<sup>157</sup> Melbourne Metro Rail Authority, *Environmental Management Framework* (2017), Appendix 1, Residential Impact Mitigation Guidelines for Construction, p.89

<sup>158</sup> Melbourne Metro Rail Authority, *Environmental Management Framework* (2017), Appendix 1, Residential Impact Mitigation Guidelines for Construction, p.94

<sup>159</sup> Melbourne Metro Rail Authority, *Environmental Management Framework* (2017), Appendix 1, Residential Impact Mitigation Guidelines for Construction, p.94

<sup>160</sup> Melbourne Metro Rail Authority, *Environmental Management Framework* (2017), Appendix 1, Residential Impact Mitigation Guidelines for Construction, p.91

<sup>161</sup> Melbourne Metro Rail Authority, *Environmental Management Framework* (2017), Appendix 1, Residential Impact Mitigation Guidelines for Construction, p.91

<sup>162</sup> Melbourne Metro Rail Authority, *Environmental Management Framework* (2017), Appendix 1, Residential Impact Mitigation Guidelines for Construction, p.91

### Alternative accommodation

Affected residents may also be offered alternative accommodation. Residents will be offered this where the total airborne noise due to unavoidable works at night over a period of one hour exceeds 65dB(A), or 10dB(A) above existing ambient noise level. The noise must occur between 10pm and 7am on at least 10 days in any 15 consecutive days or 40 days in any six consecutive months.<sup>163</sup>

Alternative accommodation will be a choice of pre-arranged options in the area of the residence.

The MMRA guidelines state that ‘staying at home is generally best option for everyone.’<sup>164</sup> As such, residents are not obliged to re-locate and earplugs are offered to residents who may experience construction noise above the guidelines to assist them to stay at home.

Figure 5.2 provides a summary of the guideline noise levels for working hours, evenings and weekends, and the relief measures available to residents if noise levels are exceeded.

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163 Melbourne Metro Rail Authority, *Environmental Management Framework* (2017), Appendix 1, Residential Impact Mitigation Guidelines for Construction, p.92

164 Melbourne Metro Rail Authority, *Environmental Management Framework* (2017), Appendix 1, Residential Impact Mitigation Guidelines for Construction, p.95

Figure 5.2 Summary of construction noise guidelines and relief measures for residents



Source: Compiled by the Committee using the following sources: Melbourne Metro Rail Authority, *Environmental Management Framework* (2017), pp.52, 91-92; Melbourne Metro Rail Authority, *Environmental Effects Statement* (2016), Chapter 13 Noise and Vibration, pp. 28-29; AJM Joint Venture, *Melbourne Metro Rail Project, Noise and Vibration Impact Assessment*, Melbourne Metro Rail Authority (2016), pp.188, 207, 208 and 229

### 5.1.7 Truck noise

Trucks entering and leaving work sites may also be a source of noise. The MMRA has addressed this as part of the EPRs. Truck movements are scheduled for work hours where possible and many loud reversing beepers have been replaced with quieter broadband beepers.<sup>165</sup>

Operational procedures and controls that minimise truck noise will be considered by the MMRA including:

- where practicable, select traffic routes to limit the amount of accelerating and braking, prioritise routes with existing heavy vehicle usage where possible, and avoid local roads (e.g. residential streets), particularly for 24-hour activities
- install 'no engine braking' signs on designated routes
- ensure trucks are fitted with mufflers that comply with the original equipment manufacturer specifications and relevant EPA in-service noise requirements
- enforce speed restrictions on all construction vehicles
- complete regular maintenance checks of road surfaces and trucks
- implement temporary changes to traffic light sequences on designated routes to minimise trucks starting and stopping at junctions
- monitor construction vehicle driver behaviour
- identify suitable locations for trucks to idle pending arrival at construction sites.<sup>166</sup>

### 5.1.8 Vibration

As noted in Chapter 4, vibration will be caused by the construction of the shafts and the tunnelling activities of roadheaders and tunnel boring machines (TBMs). Guidelines have been adopted for vibration so that levels will remain below that which might cause damage to buildings.<sup>167</sup> However, the MMRA expects that vibration intensity will be within the level of human perception in some parts of the CBD during some periods of construction, including when the TBMs and roadheader machines pass underneath.

<sup>165</sup> Melbourne Metro Rail Authority, *Managing Construction Noise And Vibration*, <[www.metrotunnel.vic.gov.au/construction/construction-impacts/noise-and-vibration#noise](http://www.metrotunnel.vic.gov.au/construction/construction-impacts/noise-and-vibration#noise)>, viewed 3 October 2017

<sup>166</sup> Melbourne Metro Rail Authority, *Environmental Management Framework* (2017), p.68

<sup>167</sup> Melbourne Metro Rail Authority, *Managing Construction Noise And Vibration*, <[www.metrotunnel.vic.gov.au/construction/construction-impacts/noise-and-vibration#noise](http://www.metrotunnel.vic.gov.au/construction/construction-impacts/noise-and-vibration#noise)>, viewed 3 October 2017

According to the MMRA, there are no published guidelines or standards for evaluating the effects of vibration from tunnelling and construction activities in Victoria.<sup>168</sup> The guidelines adopted by the MMRA to manage vibration impacts on buildings is based on a German standard (DIN 4150-3).<sup>169</sup> The threshold at which vibration is perceptible is outlined in Table 5.2.

**Table 5.2** Human perception of continuous vibration, based on DIN 4150.3

Approximate vibration level	Degree of human perception
0.10 mm/s	Not felt
0.15 mm/s	Threshold of perception
0.35 mm/s	Barley noticeable
1.0 mm/s	Noticeable
2.2 mm/s	Easily noticeable
6 mm/s	Strongly noticeable
14 mm/s	Very strongly noticeable

Source: MMRA, *Environment Effects Statement* (2016), Chapter 13: Noise and Vibration, p. 15

The MMRA have produced the guideline targets for vibration to prevent structural damage to buildings. The maximum long term vibration level (peak particle vibration mm/s) for commercial buildings is 10 mm/s, for residential buildings it is 5 mm/s and for heritage buildings it is 2.5 mm/s.<sup>170</sup>

The MMRA identified a number of heritage and other sensitive buildings that may be susceptible to vibration. However, it is predicted that the vibration from tunnelling and construction work at most of these heritage sites will be less than existing background levels, as shown in Table 5.3.

<sup>168</sup> Melbourne Metro Rail Authority, *Managing Construction Noise And Vibration*, <[www.metrotunnel.vic.gov.au/construction/construction-impacts/noise-and-vibration#noise](http://www.metrotunnel.vic.gov.au/construction/construction-impacts/noise-and-vibration#noise)>, viewed 3 October 2017

<sup>169</sup> Melbourne Metro Rail Authority, *Environment Effects Statement* (2016), Chapter 13 Noise and Vibration, p.13

<sup>170</sup> Melbourne Metro Rail Authority, *Environmental Management Framework* (2017), Chapter 13 Noise and Vibration, p.52

**Table 5.3** Baseline vibration and predicted construction vibration at sensitive and heritage buildings

Sensitive site	Baseline (existing) Peak Particle Vibration mm/s	Predicted Peak Particle Vibration mm/s
City Baths	1.6	0.3
RMIT Microelectronics and Material Technology Centre	5.2	0.7
State Library	3.2	0.2
St Paul's Cathedral	2.1	0.5
Young and Jacksons Hotel	7.0	0.5
Flinders Street Station	1.3	0.5
Federation Wharf Vaults	0.2	0.4
The Arts Centre	3.1	0.2

Source: AJM Joint Venture, *Melbourne Metro Rail Project, Noise and Vibration Impact Assessment*, Melbourne Metro Rail Authority (2016), pp.183 and 213

### Strategies to prevent vibration damage to buildings and underground infrastructure

Some of the vibration at construction sites will be caused by the excavation of the shafts using heavy machinery. The vibration targets will be met through careful construction practices such as maintaining a buffer distance of 1.5m between buildings and heavy equipment.<sup>171</sup>

When buildings are within 1.5m of construction sites, low vibration methods will be used such as rock-splitting and drilling.<sup>172</sup> Where buildings are more than 1.5m from the excavation, it is predicted that vibration will be lower than guideline targets.

Heritage sites near construction shafts such as Young and Jackson's Hotel and City Baths have lower vibration guideline targets. Drilling and pre-splitting of materials will be required to reduce vibration levels within 5m of these buildings.<sup>173</sup>

Vibration targets have also been developed so that below-ground infrastructure such as pipes, drains and sewers will not sustain structural damage.<sup>174</sup> Construction is required to be at least 3m away from general utilities and 5m away from Melbourne Water unreinforced assets.<sup>175</sup>

171 AJM Joint Venture, *Melbourne Metro Rail Project, Noise and Vibration Impact Assessment*, Melbourne Metro Rail Authority (2016), pp.184 and 214

172 AJM Joint Venture, *Melbourne Metro Rail Project, Noise and Vibration Impact Assessment*, Melbourne Metro Rail Authority (2016), pp.183 and 213

173 AJM Joint Venture, *Melbourne Metro Rail Project, Noise and Vibration Impact Assessment*, Melbourne Metro Rail Authority (2016), pp.184 and 214

174 Melbourne Metro Rail Authority, *Environment Effects Statement* (2016), Chapter 13 Noise and Vibration, p.56

175 AJM Joint Venture, *Melbourne Metro Rail Project, Noise and Vibration Impact Assessment*, Melbourne Metro Rail Authority (2016), p.215

## Strategies to ensure comfort for residents

Guidelines have been developed for residents near construction sites. Rippers<sup>176</sup> and rockbreaker machines have minimum distance requirements from residential buildings.<sup>177</sup> It is predicted that there will be times when these guidelines are not met in both State Library Station and Town Hall Station precincts. For example, in Town Hall Station it is predicted that the daytime vibration target at residential premises would be exceeded for approximately 3 per cent of the ripping work and the night target would be exceeded for approximately 9 per cent of the ripping work.<sup>178</sup>

The MMRA will manage these impacts through a combination of:

- community consultation
- scheduling of the excavation works during work hours
- scheduling respite breaks
- maintaining buffer distances of 18m for rippers and 45m for rockbreakers during night works.<sup>179</sup>

The MMRA notes that in most cases the vibration will be lower than existing sources of vibration such as tram passbys.<sup>180</sup>

The Committee notes that the MMRA has identified there is a risk of vibration affecting amenity. The MMRA expects there will be a ‘low probability of adverse comment’ up to three times during a five-week period of construction in State Library Station and for a period of four days in Town Hall Station.<sup>181</sup>

## Vibration sensitive equipment

RMIT University is a major landholder near the new State Library Station. It operates some vibration sensitive equipment, such as microscopes, on its campus. The MMRA notes there is a risk that vibration may impair vibration sensitive equipment in two RMIT rooms during the excavation of the station cavern<sup>182</sup> as well as impair a confocal microscope during rock breaking. The MMRA will manage this disruption through consultation with RMIT to schedule a suitable time for construction works. The vibration levels for all other sensitive equipment at the university complies with MMRA guidelines.<sup>183</sup>

<sup>176</sup> A ripper is an attachment to a bulldozer or excavator that is used to break up ground and rocks.

<sup>177</sup> AJM Joint Venture, *Melbourne Metro Rail Project, Noise and Vibration Impact Assessment*, Melbourne Metro Rail Authority (2016), p.215

<sup>178</sup> AJM Joint Venture, *Melbourne Metro Rail Project, Noise and Vibration Impact Assessment*, Melbourne Metro Rail Authority (2016), p.215

<sup>179</sup> AJM Joint Venture, *Melbourne Metro Rail Project, Noise and Vibration Impact Assessment*, Melbourne Metro Rail Authority (2016), p.191

<sup>180</sup> AJM Joint Venture, *Melbourne Metro Rail Project, Noise and Vibration Impact Assessment*, Melbourne Metro Rail Authority (2016), p.191

<sup>181</sup> AJM Joint Venture, *Melbourne Metro Rail Project, Noise and Vibration Impact Assessment*, Melbourne Metro Rail Authority (2016), pp. 197 and 220

<sup>182</sup> AJM Joint Venture, *Melbourne Metro Rail Project, Noise and Vibration Impact Assessment*, Melbourne Metro Rail Authority (2016), p.189

<sup>183</sup> AJM Joint Venture, *Melbourne Metro Rail Project, Noise and Vibration Impact Assessment*, Melbourne Metro Rail Authority (2016), pp.189 and 192

## 5.1.9 Traffic

As noted in Chapter 4, the digging of the shafts to construct State Library and Town Hall stations will cause the closure of Franklin Street, the partial closure of A'Beckett Street, and will require the short-term closure of Flinders Street. There will also be an increase in traffic as a result of additional truck movements to transport spoil and deliver equipment to and from construction sites.

### Construction truck traffic

Mr Tattersall told the Committee that an estimated 500 000 truck movements will take place across the entirety of the project, some of which will be in the CBD.<sup>184</sup> To manage this extra traffic, the MMRA has guidelines to:

- Manage transport movements around construction work sites during the construction period
- Minimise truck movements during peak periods to avoid adverse impacts on peak period traffic
- Divert traffic to alternative routes and/or encourage motorists to use alternative routes
- Minimise truck movements at night to reduce adverse impacts on residents.<sup>185</sup>

Mr Tattersall told the Committee that a key component of the truck management plan will be to ensure that trucks are moved quickly onto arterial roads so they do not congest side streets:

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.<sup>186</sup>

The City of Melbourne, in its submission to the Environment Effects Statement gave a view that the proposed truck movements may be better managed through staging trucks on vacant VicTrack land east of Federation Square. It said that the trucks are:

...likely to impact significantly on traffic movements on these streets as well as the servicing of adjacent properties and are therefore unacceptable. The City of Melbourne would like to work with the MMRA to identify alternatives to this. For example, the City of Melbourne would encourage exploration of the potential to use existing Vic Track owned land to the south of existing rail lines and that has access to the Exhibition Street extension.<sup>187</sup>

<sup>184</sup> Evan Tattersall, CEO, Melbourne Metro Rail Authority, *Transcript of Evidence*, 15 September 2017, p.5

<sup>185</sup> Melbourne Metro Rail Authority, *Environment Effects Statement* (2016), Chapter 8 Transport, p.14

<sup>186</sup> Evan Tattersall, CEO, Melbourne Metro Rail Authority, *Transcript of Evidence*, 15 September 2017, p.5

<sup>187</sup> City of Melbourne, *Melbourne Metro Rail Project – City of Melbourne's submission to the Environment Effects Statement* (2016), p.79

## Road closures

To mitigate the impact of road closures on busy roads in the CBD, the MMRA will work with VicRoads, PTV and the City of Melbourne to employ the following measures:

- Publicise closures well ahead of the commencement of works and the closure of roads
- Identify alternative routes around construction work sites
- Give advance notice to local residents, businesses and motorists of the upcoming works and expected travel delays via media and roadside variable message signs
- Modify traffic signal timings to prioritise preferred travel routes and optimise travel times
- Encourage people to consider using non-car transport modes for all or part of their regular trips.<sup>188</sup>

Mr Tattersall told the Committee that the MMRA had been working with VicRoads to monitor traffic and mitigate congestion through re-direction of traffic or changing traffic light sequences:

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.

Mr Tattersall also emphasised the importance of planning and communication with stakeholders to make people aware of road closures and encourage the of alternative routes:

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.<sup>189</sup>

<sup>188</sup> Melbourne Metro Rail Authority, *Environment Effects Statement* (2016), Chapter 8 Transport, p.15

<sup>189</sup> Evan Tattersall, CEO, Melbourne Metro Rail Authority, *Transcript of Evidence*, 15 September 2017, p.3

### 5.1.10 Heritage

As noted in section 5.1.8 of this chapter, there are mitigation measures in place to ensure heritage buildings are protected from damage during construction work, in particular from vibration. Other measures are in place to safeguard any archaeological sites and sites significant to Aboriginal cultural heritage. There are also plans to ensure that new buildings in heritage precincts are in keeping with the heritage character of existing buildings.

#### Heritage buildings

Should damage occur to a heritage building because of construction works, the MMRA will repair the damage. The guidelines state that damage will be rectified in accordance with:

...accepted conservation practice with input from a qualified heritage practitioner and in consultation with the land owner and relevant local Council for places in a local Heritage Overlay, or with the written approval of the Executive Director of Heritage Victoria for places included in the Victorian Heritage Register.<sup>190</sup>

The City of Melbourne, in its submission to the MMRA's EES noted some concern that heritage buildings such as the City Baths, the City of Melbourne Council Building and Princes Bridge may be at risk of structural damage due to vibration. The Council notes that while measures are in place to fix any damage, it believes that more preventative works should be considered:

While it is acknowledged that the EPRs seek to ensure that any damage that occurs as a result of works is rectified in the case of the City Baths, preventative action may result in less impact and be less costly. Our preference is a proactive collaboration with MMRA in advance of the main construction program to protect these assets. The City of Melbourne has similar concern for the Melbourne Town Hall building on Swanston Street as well as impacts on the structural integrity of Princess Bridge. There are numerous other heritage buildings along the alignment, such as the Young and Jacksons Hotel and Manchester Unity Building that are of State heritage significance that may also benefit from taking preventative action prior to the commencement of works.<sup>191</sup>

As noted in Chapter 4, a number of buildings, (some of which are heritage listed) surrounding the Young and Jackson's Hotel on the corner of Flinders Street and Swanston Street will be demolished to excavate a shaft for Town Hall Station. The area is part of the City of Melbourne's Flinders Gate heritage overlay precinct.<sup>192</sup> The EES notes that 'there is potential for this development to be of concern to the wider community if it is considered inconsistent with other prominent buildings visible in the intersection.'<sup>193</sup> The MMRA has said that it will ensure the new buildings that replace the demolished heritage buildings will be 'responsive to

<sup>190</sup> Melbourne Metro Rail Authority, *Environmental Management Framework* (2017), p.37

<sup>191</sup> City of Melbourne, *Melbourne Metro Rail Project – City of Melbourne's submission to the Environment Effects Statement* (2016), p.100

<sup>192</sup> City of Melbourne, *Melbourne Metro Rail Project – City of Melbourne's submission to the Environment Effects Statement* (2016), p.80

<sup>193</sup> Melbourne Metro Rail Authority, *Environment Effects Statement* (2016), Chapter 10 Social and Community, p.28

heritage places in terms of height, massing, form, façade articulation, materials and impacts on their settings and key views.<sup>194</sup> Mr Evan Tattersall told the Committee that the new buildings will be sympathetic to the existing heritage features of the area:

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.<sup>195</sup>

### Archaeological sites and sites significant to Aboriginal cultural heritage

The EES notes that there are likely to be sites of archaeological significance in the CBD, ‘where evidence may survive of the earliest phases of Melbourne’s post contact history.’<sup>196</sup> The MMRA also acknowledges that there is a possibility that the project could disturb or damage previously unknown sites of Aboriginal cultural heritage or significance.<sup>197</sup>

In the event of the discovery of sites of archaeological significance, the MMRA is required under the *Heritage Act 1995* to inform Heritage Victoria and undertake measures to ensure the site is managed and any artefacts are preserved in accordance with the Act.<sup>198</sup>

The project will also affect some previously identified archaeological sites listed in the Victorian Heritage Inventory. For these sites, the MMRA has developed guidelines to ensure the sites are managed in accordance with Heritage Victoria guidelines that include ongoing monitoring and salvage of any artefacts.<sup>199</sup>

The MMRA will also conduct investigations prior to ground disturbance and during excavation to ensure any sites of archaeological significance are not lost.<sup>200</sup>

In relation to sites of Aboriginal cultural significance, the EES states that the project will have a limited impact.<sup>201</sup> It notes that after the initial excavation of the shafts, that much of the tunnelling activity will take place at a depth below which potential archaeological deposits containing Aboriginal cultural material might be found.

<sup>194</sup> Melbourne Metro Rail Authority, *Environmental Management Framework* (2017), p.40

<sup>195</sup> Evan Tattersall, CEO, Melbourne Metro Rail Authority, *Transcript of Evidence*, 15 September 2017, p.5

<sup>196</sup> Melbourne Metro Rail Authority, *Environment Effects Statement* (2016), Chapter 14 Historical Cultural Heritage, p.8

<sup>197</sup> Melbourne Metro Rail Authority, *Environment Effects Statement* (2016), Chapter 15 Aboriginal Heritage, p.9

<sup>198</sup> *The Heritage Act 1995* (Vic), ss.127 and 128

<sup>199</sup> Melbourne Metro Rail Authority, *Environment Effects Statement* (2016), Chapter 14 Historical Cultural Heritage, p.7

<sup>200</sup> Melbourne Metro Rail Authority, *Environment Effects Statement* (2016), Chapter 14 Historical Cultural Heritage, p.7

<sup>201</sup> Melbourne Metro Rail Authority, *Environment Effects Statement* (2016), Chapter 15 Aboriginal Heritage, p.1

The MMRA believes that the primary risk to the disturbance of Aboriginal cultural material would be at sites that were previously unknown. It notes that significant ground disturbance has occurred during the gradual urban development of Melbourne, which would have already disturbed Aboriginal cultural heritage sites. For example, in the area where an entrance to Town Hall Station will be constructed at Federation Square, the MMRA says:

The underground entrance connection to Federation Square is within an area of cultural heritage sensitivity associated with the Yarra River. Federation Square is located above railway lines and as such, there is no natural ground surface remaining. This has resulted in the underground entrance connection to Federation Square having no Aboriginal archaeological potential and no further investigations are required.<sup>202</sup>

One Aboriginal site of significance has previously been recorded within the area of State Library Station where an artefact was found during historical excavations at 22-23 Little La Trobe Street.<sup>203</sup> The MMRA says that contingency plans would be developed for the discovery of Aboriginal cultural heritage material in this area.<sup>204</sup>

### 5.1.11 Spoil management and air quality

A significant amount of sand, rocks, clay and soil will be brought to the surface because of tunnelling and cavern excavation activities. This excavated material is known as spoil.<sup>205</sup> A management plan has been put in place to identify if the spoil is contaminated with industrial waste or has high levels of acid sulphate. Mr Tattersall told the Committee about the process in place to manage acid sulphate rock:

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.<sup>206</sup>

Some of the spoil that is ‘clean’ will be transported to sites for re-use. Where possible, MMRA and the Cross Yarra Partnership will use spoil for the rehabilitation of sites such as old quarries.<sup>207</sup>

202 Melbourne Metro Rail Authority, *Environment Effects Statement* (2016), Chapter 15 Aboriginal Heritage, p.15

203 Melbourne Metro Rail Authority, *Environment Effects Statement* (2016), Chapter 15 Aboriginal Heritage, p.14

204 Melbourne Metro Rail Authority, *Environment Effects Statement* (2016), Chapter 15 Aboriginal Heritage, p.14

205 Melbourne Metro Rail Authority, *EES Assessment Of Geology And Ground Conditions*, <metrotunnel.vic.gov.au/planning/ees/geology-and-ground-conditions>, viewed 6 October 2017

206 Evan Tattersall, CEO, Melbourne Metro Rail Authority, *Transcript of Evidence*, 15 September 2017, p.6

207 Evan Tattersall, CEO, Melbourne Metro Rail Authority, *Transcript of Evidence*, 15 September 2017, p.6

### Air quality and dust

As noted in Chapter 4, the project will generate an amount of dust as the shafts are excavated. Mr Tattersall told the Committee that guidelines were in place to monitor air quality and that there were mitigation measures to reduce the amount of dust produced by the construction work. This includes watering down dust and using the acoustic sheds to contain dust.<sup>208</sup>

Mr Tattersall also told the Committee that measures were in place to continually monitor the project to ensure environmental performance requirements are met:

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.<sup>209</sup>

### 5.1.12 Trees

A number of trees will be removed at various locations in the CBD. In State Library Station, trees will be removed on Franklin Street and in Town Hall Station, trees have been removed from City Square. While this tree loss is significant for the amenity of these sites, the Committee is concerned that up to 223 trees may be removed along a much valued section of St Kilda Road near the proposed Anzac Station.<sup>210</sup> According to the EES, most of the trees would be removed along St Kilda Road Reserve and Albert Road reserve:

Construction of Domain station and associated entrances would require the removal of trees from the St Kilda Road reserve, all trees from the Albert Road Reserve for an entry plaza and a few trees in the south-west corner of the Shrine of Remembrance Reserve for the station entry on the east side of St Kilda Road. Trees would also need to be removed around the periphery of Edmund Herring Oval and part of the Toorak Road reserve.<sup>211</sup>

The MMRA believes the loss of these trees is likely to generate a level of community concern:

Loss of the trees on St Kilda Road would also likely be of concern to the local and wider community as it would represent a long stretch of vegetation loss in a valued leafy boulevard. Increasing the magnitude of this potential impact would be the length of time it would take to grow the replacement trees.<sup>212</sup>

<sup>208</sup> Evan Tattersall, CEO, Melbourne Metro Rail Authority, *Transcript of Evidence*, 15 September 2017, p.9

<sup>209</sup> Evan Tattersall, CEO, Melbourne Metro Rail Authority, *Transcript of Evidence*, 15 September 2017, p.9

<sup>210</sup> Melbourne Metro Rail Authority, *Environment Effects Statement* (2016), Chapter 16 Landscape and Visual, p.34

<sup>211</sup> Melbourne Metro Rail Authority, *Environment Effects Statement* (2016), Chapter 21 Biodiversity, p.27

<sup>212</sup> Melbourne Metro Rail Authority, *Environment Effects Statement* (2016), Chapter 10 Social and Community, p.31

The EPR states that the removed trees will be replaced with trees of the same species. This will include elms in the outer rows and plane trees in the median strip along St Kilda Road.<sup>213</sup> The MMRA is working with local councils to supply the replacement trees, which will be three to four years old when planted.<sup>214</sup>

The Committee spoke to Mr Trevor Jensen, a representative from the group Save St Kilda Road. Mr Jensen told the Committee that they believed there were some unresolved questions regarding the replacement trees:

One of the issues is about the trees that are going to replace the trees that go. There is a plan, but a question will come back as to whether those sorts of trees will ever go back in there and what kind of trees will go back in, whether they are gum trees or something else and whether they can be planted back in the soil at the levels, given it is a shallow construction.<sup>215</sup>

Mr Jensen also noted that a proportion of the trees that may be removed would have reached the end of their lifecycle within the timeframe of the Metro Rail Project.

Also I think that you cannot be emotionally attached to some of these trees because some of these trees have got a life anyhow. I think if you go and look at their work, they took some of that into consideration that some of the trees would naturally come out within the time frame.

This is also mentioned by the MMRA which states that around half the trees that will be removed from the project as a whole are juvenile or old:

...either juvenile trees that do not contribute strongly to the biodiversity of the region, or trees that have been assessed as over-mature or in decline and already likely to be subject to removal within the same timeframe as the construction phase of the project.<sup>216</sup>

The MMRA's EPR states the replacement trees should be healthy and of equal or greater canopy size as the removed trees.<sup>217</sup>

The Committee notes that the National Trust supports the MMRA's location for Anzac Station,<sup>218</sup> despite some concern about the heritage impact associated with the removal of trees in the area. Its policy position statement on the project outlines its expectation that the MMRA will reinstate the trees in accordance with its EPR.<sup>219</sup>

<sup>213</sup> Melbourne Metro Rail Authority, *Environment Effects Statement* (2016), Chapter 10 Social and Community, p.31

<sup>214</sup> Evan Tattersall, CEO, Melbourne Metro Rail Authority, *Transcript of Evidence*, 19 October 2016, p.39

<sup>215</sup> Trevor Jensen, *Transcript of Evidence*, 15 September 2017, p.27

<sup>216</sup> Melbourne Metro Rail Authority, *Environment Effects Statement* (2016), Chapter 21 Biodiversity, p.15

<sup>217</sup> Melbourne Metro Rail Authority, *Environment Effects Statement* (2016), Chapter 21 Biodiversity, p.15

<sup>218</sup> National Trust of Australia, Melbourne Metro Rail Project, <[www.nationaltrust.org.au/campaigns-vic/melbourne-metro-rail-project/](http://www.nationaltrust.org.au/campaigns-vic/melbourne-metro-rail-project/)>, viewed 10 October 2017

<sup>219</sup> National Trust of Australia, Melbourne Metro Rail Project, <[www.nationaltrust.org.au/campaigns-vic/melbourne-metro-rail-project/](http://www.nationaltrust.org.au/campaigns-vic/melbourne-metro-rail-project/)>, viewed 10 October 2017

### 5.1.13 An independent reviewer

The MMRA will appoint an independent reviewer to monitor delivery of the project by contractors and certify their work. This will include monitoring compliance with the EES and EPRs.<sup>220</sup>

The Committee spoke with Mr Chris Hewison, Executive Director of Property Services at RMIT who said he would welcome the input of an independent reviewer in cases where RMIT believed disruption guidelines were not being met:

We meet formally with MMRA every week and with the builder every week; however, going to the point about some level of independence — because there are situations where we fundamentally disagree with the disruptions being caused, and that is the builders' right. They are working with the information they have. We have a different view, and that happens from time to time. So it is more about the speedy resolution of how do you resolve that. In the meantime we have an obligation to provide a safe working environment, as you are aware, to our staff that occupy those buildings. So we find ourselves sometimes caught between how can we be sure we are doing that if the builder is saying, 'No, we don't think that we are exceeding the noise limits, and we're going to keep going', and we are saying, 'Hang on. We think you are. Can you stop while we sort this out?'<sup>221</sup>

The Committee hopes that the independent reviewer will provide a level of scrutiny and will act as an independent arbiter to ensure the measures to control disruption in the CBD are met.

The Committee notes the MMRA's business support team also provides assistance to resolve complaints with the contractor and ensure they comply with the guidelines. This is discussed in Chapter 6 of this report.

### 5.1.14 Disruption in an international context

Mr Tattersall told the Committee that he had visited comparable metro projects under construction in London, Hong Kong and New York, where he observed the levels of disruption caused by construction and the measures taken to reduce adverse impacts.

Mr Tattersall noted that disruption for the Crossrail project in London was significant, however, the impacts were managed in such a way that the public was tolerant of the disruption because of the perceived long-term benefits:

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 bunking shafts in the middle of them. It was

<sup>220</sup> Melbourne Metro Rail Authority, *Independent Reviewer Role for Tunnel and Stations Public Private Partnership Market Engagement* (2017), p.3

<sup>221</sup> Chris Hewison, Executive Director, Property Services, RMIT University, *Transcript of Evidence*, 15 September 2017, pp.52-53

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'.

Mr Tattersall also noted similar disruption in Hong Kong and New York and stated that the disruption caused by the Melbourne Metro Rail Project would be within the level of disruption experienced by the residents of these cities:

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.

The Committee notes that the disruption caused by the Melbourne Metro Rail Project is within experiences typical of large-scale, world class infrastructure projects in other developed cities.

**FINDING 1:** The measures to control disruption in the CBD as outlined in the Melbourne Metro Rail Project's Environment Effects Statement and Environmental Performance Requirements are comprehensive and have been subject to public consultation and independent scrutiny.

## 5.2 The City of Melbourne

The City of Melbourne recognises that the construction of the Melbourne Metro Rail Project will have a disruptive impact on some businesses and residents in the CBD. In correspondence to the Committee, the Council outlined that it will represent stakeholder interests and will work with the MMRA and contractors to ensure disruption is minimised and that adequate support is provided.<sup>222</sup>

To do this, the City of Melbourne has a dedicated team to work with the MMRA and contractors to monitor business impacts and business support activities. Such support includes:

- reviewing outdoor street trading permits and changes to parking,
- installing wayfinding and advertising signage and
- temporary landscape changes.<sup>223</sup>

<sup>222</sup> Correspondence from Mr Ben Rimmer, CEO, City of Melbourne, to Mr Bernie Finn MP, Chair, Economy and Infrastructure Committee, 25 October 2015

<sup>223</sup> Correspondence from Mr Ben Rimmer, CEO, City of Melbourne, to Mr Bernie Finn MP, Chair, Economy and Infrastructure Committee, 25 October 2015

The Council notes that some residents will also be affected by the construction work. The Council has received feedback from residents who are concerned about expected additional truck traffic in the CBD.<sup>224</sup> However, the Council reports that residents in the CBD have been generally supportive of the project and understand the benefits that additional public transport infrastructure will bring to the CBD.

The MMRA has established a number of Community Reference Groups for each station precinct, including a CBD reference group. There is also a Traffic and Transport Working Group to manage the impact of traffic and public transport impacts. The City of Melbourne believes this is a good framework for ongoing consultation and will continue to provide its perspective about successful project delivery and advocate for the best outcomes for the Council.<sup>225</sup>

The City of Melbourne also provided a submission to the Melbourne Metro Rail Project EES. The submission outlined some areas where the City did not support aspects of the State Library Station design or construction arrangements. This included objections to the full closure of Franklin Street and a request for improved pedestrian amenity in CBD North. In CBD South, the City of Melbourne noted concerns relating to the occupation of City Square, the impact on heritage buildings and the location of a station entrance at Federation Square.<sup>226</sup> The concerns of the City of Melbourne were taken into account throughout the EES process. The Council considered the EPRs were adequate.<sup>227</sup>

### 5.3 Public Transport Victoria

PTV is managing disruption to public transport services as a result of the construction of the Metro Rail project. At the time of writing, the most significant disruption to public transport has been an interruption of tram services on St Kilda Road due to works associated with the construction of Anzac Station. PTV is also working to manage ongoing disruption to metro train services due to disruption caused by the level crossing removal program.

<sup>224</sup> Correspondence from Mr Ben Rimmer, CEO, City of Melbourne, to Mr Bernie Finn MP, Chair, Economy and Infrastructure Committee, 25 October 2015

<sup>225</sup> Correspondence from Mr Ben Rimmer, CEO, City of Melbourne, to Mr Bernie Finn MP, Chair, Economy and Infrastructure Committee, 25 October 2015

<sup>226</sup> City of Melbourne, *Submission to the Melbourne Metro Rail Project Environment Effects Statement*, 5 July 2016, pp.14-15

<sup>227</sup> Correspondence from Mr Ben Rimmer, CEO, City of Melbourne, to Mr Bernie Finn MP, Chair, Economy and Infrastructure Committee, 25 October 2015

### 5.3.1 St Kilda Road construction works 2017

To prepare for the construction of Anzac Station as part of the Melbourne Metro Rail Project, sections of St Kilda Road and Toorak Road West were closed in June and July 2017. A number of tram services did not run and rail replacement buses were used. The works were to re-route tram tracks so that services can continue to run during the construction of Anzac Station.<sup>228</sup>

Mr Weimar told the Committee that there was significant consultation with residents, businesses and other stakeholders prior to the works commencing. This included the distribution of leaflets and mass advertising.<sup>229</sup> There were also customer service staff on-site and a call centre to manage complaints.

During the closure of the roads, tram services were unable to run. To keep the public transport system moving, PTV used rail replacement buses. Mr Weimar told the Committee that the buses were able to move a significant amount of passengers efficiently, partly due to encouraging use of other routes and private car owners to avoid the area:

We made the decision to prioritise the 200 000 public transport users on the residual available road space. So by providing quite assertive bus priority we were able to keep those buses moving very reliably, and the net impact was that the average journey time delay for people travelling through the St Kilda Road block was around 10 to 15 minutes and significantly less than we had actually anticipated. As Gill said, it also was part of this information campaign where we encouraged people to find alternative journey patterns and we encouraged car users to find alternative journey patterns to avoid congestion in the area.<sup>230</sup>

Mr Weimar noted that despite the disruption, a large majority of PTV users agreed the disruption was worth the long term benefit:

91 per cent of the people that we talked to agree that the short disruptions are worth the long-term benefits. So people understand that putting the complexity and the scale of infrastructure in is critical to the future of not just the public transport network but actually to the wider growth and development of the city, and I think at the moment 73 per cent of those surveyed still find their travel experience to be generally positive.<sup>231</sup>

### 5.3.2 Managing disruption from the level crossing removal project

PTV works with the Level Crossing Removal Authority to ensure that transport users are aware of upcoming track closures because of level crossing removal work and provides rail replacement buses on those lines. PTV also encourages passengers to use alternative existing transport options such as other train lines, tram or bus services during these works.

<sup>228</sup> Melbourne Metro Rail Authority, *Toorak Road West And St Kilda Road Tram Upgrades*, <metrotunnel.vic.gov.au/construction/domain/toorak-road-west-and-st-kilda-road-tram-works>, viewed 10 October 2017

<sup>229</sup> Jeroen Weimar, CEO, Public Transport Victoria, *Transcript of Evidence*, 15 September 2017, p.35

<sup>230</sup> Jeroen Weimar, CEO, Public Transport Victoria, *Transcript of Evidence*, 15 September 2017, p.34

<sup>231</sup> Jeroen Weimar, CEO, Public Transport Victoria, *Transcript of Evidence*, 15 September 2017, p.34

Mr Weimar told the Committee that track closures are communicated ‘through mass-market media to give people plenty of notice that these changes are coming.’<sup>232</sup> The Committee heard that there are notices on the PTV website about planned disruption as well as real-time information about services across the network to assist passengers to plan ahead. Mr Weimar also told the Committee that transport users are informed through information at stations and customer service representatives about disruptions to services. Wayfinding tools are also used at stations to direct people to alternative modes of transport.<sup>233</sup>

Mr Weimar told the Committee that where possible during planned disruptions for the level crossing project, passengers are encouraged to use alternative rail lines, tram or bus services. This can often result in faster journey times for passengers who would otherwise use bus replacement services.<sup>234</sup> For example, during the closure of the Frankston line in 2016, Mr Weimar told the Committee that a large percentage of passengers switched to the Dandenong line:

30 per cent of regular passengers on the Frankston line, between the Moorabbin and Caulfield section, migrated to the Dandenong line. Essentially they self-selected. They looked at information, they looked at our PTV app and they said, ‘If I’m living in Bentleigh, actually it’s easier for me just to cut across and jump on the Dandenong line rather than to jump on the bus replacement service’. So people make their own choices, and we encourage that. We should be doing that.<sup>235</sup>

Mr Weimar noted that where bus replacement services were used by passengers during the Frankston line closure, measures were in place to ensure there was sufficient capacity and an efficient service:

Over that five-week period we provided over a million passenger journeys on that bus replacement service. The challenge was making sure that we had sufficient signalling and capacity on both Nepean Highway and Jasper Road to ensure that buses could move freely and provide a continuous and reliable service to enable people coming off the train at Caulfield to move down to Moorabbin and vice versa, from Moorabbin up to Caulfield.<sup>236</sup>

Mr Weimar also told the Committee that people with disabilities are assisted during periods of service disruption through consultation with a public transport accessibility committee. This includes the provision of low floor busses on rail replacement bus services to assist people with mobility needs.<sup>237</sup>

<sup>232</sup> Jeroen Weimar, CEO, Public Transport Victoria, *Transcript of Evidence*, 15 September 2017, p.34

<sup>233</sup> Jeroen Weimar, CEO, Public Transport Victoria, *Transcript of Evidence*, 15 September 2017, p.34

<sup>234</sup> Jeroen Weimar, CEO, Public Transport Victoria, *Transcript of Evidence*, 15 September 2017, pp.33-34

<sup>235</sup> Jeroen Weimar, CEO, Public Transport Victoria, *Transcript of Evidence*, 15 September 2017, p.42

<sup>236</sup> Jeroen Weimar, CEO, Public Transport Victoria, *Transcript of Evidence*, 15 September 2017, p.33

<sup>237</sup> Jeroen Weimar, CEO, Public Transport Victoria, *Transcript of Evidence*, 15 September 2017, pp.33 and 41

### 5.3.3 Metropolitan rail network failure July 2017

On 13 July 2017, shortly after 4.00pm a computer fault caused the shutdown of the metropolitan rail network. The fault caused 224 services to be cancelled and 378 services to run late. V/Line services that use metropolitan lines were also affected. The system fault was corrected that evening and by approximately 7.00pm, the lines were running a normal service.

Mr Weimar explained that the fault was due to a server failure in the train control management system:

The failure in the server led to an error in how the system allocates between the main site and the backup site. The system is configured in such a way as to say if there is a problem in the main site it goes automatically to a backup system. If there is a problem in the backup system it goes back to the main system. The nature of the failure in this server — it is a Hewlett-Packard server — was that it had intermittent faults that kept coming on-off, on-off, and therefore the system was unable to prioritise between whether it should use the main system or the backup system.<sup>238</sup>

Mr Weimar explained that engineers identified the fault and disconnected the main system and backup systems and restored the main system only, which brought the network back online within 70 minutes.<sup>239</sup> The server was repaired and brought back to its full state within three days.

Mr Weimar identified that the fault was with the ‘Siemens-configured, managed and run systems operated by Metro Trains.’<sup>240</sup> He said further that ‘there appears to have been a failure by Siemens to properly update the software on some of their servers.’<sup>241</sup> He told the Committee that the issue is currently being discussed between Metro Trains and Siemens. However, Metro Trains were managing the contract and PTV holds Metro Trains accountable for the fault.<sup>242</sup>

PTV penalised Metro Trains \$1.2 million, which is the maximum penalty permitted under its contract. Metro Trains was also required to pay a fine of a \$700 000 to compensate passengers who were affected by the fault.<sup>243</sup>

Mr Weimar told the Committee that Metro Trains and Siemens now have improved monitoring of fault indicators on the train management system. PTV’s new contract with Metro Trains to operate the metropolitan railway system, announced in September 2017, included a penalty of up to \$700 000 if a network failure stops more than half of services or delays them by 30 minutes within a two-hour period.<sup>244</sup>

<sup>238</sup> Jeroen Weimar, CEO, Public Transport Victoria, *Transcript of Evidence*, 15 September 2017, p.39

<sup>239</sup> Jeroen Weimar, CEO, Public Transport Victoria, *Transcript of Evidence*, 15 September 2017, p.39

<sup>240</sup> Jeroen Weimar, CEO, Public Transport Victoria, *Transcript of Evidence*, 15 September 2017, p.39

<sup>241</sup> Jeroen Weimar, CEO, Public Transport Victoria, *Transcript of Evidence*, 15 September 2017, p.39

<sup>242</sup> Jeroen Weimar, CEO, Public Transport Victoria, *Transcript of Evidence*, 15 September 2017, p.39

<sup>243</sup> Jeroen Weimar, CEO, Public Transport Victoria, *Transcript of Evidence*, 15 September 2017, p.40

<sup>244</sup> Monique Hore, ‘Metro Trains, Yarra Trams win \$7 billion public transport contract’, *The Herald Sun*, <[www.heraldsun.com.au/news/victoria/metro-trains-yarra-trams-win-7-billion-public-transport-contract/news-story/00785e897ac7a2ee88974196d3b8366e](http://www.heraldsun.com.au/news/victoria/metro-trains-yarra-trams-win-7-billion-public-transport-contract/news-story/00785e897ac7a2ee88974196d3b8366e)>, viewed 12 September 2017

## 5.4 Victoria Police

The Committee spoke to Superintendent David Clayton from Metro Division 1<sup>245</sup> about the strategies employed by Victoria Police to deal with disruption as a result of major infrastructure projects.

Superintendent Clayton told the Committee that Victoria Police engages with the MMRA to receive information about the Metro Rail Project and to provide feedback. This includes attendance at the MMRA Traffic and Transport Working Group, where Victoria Police provide feedback on issues affecting traffic, transport and its impact on the community. For example, consulting on the closure of St Kilda Road for tram network diversion in June and July 2017.<sup>246</sup> The Committee also heard that Metro Rail Project alerts and updates are reviewed by Victoria Police for relevance to policing activities and are passed to local police for information on an as-needs basis.<sup>247</sup>

Victoria Police has also been involved in ensuring the safe removal of trees during the early works construction at Anzac Station. To ensure the safety of both contractors and potential protesters, Victoria Police have recommended the creation of exclusion zones around work sites:

From our perspective in terms of impacts the tree removal is probably the one where we have had more influence than anything else because we could see a potential protest activity. It is about the engagement at the appropriate level to reach an agreement on how something might be executed. For example, the tramways have a way of pruning trees and cutting them down. That might not be an effective way to do it if we think there is going to be protest activity. So for us we would suggest that they need to create exclusion zones, ensure that there is separation of their workers from any protest activity and have a safe environment for police. So in that environment tramways might reduce a lesser area to do their works. However, we would insist on road closure so that if there is protest activity, there is no opportunity for police, protesters or the public to be injured by moving vehicles, for example. Generally we can reach agreement around how we can do that.<sup>248</sup>

The Committee heard that Victoria Police also works with the MMRA to mitigate any road safety issues that may arise during construction of the Metro Rail Project. Superintendent Clayton told the Committee that Victoria Police attended an industry forum initiated by the MMRA to discuss vulnerable road users in the CBD and safety around trucks. He told the Committee that the prevention of road trauma that may arise from the project was one of Victoria Police's areas of interest:

<sup>245</sup> Victoria Police division 1 encompasses the local government areas of Melbourne and Yarra.

<sup>246</sup> Acting Commander David Clayton, Divisional Superintendent, North-West Metro Division 1, Victoria Police, *Transcript of Evidence*, 20 September 2017, p.2

<sup>247</sup> Acting Commander David Clayton, Divisional Superintendent, North-West Metro Division 1, Victoria Police, *Transcript of Evidence*, 20 September 2017, p.2

<sup>248</sup> Acting Commander David Clayton, Divisional Superintendent, North-West Metro Division 1, Victoria Police, *Transcript of Evidence*, 20 September 2017, p.4

In terms of ensuring that there is minimal harm to pedestrians, cyclists and other vulnerable road users, that is probably where our focus is, and that is where in the working groups we are trying where possible to ensure there is as much separation as possible between heavy vehicles and pedestrians and cyclists.<sup>249</sup>

Superintendent Clayton told the Committee that to date the early works associated with the project have not produced any evidence of increased road trauma. He noted that some additional traffic congestion has been observed around Franklin and A'Beckett Streets near State Library Station, however this has not required police intervention.<sup>250</sup>

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249 Acting Commander David Clayton, Divisional Superintendent, North-West Metro Division 1, Victoria Police, *Transcript of Evidence*, 20 September 2017, p.4

250 Acting Commander David Clayton, Divisional Superintendent, North-West Metro Division 1, Victoria Police, *Transcript of Evidence*, 20 September 2017, p.3

# 6 Disruption to businesses in the CBD

A number of businesses in the CBD have experienced disruption as a result of the construction of Melbourne Metro Rail Project. It is expected disruption from construction activities will continue until the project's completion in 2026.

A number of businesses have been compulsorily acquired to make way for construction shafts and station entrances. These businesses have received compensation under the *Land Acquisition and Compensation Act 1986*.

The Committee heard evidence from a number of businesses in the CBD about the impact of construction work on their trade. This includes impacts on amenity because of noise and vibration, a reduction in passing trade, and impaired access for customers and deliveries.

The Committee also heard from the Victorian Tourism Industry Association that construction works in the CBD may negatively affect tourism businesses and visitor experience.

The MMRA told the Committee that a range of measures are in place to inform affected businesses of upcoming works. There are also measures to support them such as promotion, partnerships with local councils and festivals, upskilling of staff and assistance to develop business plans.<sup>251</sup>

## 6.1 Businesses compulsorily acquired

As noted in Chapter 4, a number of buildings on land that will be used to excavate shafts and station entrances have been acquired by the MMRA. This building acquisition will displace 37 businesses in the State Library Station precinct and 32 in the Town Hall Station precinct. Across the entire project, 87 businesses will be displaced.<sup>252</sup>

Owners of buildings which have been compulsorily acquired under the *Land Acquisition and Compensation Act 1986* are entitled to compensation that reflects the value of the property at the time of acquisition. It also includes legal fees and other costs and a compensation payment of up to 10 per cent of the value of the property.<sup>253</sup> Commercial tenants who operate businesses from buildings which

<sup>251</sup> Melbourne Metro Rail Authority, *Environmental Management Framework, Appendix 2 Business Support Guidelines for Construction* (2017), p.98

<sup>252</sup> Melbourne Metro Rail Authority, *Environment Effects Statement*, Chapter 11 Businesses (2016), p.3

<sup>253</sup> *Land Acquisition and Compensation Act 1986 (Vic)*, ss.40-41 and 44. A Solatium is the payment of compensation for any intangible and non-pecuniary disadvantages resulting from the acquisition (DELWP, *Using Victoria's Planning System, Chapter 6: Acquisition and Compensation*, p.4)

are compulsorily acquired are also entitled to compensation for the value of the lease, reimbursement of legal and other costs, costs for relocation and where re-location is not possible, compensation for the value of the business.<sup>254</sup>

Mr Tattersall gave the Committee an overview of the progress of the building acquisitions in the CBD:

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.<sup>255</sup>

Where land or buildings are not acquired, owners and tenants are not eligible to receive compensation under the Act. However, the MMRA has business support guidelines in place to support businesses that will not be acquired, but are nevertheless impacted by construction works.<sup>256</sup>

## 6.2 The MMRA's business support guidelines

The MMRA has provided business support guidelines as part of its EPR. The guidelines give a framework for addressing the impacts on businesses as a result of construction works. Such impacts can include a reduction in foot traffic, changes in amenity that discourage trade and constrained access to businesses.<sup>257</sup> The guidelines outline measures to engage with businesses, to let them know about the construction works, and a range of support measures to increase trade.

### Engagement measures

The measures to engage with affected businesses are:

- Works notifications – used to disseminate advance information about the works to businesses and to provide early warning of high impact activities (notifications could be provided electronically or in hard copy).
- Individual briefings – used to inform businesses directly about the predicted impacts and the mitigation measures being implemented.
- Phone calls – used to inform businesses directly about the predicted impacts and the mitigation measures being implemented.

<sup>254</sup> *Land Acquisition and Compensation Act 1986 (Vic)*, s.41(1)

<sup>255</sup> Evan Tattersall, CEO, Melbourne Metro Rail Authority, *Transcript of Evidence*, 15 September 2017, p.4

<sup>256</sup> Melbourne Metro Rail Authority, *Supporting Businesses During Construction*, <metrotunnel.vic.gov.au/construction/construction-impacts/business-support>, viewed 18 October 2017

<sup>257</sup> Melbourne Metro Rail Authority, *Environment Effects Statement*, Chapter 11 Businesses (2016), p.15

- Case management – to provide an additional level of support for businesses that are significantly impacted over an extended period, including a single point of contact and regular, tailored engagement.<sup>258</sup>

### Support measures

The measures to support affected businesses are:

- Promotion – a range of marketing and promotional activities to encourage awareness and patronage of businesses located in proximity to construction sites. Examples include: advertising, flyers, online and social media promotion, digital and physical way-finding, discounts and special offers.
- Activation – activation of an area to create a unique experience that encourages patronage of businesses located in proximity to construction sites. Examples include mobile stores, pop-ups, street fairs, creative use of construction infrastructure and hoarding and leveraging existing festivals.
- Partnerships – opportunities for the appointed contractor/s to partner with local councils, events, festivals and tourism organisations to raise awareness of businesses and encourage patronage, or encourage businesses to apply for grants. Examples of partner organisations include local councils, Visit Victoria and Small Business Victoria. Examples of organisations offering grants include Business Victoria Grow Your Business Grants and City of Melbourne Small Business Grants Program.
- Upskilling – opportunities for businesses to participate in educational programs run by organisations including Small Business Victoria and local councils. These programs support businesses through skills development, such as online and digital commerce, business mentoring, succession planning and marketing.
- Business Plans – opportunities for businesses to develop a Business Plan, where implementation of the other support measures has been exhausted. This opportunity is provided to improve understanding of a business and to assist in ensuring that the appropriate type and level of business support measures are provided. Where appropriate, support in preparing a financial baseline may form part of the Business Plan development process. The process for developing business plans will be through a case management approach allowing it to be tailored to different types of businesses.<sup>259</sup>

To be eligible for this support, businesses should be within proximity to construction sites where works have an impact on visibility, amenity, access and customers. However, businesses outside a project area and an eligibility zone determined by the contractor will still be eligible for support if they can provide evidence of construction activities affecting their business.<sup>260</sup>

<sup>258</sup> Melbourne Metro Rail Authority, *Business Support Guidelines for Construction* (2017), p.98

<sup>259</sup> Melbourne Metro Rail Authority, *Business Support Guidelines for Construction* (2017), p.98

<sup>260</sup> Melbourne Metro Rail Authority, *Business Support Guidelines for Construction* (2017), p.99

## Communication and complaints

The business support guidelines also outline measures to ensure a level of ongoing communication with businesses to keep them informed about the project and to provide channels for feedback or complaints.

The project contractors (the Cross Yarra Partnership in most cases) will regularly notify businesses of upcoming works through mail outs, phone calls and emails. The contractor will also provide case managers for businesses that are severely affected so that there is a single point of contact to communicate works schedules and discuss appropriate support measures.<sup>261</sup>

When seeking to provide feedback or to register a complaint, businesses are encouraged, in the first instance, to contact the project contractors via the project information telephone line or an online contact form on the MMRA website. The information will be passed onto the contractors, who will liaise directly with businesses.<sup>262</sup>

The MMRA also has a business support team. The business support team is intended to act as the primary MMRA contact for businesses. The business support team will ensure the contractors appropriately adhere to the guidelines. Where the business support team receives a complaint or feedback, it will liaise with the contractor and the business to resolve the issue.<sup>263</sup>

Where businesses are not satisfied with the level or support provided under the business support guidelines by either the contractor or the MMRA, they may contact the Victorian Small Business Commissioner. The Small Business Commissioner has been engaged by the MMRA to mediate dispute resolution between businesses and the contractor or the MMRA.<sup>264</sup>

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261 Melbourne Metro Rail Authority, *Business Support Guidelines for Construction* (2017), p.100

262 Melbourne Metro Rail Authority, *Supporting Businesses During Construction*, <[metrotunnel.vic.gov.au/construction/construction-impacts/business-support](http://metrotunnel.vic.gov.au/construction/construction-impacts/business-support)>, viewed 18 October 2017

263 Melbourne Metro Rail Authority, *Supporting Businesses During Construction*, <[metrotunnel.vic.gov.au/construction/construction-impacts/business-support](http://metrotunnel.vic.gov.au/construction/construction-impacts/business-support)>, viewed 18 October 2017

264 Melbourne Metro Rail Authority, *Supporting Businesses During Construction*, <[metrotunnel.vic.gov.au/construction/construction-impacts/business-support](http://metrotunnel.vic.gov.au/construction/construction-impacts/business-support)>, viewed 18 October 2017

## 6.3 State Library Station

### CASE STUDY 6.1: The Oxford Scholar Hotel

The Committee heard evidence from Mr Malcolm Wulf, the former business owner of the Oxford Scholar Hotel, which closed in June 2017. The business leased a building owned by RMIT University on the corner of Swanston Street and A'Beckett Street near State Library Station. Mr Wulf believed patronage to his business declined because of the establishment of a construction site on A'Beckett Street, which led to the loss of an outdoor seating area. The construction site impaired access to his business, generated construction noise and caused a decline in visual amenity. He said the measures to support his business were inadequate and too late to improve patronage before he was forced to close.

#### Impact of construction works

Mr Wulf told the Committee that his licence to operate an outdoor seating area on A'Beckett Street was revoked in January 2017 because of the impending construction works.<sup>265</sup> Mr Wulf believed the loss of the 56 outdoor seats caused a decline in patrons, telling the Committee: 'that happened in January, and that had a fairly large impact on my business during the period of time when there are the major events in Melbourne and when the weather is a lot better.'<sup>266</sup>

Mr Wulf also told the Committee patronage was reduced because of the visual impact of construction hoardings and the view of a construction site for customers in the Hotel: 'the view from my building was of rubble, trucks and diggers, and so all my patrons would look out the window of the establishment and see a construction site.'<sup>267</sup> The construction work near the hotel is shown below.



Construction activities outside the Oxford Scholar Hotel. Supplied to the Committee by Mr Malcolm Wulf

<sup>265</sup> Malcolm Wulf, *Transcript of Evidence*, 15 September 2017, p.14

<sup>266</sup> Malcolm Wulf, *Transcript of Evidence*, 15 September 2017, pp.14 and 16

<sup>267</sup> Malcolm Wulf, *Transcript of Evidence*, 15 September 2017, p.14

As well as a decline in trade, the Committee heard that Mr Wulf’s business had some difficulties with access following the closure of A’Beckett Street. The business delivery area on A’Beckett Street was closed and delivery trucks were required to use Swanston Street. Mr Wulf told the Committee that delivery trucks had difficulty unloading on Swanston Street:

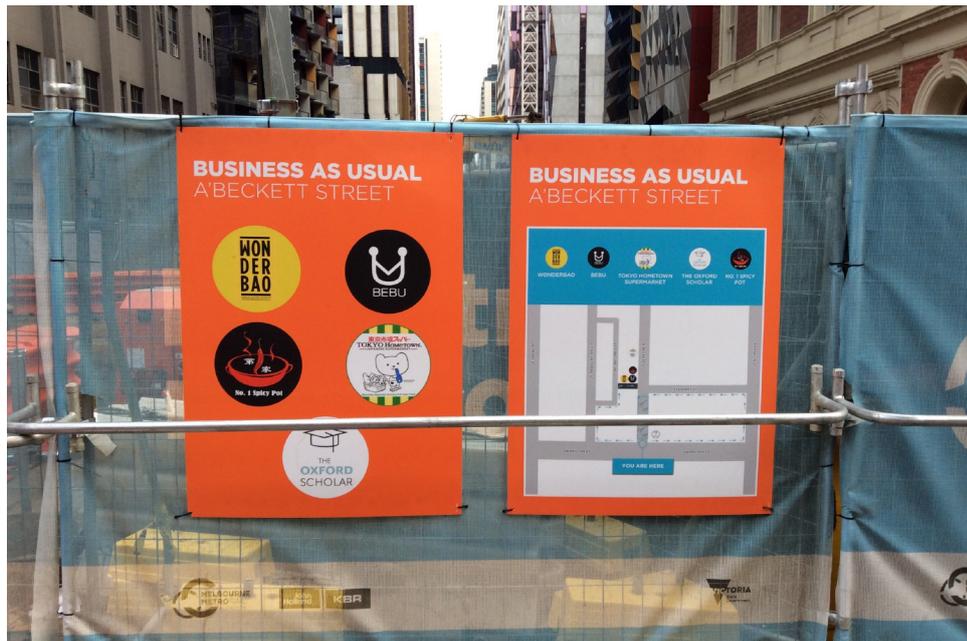
With the barriers et cetera they were virtually pulling up in the bike lane, close to trams and that sort of thing. There were traffic controllers, and they were great. They were really good at helping me get my deliveries in, but it just made a nightmare at the top of A’Beckett Street. And the drivers were not too keen to get there. They were not keen to come and deliver, because it is was just such a hassle to get to.<sup>268</sup>

A customer entrance was also blocked on A’Beckett Street. Mr Wulf told the Committee that some of his customers found it difficult to get to the business:

A number of my patrons were from further down La Trobe Street and what have you. They used to come up that way, and they found it difficult to get to my establishment. They did not know whether the roadway was going to be open, so I ended up having to send emails and text messages during the day saying, ‘Yes, you can come up A’Beckett Street’, or ‘No, find another avenue.’<sup>269</sup>

### Support provided by the MMRA

The Committee heard that the MMRA employed a number of measures to support Mr Wulf’s business. This included the installation of acoustic treatment (soundproofing) on the windows to mitigate construction noise. The MMRA also provided signage on the construction hoardings that included notification the business was still open and wayfinding information to assist customers to find the business. This is shown below.



Advertising and wayfinding information on construction hoardings near the Oxford Scholar Hotel. Supplied to the Committee by Mr Malcolm Wulf

The MMRA also helped to promote the Oxford Scholar Hotel. Mr Wulf said he was told the business was the most promoted business on Domain. However, Mr Wulf said he did not know what Domain is, or if the advertising would reach his target market.<sup>270</sup> The Committee assumes that ‘Domain’ refers to the real-estate website Domain, however, this is unclear.

268 Malcolm Wulf, *Transcript of Evidence*, 15 September 2017, p.16

269 Malcolm Wulf, *Transcript of Evidence*, 15 September 2017, p.14

270 Malcolm Wulf, *Transcript of Evidence*, 15 September 2017, pp.14-15

The Committee heard that the business was appointed a case manager from the contractor John Holland, to provide better engagement and support. However, Mr Wulf believed the provision of support was too late:

...we had one of the staffers from John Holland that was brought on board to assist us actually say to me that she should have been here six months earlier. That was a quote from her — that she should have been working with businesses six months earlier than what she was employed to do.<sup>271</sup>

The Committee also heard that the contractor offered Mr Wulf business support in the form of a pizza oven, which was intended to increase the business' takings and attract customers.<sup>272</sup>

However, by this time Mr Wulf had decided in conjunction with his business partners that they would not seek to renew their lease, which was due to be renewed in 18 months.<sup>273</sup> Mr Wulf estimated the business was losing between \$3 000 and \$5 000 a week in comparison to the previous year's takings.<sup>274</sup>

Mr Evan Tattersall, CEO of the Metro Rail Authority addressed the closure of the Oxford Scholar Hotel when he gave evidence to the Committee. He mentioned that a number of measures were undertaken to support the business and that he felt it was unfortunate that the business closed:

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.<sup>275</sup>

Mr Wulf had operated the business for 25 years, he told the Committee that he had staff who had been with him for eight or 10 years, all of whom received a redundancy payout.<sup>276</sup> When asked about the business' closure he said:

You build up a fairly good rapport with students. On our last day we had people coming from interstate, and even one of my first chefs flew back from Germany to be there for the last day. So there is the impact of that place or the institution it has been for RMIT.<sup>277</sup>

### Committee comments

The Committee considers that the MMRA and the contractor acted with good intent to engage with the Oxford Scholar Hotel and provide support. However, the level of support received by Mr Wulf was not timely and not at a level which would sufficiently offset losses in revenue. The Committee notes the decision of the business to close resulted in a financial loss for the business owners, a loss of jobs and a reduction in amenity for the area.

<sup>271</sup> Malcolm Wulf, *Transcript of Evidence*, 15 September 2017, p.18

<sup>272</sup> Malcolm Wulf, *Transcript of Evidence*, 15 September 2017, p.14

<sup>273</sup> Malcolm Wulf, *Transcript of Evidence*, 15 September 2017, p.17

<sup>274</sup> Malcolm Wulf, *Transcript of Evidence*, 15 September 2017, p.17

<sup>275</sup> Evan Tattersall, CEO, Melbourne Metro Rail Authority, *Transcript of Evidence*, 15 September 2017, pp.7-8

<sup>276</sup> Malcolm Wulf, *Transcript of Evidence*, 15 September 2017, p.17

<sup>277</sup> Malcolm Wulf, *Transcript of Evidence*, 15 September 2017, p.18

**RECOMMENDATION 2:** That businesses affected by construction activities for public infrastructure projects should receive compensation for lost revenue, or, where businesses are forced to close, compensation should be provided for the value of the business and costs associated with closing. This should only apply to businesses that demonstrate all of the following:

- The business was not acquired and did not receive compensation under the *Land Acquisition and Compensation Act 1986*
- The business is or was located in the designated project area of public infrastructure works. This includes projects declared public works under the *Environment Effects Act 1978* or to which the *Major Transport Projects Facilitation Act 2009* applies, as well as other large public infrastructure projects
- Evidence of a loss of revenue over a sustained period as a result of public infrastructure construction work, as determined by a third party government agency
- Efforts by the authority responsible for the project to support the business were inadequate, as determined by a third party government agency.

### CASE STUDY 6.2: RMIT

The Committee heard that the MMRA has for the most part successfully engaged with RMIT University to manage the impacts of construction. The MMRA has also worked with RMIT to communicate with students and use the project as an opportunity to engage with cohorts such as engineering students to assist their studies.

RMIT is the largest landowner in the State Library Station precinct. Its campus encompasses several city blocks at the northern end of Swanston Street and a nearby area north of Victoria Street. The University stands to benefit from the Metro Rail Project through improved public transport access for its students and staff.

Mr Chris Hewison, Executive Director, Property Services at RMIT told the Committee that RMIT has had positive engagement with the MMRA during the early works stages of construction. Mr Hewison outlined the ongoing consultation, communication and feedback between RMIT and the MMRA:

MMRA are listening to RMIT. They have been and continue to look at including future options that we request in part of the design and look to futureproof the precinct and protect RMIT's reputation as a world-class university and Melbourne's reputation as the most livable city. Some examples of that include realignment of escalators to our entrances and public open space, to name but a few.<sup>278</sup>

MMRA have directly supported a number of RMIT community initiatives, such as wayfinding, maps, plans, travel times and route alternatives to try and get people safely from Melbourne Central station up to the Carlton precinct, all done with MMRA and funded by MMRA.<sup>279</sup>

The Committee heard that RMIT has developed a website called Transform RMIT to provide students with up-to-date information about the project. The website contains information about the State Library Station site and includes the project timeline, works notices, campus access maps, project news and links to relevant agencies and twitter updates.<sup>280</sup> Mr Hewison told the Committee that RMIT employs a communications team specialist to liaise with the MMRA to update information on the Transform RMIT web site:

<sup>278</sup> Chris Hewison, Executive Director, Property Services, RMIT University, *Transcript of Evidence*, 15 September 2017, p.49

<sup>279</sup> Chris Hewison, Executive Director, Property Services, RMIT University, *Transcript of Evidence*, 15 September 2017, p.49

<sup>280</sup> Transform RMIT, <[transform.rmit.edu.au/metro-tunnel](http://transform.rmit.edu.au/metro-tunnel)>, viewed 18 October 2017

What we have got within my team in properties is a dedicated communications person. We are working in collaboration with MMRA, so we are making sure that the same messaging is going out to our community via RMIT and in some cases putting an RMIT flavour to it if it is needed. The reason for that is we do not want conflicting messages compared with what the MMRA is officially saying and then what RMIT is saying. So with a dedicated communications person I think that we are reaching out to our community in the correct way.<sup>281</sup>

RMIT has also used the project as a learning opportunity for their students. The Committee heard that RMIT has approached the MMRA to participate in its work integrated learning programs. These programs would allow RMIT students in disciplines such as engineering and other vocational courses to interact with and participate in the project construction. Mr Hewison told the Committee:

We met this week — it was this week — with the PPP consortium, and we had in that meeting the dean of our school of property and construction, Ron Wakefield. He attended that meeting with the specific intent of again expressing our desire to explore more WIL programs — work integrated learning programs — with the project, with MMRA, the builder and other consultants on the team but also our vocational educational students as well, our VE programs, because this is a once in a 50-year or whatever it might be project. There are wonderful learning opportunities are right on your doorstep that we want to capture, and it is just about getting the rubber on the road probably a little bit more from our end as well to help frame that up, but they are very supportive.<sup>282</sup>

There have, however, been some instances where the construction works have negatively affected RMIT. Mr Hewison described some unplanned disruptions to classes, including an incident that resulted in two campus buildings becoming flooded and another building having its power cut just before the start of classes.<sup>283</sup>

### Committee comments

The Committee welcomes the detailed consultation and concerted effort on the part of the MMRA to engage with RMIT, provide support and listen to feedback. The Committee also notes the initiative taken by RMIT to ensure its students are kept informed about the project through the Transform RMIT website and the work being done by RMIT and the MMRA to engage students in the project through work integrated learning programs.

## 6.4 Town Hall Station

Approximately 32 businesses along Swanston and Flinders Streets and in Port Phillip Arcade, including retail businesses, cafes, fast food and convenience stores will be displaced in the Town Hall Station precinct to build the station and its entrances.<sup>284</sup> Demolition of the buildings on Swanston Street near Young and Jackson's Hotel that once housed fast food restaurants began on 19 October 2017.<sup>285</sup>

<sup>281</sup> Chris Hewison, Executive Director, Property Services, RMIT University, *Transcript of Evidence*, 15 September 2017, p.52

<sup>282</sup> Chris Hewison, Executive Director, Property Services, RMIT University, *Transcript of Evidence*, 15 September 2017, p.52

<sup>283</sup> Chris Hewison, Executive Director, Property Services, RMIT University, *Transcript of Evidence*, 15 September 2017, p.50

<sup>284</sup> Melbourne Metro Rail Authority, *Environment Effects Statement*, Chapter 11 Business, p.6

<sup>285</sup> The Hon. Jacinta Allan MP, 'Metro Tunnel To Transform CBD As Demolition Continues' (media release), 19 October 2017

### 6.4.1 Scott Alley traders

The Committee spoke to Mr Michel Dubois, and Ms Lucie Mulet, owner and manager respectively of the restaurant Roule Galette, as well as Mr Frank Bazzano, owner of Alpha Barbers. Roule Galette and Alpha Barbers are located in Scott Alley, a laneway that runs between Flinders Lane and Flinders Street via the Port Phillip Arcade. With the demolition of Port Phillip Arcade, Scott Alley will become a blind alleyway.

Mr Dubois also raised concerns about the forthcoming demolition of the Port Phillip Arcade and the impact the construction works may have on his business.

The Committee heard that Mr Dubois is concerned about the potential impact of truck traffic on Flinders Lane:

Flinders Lane is very narrow. If they start to create the way, if they dig, they need trucks to take it all out. They want to dig 40 metres. How many trucks? I heard about 400 trucks per day. Someone told me that. Where are they going? If they are going on Flinders Lane, better to close the road because Flinders Lane is narrow. You cannot imagine that. Flinders Lane between Swanston and Elizabeth streets is the heart. It is the gem. Degraes Street, Centre Place — every tourist goes there. Scott Alley, of course we are here. Every tourist goes there, so they need to take a good decision about the trucks and they need to bring safety and actual activity.<sup>286</sup>

## 6.5 Tourism

The Committee heard evidence from Ms Fiona Sweetman, Chair of the Tour and Transport Committee at the Victoria Tourism Industry Council (VTIC). Ms Sweetman outlined concerns that construction works may affect Melbourne's visitor experience and damage its reputation as a tourist destination. Ms Sweetman also had concerns that tour operators may lose trade due to the construction work.

Ms Sweetman told the Committee that in her role as the Chair of the Tour and Transport Committee at VTIC, she represented a number of companies that provide tours of Melbourne and Victoria by bus. She said that one of the biggest concerns for tour operators was a lack of timely information about the closure or movement of pick up and drop off spaces in the CBD.<sup>287</sup> In particular, that tour operators with pick up locations near St Pauls Cathedral and Federation Square may have their locations moved and suffer a loss of trade:

<sup>286</sup> Michel Dubois, Owner, Roule Galette, *Transcript of Evidence*, 20 September 2017, p.11

<sup>287</sup> Fiona Sweetman, Chair of the Tour and Transport Committee at the Victoria Tourism Industry Council, *Transcript of Evidence*, 20 September 2017, p.18

For those that do pick-ups in that Flinders Street section outside the church, with the noise and the impact of extra trucks going through that area I would hazard a guess that that location of pick-up and drop-off will be removed. They will not have that option anymore. Where will those operators go? They will probably have to downsize their fleet or they will not even include pick-ups within the city centre.<sup>288</sup>

Ms Sweetman also said that the disruption in the Town Hall Station precinct would affect other areas of Melbourne's tourism infrastructure. The Committee heard that cruise ship passengers may have difficulty arriving in the city via St Kilda Road on tram or bus. Once passengers arrive at the cruise ship drop off points at Swanston Street or outside the Arts Centre, they may have difficulty moving through the city easily because of the works.<sup>289</sup>

The Committee heard that SkyBus will reduce its complementary pick-up and drop-off service that takes passengers to and from Southern Cross Station. According to Ms Sweetman, approximately 40 per cent of hotels previously serviced by SkyBus have been removed from the service because of the construction works.<sup>290</sup>

Another issue that was discussed was hoarding on construction sites. Ms Sweetman noted the hoarding encasing Flinders Street Station while it undergoes restoration is featureless and detracts from one of Melbourne's key tourist attractions.<sup>291</sup> Ms Sweetman cited Curtin House on Swanston Street, which currently has a picture of the building printed onto its hoarding while undergoing construction as a visually attractive example that should be followed.<sup>292</sup> Ms Sweetman believed the hoarding around the construction site at City Square, which currently has information about the metro project, could be used to advertise nearby businesses which will be impacted by construction:

Currently, City Square has branding for metro rail. Why is it not branding for all the shops and restaurants that are up Flinders Lane that have lost all of the car parks for their clients with the flow-through of traffic as trucks are coming in and out?<sup>293</sup>

The Committee asked Ms Sweetman whether tourists may be deterred from visiting Melbourne while the Melbourne Metro Project is under construction. Ms Sweetman believed this may eventuate if the works have an impact on the key cultural events in Melbourne for the coming year:

<sup>288</sup> Fiona Sweetman, Chair of the Tour and Transport Committee at the Victoria Tourism Industry Council, *Transcript of Evidence*, 20 September 2017, p.18

<sup>289</sup> Fiona Sweetman, Chair of the Tour and Transport Committee at the Victoria Tourism Industry Council, *Transcript of Evidence*, 20 September 2017, p.19

<sup>290</sup> Fiona Sweetman, Chair of the Tour and Transport Committee at the Victoria Tourism Industry Council, *Transcript of Evidence*, 20 September 2017, p.19

<sup>291</sup> Fiona Sweetman, Chair of the Tour and Transport Committee at the Victoria Tourism Industry Council, *Transcript of Evidence*, 20 September 2017, p.18

<sup>292</sup> Fiona Sweetman, Chair of the Tour and Transport Committee at the Victoria Tourism Industry Council, *Transcript of Evidence*, 20 September 2017, p.19

<sup>293</sup> Fiona Sweetman, Chair of the Tour and Transport Committee at the Victoria Tourism Industry Council, *Transcript of Evidence*, 20 September 2017, p.20

I think tennis will be the factor, and the Melbourne Cup will be the factor. We still do not know when drilling will happen from City Square. I have still got lots of conferences that are staying at the Westin, right on the site, so moving in and out of the city from that section. If the flow of traffic for Spring Carnival and then tennis — along with the Melbourne Food and Wine Festival, the bigger events that promote Melbourne city — if that goes pear-shaped, yes, people will not want to come back.<sup>294</sup>

## 6.6 Long-term economic benefits for business

The Committee notes that most of the CBD businesses who gave evidence were supportive of the project, despite the impact of construction activities on their businesses. This includes Mr Michel Dubois from Roule Galette,<sup>295</sup> Mr Frank Bazzano from Alpha Barbers,<sup>296</sup> and Ms Fiona Sweetman from the Victorian Tourism Industry Association.<sup>297</sup> Mr Chris Hewison from RMIT also told the committee that RMIT is ‘fully supportive’ of the project.<sup>298</sup>

According to the MMRA, the project is expected to increase Victoria’s Gross State Product by \$7 billion.<sup>299</sup> The project will also boost the CBD economy by enhancing transport access and acting as a catalyst for new residential and employment opportunities.<sup>300</sup>

294 Fiona Sweetman, Chair of the Tour and Transport Committee at the Victoria Tourism Industry Council, *Transcript of Evidence*, 20 September 2017, p.23

295 Michel Dubois, Owner, Roule Galette, *Transcript of Evidence*, 20 September 2017, p.9

296 Frank Bazzano, Owner, Alpha Barbers, *Transcript of Evidence*, 20 September 2017, p.10

297 Fiona Sweetman, Chair of the Tour and Transport Committee at the Victoria Tourism Industry Council, *Transcript of Evidence*, 20 September 2017, p.19

298 Chris Hewison, Executive Director, Property Services, RMIT University, *Transcript of Evidence*, 15 September 2017, p.49

299 Melbourne Metro Rail Authority, *Benefits of the Project*, <[metrotunnel.vic.gov.au/about-the-project/project-benefits](http://metrotunnel.vic.gov.au/about-the-project/project-benefits)>, viewed 30 October 2017

300 Melbourne Metro Rail Authority, *Benefits of the Project*, <[metrotunnel.vic.gov.au/about-the-project/project-benefits](http://metrotunnel.vic.gov.au/about-the-project/project-benefits)>, viewed 30 October 2017

# 7

## Consultation for infrastructure projects

The Committee has tabled three reports to the Parliament of Victoria in relation to infrastructure projects. Each of these reports has commented on the level and quality of stakeholder consultation that has taken place as part of these projects.

Infrastructure projects necessarily affect communities. How well stakeholder consultation processes are managed often has links to how successful the project will be, whether it is delivered on time and within budget, and how well it will be received by the community.

Well-conducted communication and consultation processes for infrastructure projects also have the capacity to identify and mitigate risks early, assist in achieving community support for a project, and use local knowledge to create solutions to project problems that are more likely to work.<sup>301</sup> Further, decisions arising from collaborative processes are more likely to be seen as credible by the public.<sup>302</sup>

On the other hand, poorly conducted stakeholder and community consultation processes have the potential to cause delays to infrastructure projects, undermine community trust, and result in poor decision-making by government and private partners.<sup>303</sup> Poor consultation may also negatively affect a community's economic, environmental or social situation long after the project construction is completed.<sup>304</sup> It may also lead to future projects being received by residents with significant lack of goodwill from the outset.

In this chapter the Committee aims to:

- Briefly consider ideal consultation approaches relating to large scale infrastructure projects
- Evaluate consultation processes in place for infrastructure projects in Victoria, against the identified ideal approach
- Propose improvements to commonly identified problems in current practice.

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<sup>301</sup> Andrew Buckley, 'Best practice community engagement for infrastructure projects: Building community ties that dig deeper', *Public Infrastructure Bulletin*, vol. 1, no. 8, 2012.; Federal Department of Infrastructure and Transport, *Infrastructure Planning and Delivery: Best Practice Case Studies Volume 2*, Federal Department of Infrastructure and Transport, Canberra, 2012., p. 18; Evans and Peck, *Delivering Large Scale Capital Projects in the Infrastructure Sector - A Baseline of Performance in Australia*, Evans and Peck, 2011. p.26; David Donaldson, 'Working together: audit offers tips to improve public participation', *The Mandarin*, 16 May 2017; Federal Department of Infrastructure and Transport, *Infrastructure Planning and Delivery: Best Practice Case Studies*, Federal Department of Infrastructure and Transport, Canberra, 2010. p.7

<sup>302</sup> David Donaldson, 'Working together: audit offers tips to improve public participation', *The Mandarin*, 16 May 2017.

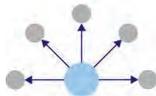
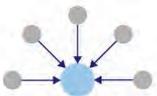
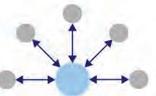
<sup>303</sup> David Donaldson, 'Working together: audit offers tips to improve public participation', *The Mandarin*, 16 May 2017.

<sup>304</sup> Andrew Buckley, 'Best practice community engagement for infrastructure projects: Building community ties that dig deeper', *Public Infrastructure Bulletin*, vol. 1, no. 8, 2012.

## 7.1 Ideal consultation blueprint

Recent audits by the Victorian Auditor-General’s Office have identified that participation in public projects can be divided into different ‘levels’ of communication. These levels are shown in Table 7.1.

**Table 7.1** Levels of public participation for infrastructure projects as outlined by the Victorian Auditor-General

Level	Inform	Consult	Involve	Collaborate	Empower
					
<b>Objective</b>	To inform the public about the project	Consult with stakeholders after a decision has been made, including soliciting feedback and listening to concerns relating to a project	Consider and understand stakeholders concerns and aspirations and include them in future infrastructure project decisions	To exchange information and ideas to inform the decisions made around a project and proposed outcome, including designs and implementation	Delegate decision-making directly to stakeholders, such as letting communities come up with infrastructure project proposals to be considered
<b>Commitment</b>	To keep the public informed about the project	To listen to and acknowledge stakeholder concerns about a project	To work with the public to exchange ideas, information and concerns about a project	To seek advice and innovations from stakeholders about the project, such as alternate design proposals	To work with stakeholders to implement agreed-upon decisions about a project

Source: Adapted from Victorian Auditor-General’s Office (VAGO), *Public participation in Government Decision-Making*, VAGO, Melbourne, 2015. p.3

Victoria does not currently have a whole-of-government framework for effective public participation in public activities, including infrastructure projects.<sup>305</sup> State government departments have accepted recent recommendations made by the Auditor-General<sup>306</sup> on improving public participation in public projects. However, as infrastructure projects are often not strictly public projects and activities, the Committee has concerns that the commitment to implementing these recommendations will not extend to infrastructure projects and, therefore, will not be implemented sufficiently to improve practice in this area. Every report produced by the Committee as part of the inquiry into infrastructure projects has highlighted the lack of robust consultation and communication in a number of areas. Previous reports have also highlighted instances where more genuine consultation and better communication would have led to better outcomes. On the basis of this investigation, the Committee has created an overview

<sup>305</sup> Andrew Buckley, ‘Best practice community engagement for infrastructure projects: Building community ties that dig deeper’, *Public Infrastructure Bulletin*, vol. 1, no. 8, 2012.. p.2; Victorian Auditor-General’s Office (VAGO), *Public Participation in Government Decision-Making*, Victorian Auditor-General’s Office, Melbourne, 2017, p.viii

<sup>306</sup> Victorian Auditor-General’s Office (VAGO), *Public Participation in Government Decision-Making*, Victorian Auditor-General’s Office, Melbourne, 2017, p.xii & Appendix A (pp. 29-43)

of the elements of an ideal stakeholder consultation plan for infrastructure projects. This is based on reviews conducted by bodies such as the Victorian Auditor-General and the Commonwealth Department of Infrastructure and Transport.

Key elements identified by the Committee as necessary for ideal consultation for infrastructure projects include:

- Clear stated objectives and intended outcomes for public consultation for the project
- All relevant stakeholders are clearly identified in business case planning, including identifying potentially disadvantaged stakeholder groups
- Consultation activities are clearly planned and based on the needs of identified stakeholder groups, including identifying potential barriers to participation and proposed mitigation strategies
- Stakeholders are engaged early in the project process and consultation processes remain in place throughout
- Appropriate provision of time, resources and tools is planned for and allocated in the business case and other project planning documentation to allow the planned consultation activities to be conducted thoroughly and well
- Consultation activities cover a range of ‘levels’ of participation<sup>307</sup> and are offered in a range of formats to support consultation across the broadest range of stakeholders possible
- All relevant information about the project is made available to stakeholders in an accessible way within adequate timeframes for consideration and with an appropriate level of detail for stakeholder needs
- Inclusion of a full, end-to-end public consultation plan for the project included in the business case or relevant project planning documents for the project
- Risks are identified and risk management plans, performance measurement and management plans, and responsibility hierarchy are all clearly documented
- An evaluation plan is clearly documented, including a clear statement of expected outcomes able to be evaluated against
- Clear plans for how results and understanding gained from the consultation process will be stored and able to be built upon in future plans and projects
- Hierarchy of responsibilities is clearly stated in project documentation and conveyed to stakeholders, including where complaints can be lodged at any point during the project
- Scope of consultation is made clear at the outset of the project to all stakeholders and this scope corresponds to community expectations for the level and extent of consultation for the project

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<sup>307</sup> See Figure 7.1 above

- Culturally and linguistically diverse stakeholders are adequately identified and their needs accounted for
- Information about the project is presented consistently across all communication platforms and is kept up-to-date, ideally in real-time for immediate or time sensitive information such as road closures and disruptions
- Compensation processes are adequately considered and managed from the beginning of the project.

These elements are detailed in Table 7.2, along with practice examples from infrastructure projects in Victoria and interstate.

**Table 7.2** The Committee’s ideal infrastructure consultation planning framework

	Description	Practice examples
<b>Clear objective for consultation</b>	The scope and objectives of the communication and consultation elements of the project, including the decisions to be made or outcomes to be achieved and the extent to which stakeholders will be able contribute are clearly defined.	<p>The Level Crossing Removal Project has a clear statement of stakeholder consultation objectives, including the extent of the role stakeholders will play.<sup>(a)</sup></p> <p>The Metro Rail Project has clearly stated objectives and intended outcomes for their stakeholder consultation for the project<sup>(b)</sup></p> <p>The West Gate Tunnel Project has clear stakeholder consultation objectives for each phase of their project.<sup>(c)</sup></p>
<b>Stakeholder identification</b>	All groups or individuals likely to be directly or indirectly affected by the infrastructure project and/or who should be involved in the decision-making or achievement of outcomes identified in the communication plan objectives are identified.	<p>The Metro Rail Project has a clear list of identified affected stakeholders<sup>(d)</sup></p> <p>The West Gate Tunnel Project broadly listed identified affected stakeholders, including potentially disadvantaged stakeholder groups with special engagement needs.<sup>(e)</sup></p>
<b>Stakeholder engagement approach</b>	Stakeholders are engaged early and throughout the construction process and are communicated with in an accessible way, including ensuring that all stakeholders are able to reasonably participate and barriers to their participation are removed.	<p>The Metro Rail Project’s collaborative engagement approach with RMIT University has included a strong, formalised communication approach including: regular meetings, a formal working agreement, collaborative information sharing between both parties, and consultation on design and future-proofing options.<sup>(f)</sup></p> <p>The Melbourne Convention and Exhibition project used a clear communications plan between Project Steering Committee, the Trust, and the Government which continues to be maintained.<sup>(g)</sup></p>
<b>Tools and resources</b>	Consultation tools, timeframe, resources and skills needed to achieve the consultation plan’s objectives and stakeholders’ needs are adequately identified and provided for.	<p>Level Crossing Removal Authority identified and used a wide range of activities and consultation approaches across several rounds of consultation on key issues in order to engage with and facilitate engagement at different levels for the community.<sup>(h)</sup></p> <p>The West Gate Tunnel Project clearly identified engagement tools needed for each phase of the project during each phase, allowing for skills, time and resources to be provided for each.<sup>(i)</sup></p> <p>The Perth – Bunbury Highway, Western Australia included effective planning for the project years in advance, and provided ample opportunity for public consultation well ahead of the project requirement. This resulted in stakeholders being well-informed and engaged in the development of the project.<sup>(j)</sup></p>

	Description	Practice examples
<b>Transparency of information</b>	All relevant Information about the project is made available to stakeholders in an accessible way within adequate timeframes for consideration and with an appropriate level of detail for stakeholder needs.	The Committee was unable to find good practice examples of transparent provision of information for infrastructure projects. This is discussed in Section 7.3 of this chapter.
<b>Implementation plan</b>	A clear end-to-end consultation plan is drafted for agencies and contractors to follow and assess progress and outcomes against.	The West Gate Tunnel Project has a full, end-to-end implementation plan for their consultation approach. <sup>(k)</sup> The Melbourne Metro Rail Project has a clear implementation plan for all phases of their stakeholder consultation. <sup>(l)</sup>
<b>Risks and performance management</b>	Risks are identified and risk management plans, performance measurement and management plans, and responsibility hierarchy are all clearly documented.	The Melbourne Metro Rail Project clearly notes their approach and intended tools for identifying and mitigating risks relating to stakeholder consultation, as well as performance standards for contractors. <sup>(m)</sup>
<b>Evaluation plan</b>	Evaluation plan is clearly documented  Results and outcomes of the communication plan are clearly stated and able to be evaluated against.  Results and understanding gained is stored and able to be built upon in future plans and projects.	The Committee was unable to find good practice examples of evaluation process for consultation processes for infrastructure projects. This is discussed in Section 7.3 of this chapter.

- (a) Level Crossing Removal Authority, *Consultation report Level Crossing Removal Project: Caulfield to Dandenong*, Level Crossing Removal Authority, Melbourne, 2015, p.3
- (b) Melbourne Metro Rail Authority, *Melbourne Metro Business Case*, Melbourne Metro Rail Authority, Melbourne, 2016, pp. 268-71
- (c) Western Distributor Authority, *Western Distributor: Communications and Stakeholder Engagement Strategy*, Western Distributor Authority, Melbourne, 2015, pp.8-10
- (d) Melbourne Metro Rail Authority, *Appendix 14: Stakeholder Summary*, Melbourne Metro Rail Authority, Melbourne, 2016. The Committee notes that evidence received indicates that, despite this, some stakeholders may have been overlooked in practice for this project. Please see section 7.2.2 of this report for further discussion.
- (e) Western Distributor Authority, *Western Distributor: Communications and Stakeholder Engagement Strategy*, Western Distributor Authority, Melbourne, 2015. Appendix A, pp.12-3
- (f) Chris Hewison, Executive Director, Property Services, RMIT University, *Transcript of evidence*, 15 September 2017, pp. 49-52
- (g) Federal Department of Infrastructure and Transport, *Infrastructure Planning and Delivery: Best Practice Case Studies Volume 2*, Federal Department of Infrastructure and Transport, Canberra, 2012, p. 83
- (h) Level Crossing Removal Authority, 'Caulfield to Dandenong Project', viewed 14 October 2017; Level Crossing Removal Authority, *Consultation report Level Crossing Removal Project: Caulfield to Dandenong*, Level Crossing Removal Authority, Melbourne, 2015; Level Crossing Removal Authority, *Caulfield to Dandenong: Community Open Space Expert Panel Report*, Level Crossing Removal Authority, Melbourne, 2017; Level Crossing Removal Authority, *Caulfield to Dandenong: Open Space Consultation Report*, Level Crossing Removal Authority, Melbourne, 2017.
- (i) Western Distributor Authority, *Western Distributor: Communications and Stakeholder Engagement Strategy*, Western Distributor Authority, Melbourne, 2015. pp.8-10
- (j) Federal Department of Infrastructure and Transport, *Infrastructure Planning and Delivery: Best Practice Case Studies Volume 2*, Federal Department of Infrastructure and Transport, Canberra, 2012. pp.91-2
- (k) Western Distributor Authority, *Western Distributor: Communications and Stakeholder Engagement Strategy*, Western Distributor Authority, Melbourne, 2015. pp.8-10
- (l) Melbourne Metro Rail Authority, *Melbourne Metro Business Case*, Melbourne Metro Rail Authority, Melbourne, 2016. pp.269-72
- (m) Melbourne Metro Rail Authority, *Melbourne Metro Business Case*, Melbourne Metro Rail Authority, Melbourne, 2016. p.272
- Source: Adapted from - Victorian Auditor-General's Office (VAGO), *Public participation in Government Decision-Making*, VAGO, Melbourne, 2015. p.3; Victorian Auditor-General's Office (VAGO), *Public Participation in Government Decision-Making*, Victorian Auditor-General's Office, Melbourne, 2017. pp.23-8; Andrew Buckley, 'Best practice community engagement for infrastructure projects: Building community ties that dig deeper', *Public Infrastructure Bulletin*, vol. 1, no. 8, 2012.

## 7.2 Committee evidence on consultation practices

The Committee has previously reported on stakeholder consultation practices relating to current and ongoing infrastructure projects in Victoria. The consultation plans and activities undertaken by the main projects considered for this inquiry (the Level Crossing Removal project, Melbourne Metro Rail Project, and the West Gate Tunnel Project) will be considered in more depth in this section.

### 7.2.1 The Level Crossing Removal Project

The Level Crossing Removal Authority has undertaken significant stakeholder consultation activities since 2015. The Caulfield-to-Dandenong level crossing removal project has been the main focus of discussions around community consultation for the level crossing removal project.

Consultation for the project has occurred over several ‘rounds’ at different project stages:

- First round of consultation prior to the announcement of the preferred bidder and design (June to August 2015)
- Second round consultation after the release of the preferred elevated rail design option (February to March 2016)
- Third round with the Community Open Space Expert Panel (June 2016 to April 2017)
- Fourth round consultation on use of the new parkland via the online Open Space Ideas Hub (2016 to 2017).<sup>308</sup>

Consultation activities across these rounds included:

- “pop up” information stands at local shopping centres, stations and libraries
- community information sessions
- online input through portals and social media
- newsletters and information pamphlets delivered to local residents
- advisory panels made up of local representatives, businesses, members of the Level Crossing Removal Authority and local Members of Parliament
- workshops with traders and local councils
- written submissions
- one-on-one meetings with residents
- community information booths

<sup>308</sup> Level Crossing Removal Authority, *Consultation Outcomes and Submissions Report: Level Crossing Removal Project - Caulfield to Dandenong*, Level Crossing Removal Authority, Melbourne, 2016. p.5; Level Crossing Removal Authority, *Consultation report Level Crossing Removal Project: Caulfield to Dandenong*, Level Crossing Removal Authority, Melbourne, 2015; Level Crossing Removal Authority, ‘Caulfield to Dandenong Project’, viewed 14 October 2017.

- surveys of commuters
- stakeholder liaison groups
- door knocks
- community Open Space Expert Panel
- online Open Space Ideas Hub
- updated project website, including information pages for each level crossing to be removed.<sup>309</sup>

### Evaluation against the Committee's ideal infrastructure framework

Evaluation criteria	Status
Clear objective	Partially met

Source: Level Crossing Removal Authority, *Consultation report Level Crossing Removal Project: Caulfield to Dandenong*, Level Crossing Removal Authority, Melbourne, 2015. p.3

The Level Crossing Removal Authority has presented clear objectives for their consultation approaches and activities, including identifying the role and extent to which stakeholders will be able to contribute to the project through the consultation process.<sup>310</sup>

However, one of the most common stakeholder criticisms about the Level Crossing Removal project and particularly the Caulfield-to-Dandenong rail-over-road solution, is that community consultation on the project was inadequate.<sup>311</sup>

The Committee believes that this has arisen in part from a disconnect between the scope of participation the Level Crossing Removal Authority defined as necessary in their consultation objectives (see footnote 310) and community expectations of consultation. While the Level Crossing Removal Authority may have stated their intended scope for stakeholder involvement in the project, this was either not made clear to those participating, or was an inappropriate level of participation for the project and stakeholder group under consideration.

Evaluation criteria	Status
Stakeholder identification	Likely not met

Source: Level Crossing Removal Authority, *Caulfield to Dandenong: Open Space Consultation Report*, Level Crossing Removal Authority, Melbourne, 2017. pp.2-3, 39

<sup>309</sup> Level Crossing Removal Authority, *Consultation report Level Crossing Removal Project: Caulfield to Dandenong*, Level Crossing Removal Authority, Melbourne, 2015; Level Crossing Removal Authority, *Consultation Outcomes and Submissions Report: Level Crossing Removal Project - Caulfield to Dandenong*, Level Crossing Removal Authority, Melbourne, 2016. pp.12-6

<sup>310</sup> The Committee notes the consultation objectives refer to 'raising awareness' of the design options, allowing community members to 'gain an understanding' of the project, and provide feedback on the project. The Level Crossing Removal Authority project, therefore, sees stakeholder communication as more consultation after the decision has been made, rather than involving the community in the development of the project and decision-making.

<sup>311</sup> Karlee Browning, President, Lower Our Tracks Incorporated, *Transcript of evidence*, 20 April 2016; Dianne Hunt, Secretary, Lower Our Tracks Incorporated, *Transcript of evidence*, 20 April 2016; Beata Armtays, Lower Our Tracks Incorporated, *Transcript of evidence*, 20 April 2016.

The Level Crossing Removal Authority’s consultation report refers to involving key stakeholders, but their method for identifying and selecting these stakeholders is unclear.

Not identifying stakeholders clearly prior to commencing or planning the stakeholder consultation approach for an infrastructure project risks unintentional bias towards certain stakeholder groups or accidentally overlooking certain groups, including specific concerns about the project or barriers to participation they may have.

Evaluation criteria	Status
Stakeholder engagement approach	Partially met

Stakeholders were engaged before the preferred contractor and design phase of the project were announced, so that stakeholder input could be included in information provided to contract bidders to incorporate into their designs.

Some stakeholders also raised concerns that there was a lack of multicultural information and consultation options made available. However, the Level Crossing Removal Authority has presented several consultation activities that have been undertaken to inform multicultural groups. These activities are not, however, noted in their 2015 consultation report.

Evaluation criteria	Status
Tools and resources	Partially met

Source: Level Crossing Removal Authority, *Consultation Outcomes and Submissions Report: Level Crossing Removal Project - Caulfield to Dandenong*, Level Crossing Removal Authority, Melbourne, 2016. pp.12-6

The Level Crossing Removal Authority has used a range of consultation approaches and tools to engage with their stakeholders. However, the rationale for the methods employed is not presented in their consultation planning materials. Ideally selection of engagement activities would be more clearly linked to and deriving from the identified stakeholders and the proposed objectives and outcomes for the project.

Resource planning for the project has been identified as inadequate to determine sufficiency of resources, staffing numbers and capability to achieve the consultation activities and objectives set out in the plan.<sup>312</sup>

Evaluation criteria	Status
Transparency of information	Not met

The Committee has expressed repeated concerns about the lack of detailed information provided to stakeholders prior to relevant consultation and decision-making processes for this project.<sup>313</sup>

<sup>312</sup> Victorian Auditor-General's Office (VAGO), *Public Participation in Government Decision-Making*, Victorian Auditor-General's Office, Melbourne, 2017, p.24

<sup>313</sup> See Chapter 2 of the Committee's Third report for more information.

Stakeholders and the Committee have identified several points where information provided to stakeholders was inadequate or not provided, including:

- Initial design options for discussion not disclosing the full extent of a rail-over-road solution, particularly not disclosing the heights that may be under consideration
- Full design documents, including the impacts of the proposed design and how the project will be undertaken were not provided to stakeholders
- An overview of the adaptations made to the final design in response to environmental, social and financial impact assessments were not provided to the community prior to being asked to provide feedback on the design
- Information about key matters relevant to the community such as noise modelling were not initially made available
- A full business case document comparing the selected design to alternatives was not made available until August 2017, well after the community had been asked to provide feedback on the design and well after construction had commenced
- The rationale behind requesting written submissions and how these would be assessed and included in the design process was not made clear to stakeholders.<sup>314</sup>

Stakeholders expressed to the Committee that they feel they were not genuinely involved in the project's decision-making. Stakeholders expressed to the Committee their belief that the Government's preferred option was chosen and acted upon before the community had an opportunity to understand the decision being made and provide meaningful input.<sup>315</sup>

The Committee themselves experienced problems with transparency of information relating to this project. As part of their third report, the Committee requested documents relating to various elements of the Caulfield to Dandenong project. However, the receipt of these documents was considerably delayed and required multiple requests by the Committee to the Level Crossing Removal Authority. A number of documents of interest to the Committee and the community requested during this reporting period were outstanding for six months before being provided.<sup>316</sup>

The Committee did obtain and release some documents relating to this project in their last report in May 2017, including sound mitigation plans, tree retention plans, and heritage planning. However, the Committee notes that these documents were made available after the second round consultation release of the preferred elevated rail design option was concluded.

<sup>314</sup> Beata Armtays, Lower Our Tracks Incorporated, *Transcript of evidence*, 20 April 2016. pp.31, 36; C. Dickinson, Correspondence to *Email*, 14 March 2016; Legislative Council Standing Committee on Economy and Infrastructure, *Third report into infrastructure projects*, Legislative Council, Parliament of Victoria, Melbourne, 2017, pp.18-9; Level Crossing Removal Authority, *Program Business Case*, Level Crossing Removal Authority, Melbourne, 2017.

<sup>315</sup> Beata Armtays, Lower Our Tracks Incorporated, *Transcript of evidence*, 20 April 2016. p.31

<sup>316</sup> Legislative Council Standing Committee on Economy and Infrastructure, *Third report into infrastructure projects*, Legislative Council, Parliament of Victoria, Melbourne, 2017, pp.18-9

Evaluation criteria	Status
Implementation plan	Partially met

Source: Level Crossing Removal Authority, *Consultation report Level Crossing Removal Project: Caulfield to Dandenong*, Level Crossing Removal Authority, Melbourne, 2015.

The Level Crossing Removal Authority has been consistent in presenting their plans for the next stage of their consultation activities, including objectives, scope and proposed approaches. However, the Committee has not seen evidence of a full end-to-end implementation plan.

Evaluation criteria	Status
Risks and performance management	Likely not met

The Committee could find no publicly available documentation detailing a risk assessment and management plan or a performance measurement and management plan for the consultation process for this project.

The project's main website has a main contact phone number and email address to manage feedback and complaints. However, the hierarchy of responsibilities and complaint handling policies and procedures are not publicly available.

Evaluation criteria	Status
Evaluation plan	Partially met

The Level Crossing Removal Authority presented clear information about the outcomes and results of their consultation activities as well as their overall objectives for the consultation process. This allows the consultation to be evaluated.<sup>317</sup> However, the Level Crossing Removal Authority does not have a clearly documented evaluation plan for the consultation elements of this project.

The Level Crossing Removal Authority has conducted a range of small internal and external reviews of their stakeholder consultation activities. In addition regular progress reports are released to the public showing how stakeholder feedback has been incorporated into the design, planning and construction of the project from one phase to the next.<sup>318</sup> However, not all of the information about how stakeholder contributions are included in the project have been made

<sup>317</sup> Level Crossing Removal Authority, *Consultation report Level Crossing Removal Project: Caulfield to Dandenong*, Level Crossing Removal Authority, Melbourne, 2015. p.3; Level Crossing Removal Authority, *Consultation Outcomes and Submissions Report: Level Crossing Removal Project - Caulfield to Dandenong*, Level Crossing Removal Authority, Melbourne, 2016; Level Crossing Removal Authority, *Caulfield to Dandenong: Community Open Space Expert Panel Report*, Level Crossing Removal Authority, Melbourne, 2017; Level Crossing Removal Authority, *Caulfield to Dandenong: Open Space Consultation Report*, Level Crossing Removal Authority, Melbourne, 2017.

<sup>318</sup> Victorian Auditor-General's Office (VAGO), *Public Participation in Government Decision-Making*, Victorian Auditor-General's Office, Melbourne, 2017, p.25; Level Crossing Removal Authority, *Consultation Outcomes and Submissions Report: Level Crossing Removal Project - Caulfield to Dandenong*, Level Crossing Removal Authority, Melbourne, 2016; Level Crossing Removal Authority, *Caulfield to Dandenong: Community Open Space Expert Panel Report*, Level Crossing Removal Authority, Melbourne, 2017; Level Crossing Removal Authority, *Caulfield to Dandenong: Open Space Consultation Report*, Level Crossing Removal Authority, Melbourne, 2017.

available to the public. This constraint on accessibility and transparency has not always been clearly presented and explained to stakeholders prior to their contributions.<sup>319</sup>

Ideally, findings from the reviews of stakeholder consultation activities should also be captured to contribute towards future infrastructure project consultation planning efforts.<sup>320</sup>

The Committee notes that the Level Crossing Removal Authority has been working on improving their governance and reporting mechanisms for stakeholder consultation, particularly monitoring stakeholder engagement and identifying areas for improvement. However, these changes have not yet been fully clarified, developed or implemented in practice.<sup>321</sup>

## 7.2.2 The Melbourne Metro Rail Project

The Melbourne Metro Rail Project stakeholder consultation process began in 2008 with the Investing in Transport report considering strategic transport issues. Stakeholder consultation activities have continued for the currently underway project, including covering the (now completed) EES process.<sup>322</sup>

Consultation for the project is occurring over several phases at different project stages:

- Phase 1: Raising public awareness and understanding of the project and early engagement (February to September 2015 - Complete)
- Phase 2: Public engagement to support project development, design and planning process (October to December 2015 - Complete)
- Phase 3: Procurement and early works (2016-2018 - Underway)
- Phase 4: Major works delivery (2017-2026 - Underway).<sup>323</sup>

Consultation activities across these rounds, included or is proposed to include:

- stakeholder workshops, forums and meetings
- letter drops and newsletters
- information sessions and presentations
- website and social media
- 'pop-up' displays

<sup>319</sup> Victorian Auditor-General's Office (VAGO), *Public Participation in Government Decision-Making*, Victorian Auditor-General's Office, Melbourne, 2017, p.25

<sup>320</sup> Ibid. p.28

<sup>321</sup> Ibid. p.13

<sup>322</sup> Melbourne Metro Rail Authority, *Melbourne Metro Business Case*, Melbourne Metro Rail Authority, Melbourne, 2016. p.12; Metro Tunnel Project, *Environmental Effects Statement*, Melbourne Metro Rail Authority, Melbourne, 2017.

<sup>323</sup> Level Crossing Removal Authority, *Program Business Case*, Level Crossing Removal Authority, Melbourne, 2017, pp. 269-72

- direct engagement with affected landowners and tenants
- engaging with local councils and transport operators
- notifying local residents, traders, public transport and road users ahead of works commencing
- MMRA and contractors developing and implementing a comprehensive communications and stakeholder relations strategy for major works delivery
- contractors consulting with stakeholders for their areas with MMRA oversight.<sup>324</sup>

### Evaluation against the Committee’s ideal infrastructure framework

Evaluation criteria	Status
Clear objective	Met

The Melbourne Metro Business Case released in 2016 clearly states the project’s objectives and principles for stakeholder consultation and how these are linked to the overall project plan, phases and proposed outcome to be achieved. The consultation objectives refers to reporting back to stakeholders on how feedback has been implemented, accessible and timely engagement activities, and early engagement with stakeholders.<sup>325</sup> The scope of consultation is clearly constrained across all phases of the project to top-down provision of information or soliciting feedback after decisions have been made. This has been raised by stakeholders to the Committee as a concern.<sup>326</sup>

However, the Committee notes recent comments made by the Victorian Auditor-General’s Office in their *Public Participation in Government Decision-Making* report, questioning community understanding of the scope of the consultation for this project:

Stakeholders...did not fully understand the purpose and limitations of the public participation activities, despite being given information about them....Community expectations created by a previous failed rail crossing removal proposal resulted in stakeholders not fully understanding or accepting the purpose of public participation activities, particularly the first ones conducted.<sup>327</sup>

<sup>324</sup> Melbourne Metro Rail Authority, *Melbourne Metro Business Case*, Melbourne Metro Rail Authority, Melbourne, 2016. pp.269-72

<sup>325</sup> Melbourne Metro Rail Authority, *Melbourne Metro Business Case*, Melbourne Metro Rail Authority, Melbourne, 2016. p.270

<sup>326</sup> Jan Armstrong-Conn, Correspondence to Legislative Council Standing Committee on Economy and Infrastructure, *Email*.

<sup>327</sup> Victorian Auditor-General's Office (VAGO), *Public Participation in Government Decision-Making*, Victorian Auditor-General's Office, Melbourne, 2017, p.25

Evaluation criteria	Status
Stakeholder identification	Partially met

Appendix 14 of The Metro Rail Project business case presents a clear, full list of identified stakeholders, grouped according to sector.<sup>328</sup> While this criteria has been met, the Committee notes that evidence received as part of this inquiry indicates that, not all stakeholders have been approached or included in consultation processes, despite being identified as key stakeholders in the business plan. For example, some small businesses and residents' groups told the Committee that they have been overlooked in consultation for the project at various stages.<sup>329</sup>

The Committee also has wider concerns about whether barriers to stakeholder participation were adequately taken into consideration and accounted for in consultation planning, as the stakeholder list and the business case chapter discussing consultation make no reference to acknowledged diversity and identifying barriers to stakeholder participation.<sup>330</sup>

When discussing the community consultation elements of the EES process, Ms Marilyn Wane of Save St Kilda Road noted that stakeholder identification had been inadequate:

In regard to the EES process, there was a series of community engagements that took place, but there was still thousands of people living in that area that were completely unaware of it. They had not been notified....There were thousands of people who lived around that area who had no idea. So once again the communication into the community was very, very lax. People were not getting the message.<sup>331</sup>

Evaluation criteria	Status
Stakeholder engagement approach	Partially met

As outlined in Chapter 6, the Committee notes the MMRA's consultation with RMIT University as an example of good practice against this criteria. The Committee received evidence from RMIT that their experience with the project has been largely positive. Mr Chris Hewison, Executive Director of Property Services at RMIT informed the Committee that RMIT has had a "constructive working relationship" with the MMRA and key contractors involved with the project.<sup>332</sup>

<sup>328</sup> Melbourne Metro Rail Authority, *Appendix 14: Stakeholder Summary*, Melbourne Metro Rail Authority, Melbourne, 2016.

<sup>329</sup> Trevor Jensen, Representative, Save St Kilda Road, *Transcript of evidence*, 15 September 2017, p.20  
Marilyn Wane, Representative, Save St Kilda Road, *Transcript of evidence*, 15 September 2017, p.27

<sup>330</sup> Level Crossing Removal Authority, *Program Business Case*, Level Crossing Removal Authority, Melbourne, 2017, Chapter 17

<sup>331</sup> Marilyn Wane, Representative, Save St Kilda Road, *Transcript of evidence*, 15 September 2017, p.27

<sup>332</sup> Chris Hewison, Executive Director, Property Services, RMIT University, *Transcript of evidence*, 15 September 2017, p.49

Key elements of RMIT's and the MMRA's successful communication approach include:

- regular meetings
- a formal working agreement
- RMIT and the MMRA proactively consulting with one another on design elements and futureproofing options
- the MMRA and RMIT collaborating to provide information such as maps, plans, travel times and route alternatives for RMIT staff and students.<sup>333</sup>

The Committee notes that even with the strong, formalised level of communication between RMIT and the MMRA with regard to this project RMIT still cites late notice of potentially disruptive works and other communication elements which could be improved.<sup>334</sup>

Mr Hewison stated in evidence to the Committee that the MMRA has been responsive to RMIT's needs when problems arise:

... MMRA always pick up the phone. They do not dodge the calls, ever. They always respond....<sup>335</sup>

However, this example of strong community engagement practice has not been as easily identifiable with other stakeholders affected by the project.

Small business stakeholders gave evidence to the Committee that consultation with them regarding the project and potential impacts on their business came too late for productive action to be taken. The Committee also notes evidence showing that, despite the MMRA having a business support process in place for businesses, this process has been implemented unevenly in practice.<sup>336</sup>

Examples include:

- Some businesses being approached by the MMRA regarding business support and others not
- Differing practices in offering compensation for affected businesses, including evidence of cash offers and withdrawn compensation offers.<sup>337</sup>

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<sup>333</sup> Chris Hewison, Executive Director, Property Services, RMIT University, *Transcript of evidence*, 15 September 2017, p.49, 52

<sup>334</sup> Chris Hewison, Executive Director, Property Services, RMIT University, *Transcript of evidence*, 15 September 2017, p.50

<sup>335</sup> Chris Hewison, Executive Director, Property Services, RMIT University, *Transcript of evidence*, 15 September 2017, p.53

<sup>336</sup> Metro Tunnel Project, 'Supporting Businesses During Construction', viewed 10 October 2017. Malcolm Wulf, Former proprietor, Oxford Scholar Hotel, *Transcript of evidence*, 15 September 2017, p.18

<sup>337</sup> Malcolm Wulf, Former proprietor, Oxford Scholar Hotel, *Transcript of evidence*, 15 September 2017, pp.14-5, 18; Trevor Jensen, Representative, Save St Kilda Road, *Transcript of evidence*, 15 September 2017, p.20

Evaluation criteria	Status
Tools and resources	Partially met

The consultation plan includes reference to a range of consultation tools to be used across various phases of the project, adequate time is allocated for this to occur. The Metro Rail Project has a dedicated Communications and Stakeholder Relations team to handle the communication and consultation elements of the project. However, identification of resources and skills to meet these is lacking, as is a rationale explaining how the tools and activities selected meet the objectives and outcomes of both stakeholders and the MMRA with regard to this project.

The Committee received evidence that stakeholders were frustrated at the consultation approaches used for this project. Particularly that the consultation tools used such as information sessions and websites or social media were not suitable for their needs.

Examples included:

- information sessions not accurately predicting and facilitating the level of stakeholder interest, and size of information sessions
- stakeholders not being able to ask questions in information sessions
- inadequate notice of upcoming information sessions
- staff at information sessions providing contradictory information or not knowing enough about the project to provide information on topics of key community interest, such as tree losses.<sup>338</sup>

The Committee received evidence from stakeholders that their experience with stakeholder consultation activities was that they were more about disseminating information to stakeholders than in having an open discussion.<sup>339</sup>

Mr Jensen of the Save St Kilda Road community group noted that the community liaison committees were a good initiative for the project and they are helping to improve the distribution of information among residents. However, they were not perfect and needed to be supported by well-coordinated and up-to-date digital tools such as the project website.<sup>340</sup>

<sup>338</sup> Trevor Jensen, Representative, Save St Kilda Road, *Transcript of evidence*, 15 September 2017, pp. 21, 23; Jan Armstrong-Conn, Correspondence to Legislative Council Standing Committee on Economy and Infrastructure, *Email*.

<sup>339</sup> Trevor Jensen, Representative, Save St Kilda Road, *Transcript of evidence*, 15 September 2017, p.23

<sup>340</sup> Trevor Jensen, Representative, Save St Kilda Road, *Transcript of evidence*, 15 September 2017, p.25

Evaluation criteria	Status
Transparency of information	Likely unmet

*Very simply, the message we would like to bring today in lots of ways is that we want information. We want timely, open information coming to us. This is a live project. Things are going to happen. There will be problems along the way, problems that we do not anticipate in the next eight years that it is going to be in place. We want transparency; we want honesty. As I said, we can handle bad news. We know that these things are happening, but we just need to have information available to us. I think that is probably the greatest weakness that we are seeing as residents in the area at the moment.<sup>341</sup>*

The Committee notes that relevant information regarding the project is made available in a number of places, including online via the project’s website and social media. However, the Committee received evidence from stakeholders in relation to this project that they are not receiving information with details on material relevant to them in an open and transparent way. The Committee’s evidence showed that this lack of transparency is leading to an erosion of trust in the project from key stakeholders such as businesses and residents, who believe that the MMRA is not operating in an open, honest manner.<sup>342</sup>

Examples of problems with transparency of information in relation to this project include:

- Lack of consistent information across formats and platforms
- Over-reliance on social media for announcements relating to the project rather than more central online platforms such as the project website. The Committee received evidence that this was creating barriers to information for some stakeholders
- Repeated information at information sessions and a lack of updated information about the project
- Level of information detail is inadequate for stakeholder needs; for example, documentation provided to stakeholders is lengthy and complex, and information on material such as additional window glazing or compensation opportunities being ‘buried’ in the appendices of documentation
- Lack of timely information; stakeholders want better information on the current state of the project and how it will affect them in the short-term, including timely updates on road closures and traffic disruptions. The Committee heard evidence of “last minute” or one-to-two hours advance notice given to stakeholders of road closures and disruptions involved with the project, and of road closures beginning before the announced time

<sup>341</sup> Trevor Jensen, Representative, Save St Kilda Road, *Transcript of evidence*, 15 September 2017, p.22

<sup>342</sup> Trevor Jensen, Representative, Save St Kilda Road, *Transcript of evidence*, 15 September 2017, p.22

- Lack of evaluation of effectiveness of communication methods or stakeholders' preferred methods of communication.<sup>343</sup>

Evaluation criteria	Status
Implementation plan	Partially met

The MMRA has a clear plan for the implementation of their consultation plan across all phases of the project. The plan is unclear on responsibility and complaints hierarchy. However, the Committee notes that there is a clear complaints form on the MMRA webpage and the business support guidelines for construction which includes contact details across different areas of responsibility.<sup>344</sup>

Despite this, evidence to the Committee of stakeholders' experience of the project has shown that the implementation plan is not being followed in some ways. For example, Phase 4 of the consultation plan refers to "Notifying local residents, traders, public transport and road users ahead of works commencing", however stakeholders gave evidence to the Committee that this is often not occurring until an hour before the works or interruption commences.

Evaluation criteria	Status
Risks and performance management	Partially met

The business case for the project has a clear method for identifying and managing risks relating to the consultation plan, including:

- initiating proactive and early engagement and communication with stakeholders
- using issues and risk registers
- building and maintaining constructive relationships with key stakeholders
- seeking stakeholder input at appropriate times about technical, social and community requirements to inform the planning, development and delivery of the project
- closing the loop with stakeholders to demonstrate how feedback has been considered and incorporated, if appropriate.<sup>345</sup>

<sup>343</sup> Trevor Jensen, Representative, Save St Kilda Road, *Transcript of evidence*, 15 September 2017, pp.21-2, 25, 28; Michael Dubois, Owner, Roule Galette, *Transcript of evidence*, 20 September 2017, pp.9-10; Frank Bazzano, Owner, Alpha Barbers, *Transcript of evidence*, 20 September 2017, p.10; Lucie Mulet, Manager, Roule Galette, *Transcript of evidence*, 20 September 2017, p.10; Fiona Sweetman, Chair, Tour and Transport Policy Committee, Victoria Tourism Industry Council, *Transcript of evidence*, 20 September 2017, pp.18-9; Scott Charlton, Chief Executive Officer, Transurban, *Transcript of evidence*, 26 October 2017, p.19

<sup>344</sup> Metro Tunnel Project, 'Managing Complaints', viewed 12 October 2017; Metro Tunnel Project, *Business Support Guidelines for Construction*, Metro Tunnel Project, Melbourne, 2017.

<sup>345</sup> Melbourne Metro Rail Authority, *Melbourne Metro Business Case*, Melbourne Metro Rail Authority, Melbourne, 2016, pp. 196-7, 272

The Committee has some concerns that elements of this risk management plan, such as building and maintaining constructive relationships with key stakeholders, is not being achieved as well as would be required to mitigate risks associated with this element of the project.

Performance measurement is briefly discussed for contractors involved in the project, with the statement that measurement criteria will be developed in future based on feedback from stakeholders. The Committee is unable to locate clear evidence that these measures have been developed, or if any performance management practices are place to deal with underperformance against criteria in this area. There is no reference in the business plan to consultation performance measurement and oversight other than for contractors.<sup>346</sup>

The MMRA has clearly identified themselves as responsible for stakeholder engagement through their Communications and Stakeholder Relations team. However, the Committee received evidence that responsibility and complaints hierarchies were unclear and difficult for stakeholders to navigate in practice. For example:

- Mr Wulf, former proprietor of the Oxford Scholar Hotel, informed the Committee that he had experienced difficulties in knowing who to contact with regard to specific problems with the project, such as provision of promotional material and screening of windows.<sup>347</sup>
- Mr Frank Bazzano, owner of Alpha Barbers, informed the Committee of his recent experiences with a lack of a clear hierarchy of responsibility with another project affecting his business. He expressed his concerns that the ‘run around’ regarding who he should contact with complaints would be replicated when the Metro Rail Project works started near his business.<sup>348</sup>

Evaluation criteria	Status
Evaluation plan	Partially met

The outcomes and objectives of the consultation plan for the Melbourne Metro Rail Project are clearly stated in the business case, and are able to be used for evaluation purposes.

In addition, the business plan for this project explicitly states that one of the guiding principles for stakeholder communication will be: ‘Validate the effectiveness and relevance of communication by continuously evaluating and improving communication strategies and activities.’ However, the Committee notes that the process for this is not clearly documented, despite evaluation plans being detailed for other aspects of the project.<sup>349</sup>

<sup>346</sup> Ibid. p.272

<sup>347</sup> Malcolm Wulf, Former proprietor, Oxford Scholar Hotel, *Transcript of evidence*, 15 September 2017, p.16

<sup>348</sup> Frank Bazzano, Owner, Alpha Barbers, *Transcript of evidence*, 20 September 2017, pp.15-6

<sup>349</sup> Melbourne Metro Rail Authority, *Melbourne Metro Business Case*, Melbourne Metro Rail Authority, Melbourne, 2016. p.268

The Melbourne Metro Rail project consultation planning also makes explicit reference to providing the community with information about how their input into the project has influenced decision making and project outcomes.<sup>350</sup> Melbourne Metro has released some reports outlining community feedback and the project responses,<sup>351</sup> however explanation of how feedback is being considered and implemented beyond ad hoc reporting is unclear.

The Committee notes that, while the MMRA has a well laid-out consultation plan, there is inadequate oversight ensuring that this plan is being implemented in practice resulting in frustrations and negative experiences for affected stakeholders.

Ideally, what has been learnt from this consultation plan would be able to be captured and stored to inform future stakeholder communications and consultation planning for infrastructure projects.

### 7.2.3 The West Gate Tunnel Project

The West Gate Tunnel Project has been undertaking stakeholder consultation on their project since 2015.

Consultation for the project is occurring over several phases at different project stages:

- Phase 1 – proposal design 2015 (complete)
- Phase 2 – concept design early-mid 2016 (complete)
- Phase 3 – reference design mid-late 2016 (complete)
- Phase 4 – tender response & EES early-mid 2017 (ongoing)
- Phase 5 – detailed design 2017-18.<sup>352</sup>

Consultation activities across these rounds, included or is proposed to include:

- project website
- social media
- online discussion forums and portal
- surveys
- community briefings, discussions, meetings, information sessions and workshops

<sup>350</sup> Melbourne Metro Rail Authority, *Melbourne Metro Business Case*, Melbourne Metro Rail Authority, Melbourne, 2016. p.268

<sup>351</sup> Melbourne Metro Rail Authority, *Appendix C: Community and Stakeholder Feedback Report*, Melbourne Metro Rail Authority, Melbourne, 2016.

<sup>352</sup> Western Distributor Authority, *Business Case*, Western Distributor Authority, Melbourne, 2015. pp.274-5  
Transurban and Western Distributor Authority, *West Gate Tunnel Project: Giving local communities a say - engagement and project development*, Western Distributor Authority, Melbourne.  
Western Distributor Authority, *Western Distributor: Consultation report - summary of community and stakeholder feedback*, Western Distributor Authority, Melbourne, 2015. p.5

- pop-up stalls
- newsletter and email mail-outs
- fact sheets and publications
- telephone calls to community groups
- print, radio and online advertising
- translated materials in newspapers and a telephone interpreter service
- online interactive maps, surveys and discussion forums
- door knocks
- written submissions
- community liaison groups.<sup>353</sup>

### Evaluation against the Committee’s ideal infrastructure framework

Evaluation criteria	Status
Clear objective	Partially met

Transurban has provided clear consultation objectives for each phase of their project plan.<sup>354</sup> However, the objectives of the overall consultation plan are not clearly stated. The scope of engagement, however, was constrained to top-down information provision about the project to stakeholders and opportunities for feedback that could inform considerations for the next phase, such as the project design.

Evaluation criteria	Status
Stakeholder identification	Met

The business case for the project broadly lists key stakeholders according to group, including identifying potential needs of culturally and linguistically diverse and other disadvantaged groups.<sup>355</sup>

353 Western Distributor Authority, *Business Case*, Western Distributor Authority, Melbourne, 2015. pp. 274-5; Transurban and Western Distributor Authority, *West Gate Tunnel Project: Giving local communities a say - engagement and project development*, Western Distributor Authority, Melbourne; Western Distributor Authority, *Western Distributor: Consultation report - summary of community and stakeholder feedback*, Western Distributor Authority, Melbourne, 2015. pp.7-9; Cochrane Research Solutions, *Western Distributor: Community consultation report - Independent analysis, interpretation and reporting of findings*, Cochrane Research Solutions, Melbourne, 2016; Scott Charlton, Chief Executive Officer, Transurban, *Transcript of evidence*, 26 October 2017, p.4; Western Distributor Authority, *Environmental Effects Statement - Attachment III Stakeholder and Community Engagement Report*, Western Distributor Authority, Melbourne, 2017, p.9

354 Western Distributor Authority, *Business Case*, Western Distributor Authority, Melbourne, 2015. pp.274-5; Transurban and Western Distributor Authority, *West Gate Tunnel Project: Giving local communities a say - engagement and project development*, Western Distributor Authority, Melbourne; Western Distributor Authority, *Western Distributor: Consultation report - summary of community and stakeholder feedback*, Western Distributor Authority, Melbourne, 2015. pp.5

355 Western Distributor Authority, *Business Case*, Western Distributor Authority, Melbourne, 2015. p.273

Evaluation criteria	Status
Stakeholder engagement approach	Partially met

The West Gate Tunnel Project has utilised a range of engagement approaches as part of their stakeholder consultation plan. However, despite this advance planning, the Committee received evidence from stakeholders that the selected engagement approaches were inappropriate for stakeholder expectations and needs. For example, the Committee received evidence as part of the Report 2 inquiry process that stakeholders were unsatisfied with the engagement processes – namely one-on-one meetings - which resulted in similar questions being asked repeatedly and which did not facilitate discussion.<sup>356</sup>

Concerns have also been raised regarding a lack of translated materials resulting in barriers to access for stakeholders from non-English speaking backgrounds.<sup>357</sup>

The Committee notes that this has since been rectified.<sup>358</sup> However, the early instances of failings in this area indicates an overall failure to adequately assess and provide the tools and resources required to successfully undertake the planned consultation. The Committee is concerned that failing to account for these matters early in the consultation process can exclude members of the community from participating in early consultations or being aware that consultations are occurring at all.

Evaluation criteria	Status
Tools and resources	Met

The West Gate Tunnel project clearly identifies the intended engagement tools for each phase of the project and the linked objectives for these. This has allowed stakeholder engagement to be planned for and resourced in advance.<sup>359</sup>

Evaluation criteria	Status
Transparency of information	Likely unmet

The Committee expresses continued concern at the lack of transparency with regard to this project. Particularly, the Committee believes that the majority of information provided to the stakeholders with regard to this project has been provided in inadequate detail and outside of reasonable timeframes for stakeholder needs.

The Committee noted in Report 3 of this inquiry, that key documents relating to the project were not made available which may have impeded the community's ability to fully understand the project and effectively engage in the consultation

<sup>356</sup> Steve Wilson, Friends of Stony Creek, *Transcript of evidence*, 24 February 2016. p.11

<sup>357</sup> Christine McCall, CEO, Yarraville Community Centre, *Transcript of evidence*, 20 April 2016. p.25

<sup>358</sup> Cochrane Research Solutions, *Western Distributor: Community consultation report - Independent analysis, interpretation and reporting of findings*, Cochrane Research Solutions, Melbourne, 2016. p.25; Western Distributor Authority, *Consultation report*, Western Distributor Authority, Melbourne, 2015. p.14

<sup>359</sup> Western Distributor Authority, *Western Distributor: Communications and Stakeholder Engagement Strategy*, Western Distributor Authority, Melbourne, 2015. pp.8-10

process.<sup>360</sup> One of Transurban's consultation reports acknowledged that 'specific details about the project... were not available at the time of consultation', including:

- location
- height and types of noise walls
- standards for noise and air quality
- traffic volumes on the Hyde Street access ramps.<sup>361</sup>

Transurban stated that they had heard 'a strong desire for more information to help people understand the impacts associated with the project's design. In particular, an understanding of potential noise impacts and mitigations, changes in air quality as a result of the project and the impacts on businesses, community facilities and open space.' Transurban stated in mid-2016 that more detailed information on these matters would be provided in the project's EES.<sup>362</sup> The Committee notes that the full EES for the project was released in mid-2017, well after the community had expressed the importance they placed on this information, and well after the window for community feedback on the majority of the design decisions for the project had closed.<sup>363</sup>

The Committee continues to raise concerns about the timeliness of information provided to stakeholders wishing to participate in the feedback process. They note that the concept design was released in April 2016 concurrently with the commencement of second round community consultations about the design.<sup>364</sup>

In addition, consultation reports were not made available for the initial September-October 2015 consultation sessions, which damaged community trust in the consultation process.<sup>365</sup> These consultation reports were later released as an attachment to the mid-2016 consultation report,<sup>366</sup> however the Committee notes the community's lack of access to these consultation reports in the interim to inform their further discussion and feedback with Transurban about the project. The Committee notes that the reports have been of varying quality, impeding the community's ability to keep track of their contributions and the implementation of any feedback they have provided.<sup>367</sup>

<sup>360</sup> Legislative Council Standing Committee on Economy and Infrastructure, *Third report into infrastructure projects*, Legislative Council, Parliament of Victoria, Melbourne, 2017, pp. 37-8

<sup>361</sup> Western Distributor Authority, *Consultation report*, Western Distributor Authority, Melbourne, 2015. p.15

<sup>362</sup> Western Distributor Authority, *Consultation report*, Western Distributor Authority, Melbourne, 2015.p.15

<sup>363</sup> West Gate Tunnel Project, *EES Documents*, West Gate Tunnel Project, Melbourne, 2017.

<sup>364</sup> Western Distributor Authority, *Consultation report*, Western Distributor Authority, Melbourne, 2015. pp.9-10

<sup>365</sup> Scott Ellerton, Concerned Locals of Yarraville, *Transcript of evidence*, 24 February 2016. p.11

<sup>366</sup> Western Distributor Authority, *Consultation report*, Western Distributor Authority, Melbourne, 2015. Attachment A

<sup>367</sup> See for example Transurban, *Western Distributor Consultation Records April 2016: Consultation Record Footscray Community Consultation Session*, 23 April 2016, Discussion Topic Feedback, p.6; And: Transurban, *Western Distributor Consultation Records April 2016: Consultation Record Yarraville Community Consultation Session*, 28 April 2016, Concept Design, p.7

The Committee also discussed the user-friendliness of documentation relating to the EES process, noting that the released EES documents were extensive and community groups only had 30-days to comprehend and respond to them. The Committee finds these timeframes inadequate and lacking the appropriate level of detail for stakeholder needs.<sup>368</sup>

Finally, the Committee expresses concern at the changes made to the project's website, including rebranding of the project, without advance notice. Which impeded the community's ability to access and keep track of information made available in relation to this project.

Evaluation criteria	Status
Implementation plan	Met

The West Gate Tunnel Project has a full consultation plan across the phases of the project. The project also provides snapshots of what the next steps are for the project and what opportunities for consultation are available during that time period.<sup>369</sup>

Evaluation criteria	Status
Risks and performance management	Likely unmet

The Committee notes that risk identification management plans for consultation and stakeholder engagement practices have not been clearly stated in the planning documents for the project.

The project's business case indicates performance management planning, including clear KPIs, for all elements of the project. Performance management criteria for stakeholder engagement was listed as something that would eventually be developed, but that specific targets would depend on the final scope, delivery method, and preferred procurement approach, of the project.<sup>370</sup> The Committee notes, however, that no further reference to risk or performance management measures has been mentioned in any public documentation reviewing the consultation process thus far.

Evaluation criteria	Status
Evaluation plan	Partially met

The outcomes and objectives of the consultation plan for the West Gate Tunnel Project are clearly stated and able to be evaluated against.

<sup>368</sup> Peter Sammut, Chief Executive Officer, Western Distributor Authority, *Transcript of evidence*, 21 June 2017. pp.26-7

<sup>369</sup> Western Distributor Authority, *Business Case*, Western Distributor Authority, Melbourne, 2015. pp.274-5; Western Distributor Authority, *Consultation report*, Western Distributor Authority, Melbourne, 2015. p.9; Western Distributor Authority, *Western Distributor: Communications and Stakeholder Engagement Strategy*, Western Distributor Authority, Melbourne, 2015. pp.8-10; Western Distributor Authority, *Environmental Effects Statement - Attachment III Stakeholder and Community Engagement Report*, Western Distributor Authority, Melbourne, 2017.

<sup>370</sup> Western Distributor Authority, *Business Case*, Western Distributor Authority, Melbourne, 2015. pp.46-7, 275

The Communication and Stakeholder Engagement Plan for this project briefly discusses the evaluation plan and states that the evaluation strategy ‘...will be determined through a number of measures, including participation in consultation activities such as responses to surveys, attendance at forums, online engagement and social media. Additional community research would also be used to assess effectiveness.’<sup>371</sup> There is some evidence in later consultation review documentation to show that this is occurring. For example, Transurban has provided evidence of online surveys conducted to evaluate their consultation performance. Transurban also describes how they are responding to community feedback in some of their consultation reports.<sup>372</sup>

Mr Charlton informed the Committee of the ways stakeholder feedback has been incorporated into the next phase of the project, including:

- a longer westbound tunnel to move the tunnel portal further away from homes
- improved traffic noise standards
- the addition of walking and cycling connections.<sup>373</sup>

The Committee also notes, however, that there is no reference made to identifying and storing information from the stakeholder engagement approach for this project, to inform future projects.

### 7.3 Common themes

Common consistent themes arising from evidence to the committee about stakeholder consultation for infrastructure projects include:

- inadequate scope of stakeholder engagement
- timing of consultation and length of time available for consultation
- access for CALD communities
- transparency of processes and availability of information
- lack of a clear responsibility hierarchy
- inadequate oversight of consultation processes to ensure planned objectives are being achieved
- Inadequate evaluation processes.

<sup>371</sup> Western Distributor Authority, *Western Distributor: Communications and Stakeholder Engagement Strategy*, Western Distributor Authority, Melbourne, 2015. p.11

<sup>372</sup> Western Distributor Authority, *Consultation report*, Western Distributor Authority, Melbourne, 2015. p. 15; Western Distributor Authority, *Western Distributor: Consultation report - summary of community and stakeholder feedback*, Western Distributor Authority, Melbourne, 2015; Western Distributor Authority, *Environmental Effects Statement - Attachment III Stakeholder and Community Engagement Report*, Western Distributor Authority, Melbourne, 2017, pp.25, 30, 63

<sup>373</sup> Scott Charlton, Chief Executive Officer, Transurban, *Transcript of evidence*, 26 October 2017, p.4

### 7.3.1 Scope of stakeholder engagement

The Committee found a discrepancy between the stated scope of stakeholder engagement allowed for in project documentation and planning, and the scope of engagement expected by the community.

The Committee found that across all the infrastructure projects considered as part of this inquiry that the scope of stakeholder engagement was limited to consulting with stakeholders after decisions had been made, including listening to concerns and feedback ('consult' level). There is evidence of stakeholder feedback being incorporated in the next stages of project planning. However, stakeholders have little to no input in how their feedback is assessed or incorporated.

The Committee believes that community expectations lean more towards a collaborative, 'involve' or 'collaborate' style engagement approach. Restricting stakeholders to consultation is either not clearly explained from the outset or is doomed to be dissatisfying because it does not meet community expectations. Stakeholders expressed frustration as they felt like they were being informed about the project after the fact or that their views were not adequately taken into consideration in the early phases of designing and implementing projects.<sup>374</sup>

Stakeholder consultation activity necessitates finding communication approaches that suit both the objectives and outcomes of the project as well as community expectations and needs. The Committee understands that it is not always possible to please all parties when considering infrastructure projects of the size under consideration here. However, more effort could be made to 'bring the community along' on the decision-making process that will affect them, through incorporating more collaborative and dynamic consultation activities. As a large proportion of stakeholder dissatisfaction with consultation stems from this, improvements in this area could have a strong impact on reducing negative perceptions and responses to a project.

### 7.3.2 Communication with culturally and linguistically diverse communities

The Committee heard stakeholder concerns that culturally and linguistically diverse stakeholders were not being adequately considered or approached in infrastructure project consultation activities. Ideally, stakeholder consultation planning would include clearly identifying and documenting the culturally and linguistically diverse communities likely to be affected by a project and how the project team is mitigating the likelihood of these groups being excluded from participation.

<sup>374</sup> Jan Armstrong-Conn, Correspondence to Legislative Council Standing Committee on Economy and Infrastructure, *Email*; Beata Armtays, Lower Our Tracks Incorporated, *Transcript of evidence*, 20 April 2016. p.31; Trevor Jensen, Representative, Save St Kilda Road, *Transcript of evidence*, 15 September 2017, p.23; Steve Wilson, Friends of Stony Creek, *Transcript of evidence*, 24 February 2016. p.11

### 7.3.3 Transparency and timeliness of information

The Committee was unable to find any good practice examples of transparency of information relating to the infrastructure projects considered here. All of the projects considered by the Committee have demonstrated varying levels of stakeholder dissatisfaction with the consultation process stemming from inadequate, incomplete, inappropriate or untimely information provision.

Infrastructure projects need to be able to provide clear, complete, appropriately detailed and user-friendly information to stakeholders about the project in order for consultation to be meaningful. Stakeholders need to be provided with this information in time for them to respond or provide feedback. Involving stakeholders in consultation activities or requesting feedback on elements of a project before these materials have been appropriately provided is frustrating for stakeholders and undermines the usefulness of material gathered through the consultation activity.

Information about direct impacts to stakeholders from infrastructure project works – such as road closures and noise – need to be conveyed clearly, early and consistently to stakeholders.

Failing to adequately coordinate information distribution and to plan for when milestones for documentation such as design proposals are due in order for consultation around them to be meaningful, is consistently observed in the projects considered by the Committee for this inquiry. Improving this element of infrastructure project consultation would, the Committee believes, have correspondingly positive responses from stakeholders and the community.

### 7.3.4 Lack of clear responsibility and complaints hierarchy

The Committee received evidence that, despite infrastructure projects having communication lines, online forums, contact pages, social media accounts, and other communication avenues, stakeholders were still experiencing problems with making complaints, requesting information relevant to their situation, or otherwise contacting the responsible party for a project.

Community members expressed that common points of confusion were:

- who to contact for more information about what is happening with a project
- hierarchies of responsibility for elements of the project, for example, who to contact for information or complaints regarding scaffolding, noise insulation, and compensation<sup>375</sup>
- where and to whom to file complaints.

<sup>375</sup> The Committee particularly notes community experiences where project representatives have informed them to contact the local council who have, in turn, told them to contact the project representatives.

The Committee recommends that all infrastructure projects include much clearer guidelines for responsibility and complaint hierarchies, including relevant contact points and options. These guidelines must extend to include relevant preferred contractors to enable stakeholders to directly contact those responsible for works which may be causing problems. It is not enough that projects provide information to stakeholders, stakeholders must be able to also easily and directly contact the project to obtain information they need and to raise concerns.

Stakeholders should also be clearly informed about their options for complaints, including how to escalate complaints, who the relevant independent bodies or oversight agencies are, and what recourse they have if they feel their complaint has not been appropriately considered or handled in the first instance.

### 7.3.5 Evaluation and oversight of consultation process

*All public participation activities should be evaluated to confirm that they achieved the public participation purpose and identified key lessons and areas for future improvement. Failing to evaluate public participation means agencies have no clear understanding about whether they have achieved their objectives or successfully engaged with stakeholders. They are also unable to address any weaknesses and learn from their experiences in future public participation processes.<sup>376</sup>*

The Committee notes a lack of overall oversight and evaluation of stakeholder consultation processes for the infrastructure projects considered as part of this inquiry.

Projects are often not required to report on their consultation processes, including whether they are achieving their goals or if they have run into significant problems. Reports on consultation processes are often generated by the primary project partner or, sometimes, an independent consultant hired by the primary project partner. These reviews and assessments tend to summarise what consultation has been undertaken and what information has arisen from the consultation. But they lack oversight and assessment of the consultation process against a consultation plan and do not include reference to feedback about community experiences.

As public infrastructure projects effect and, ideally, improve the community's amenities, it is important that consultation with that community is conducted well. It is not enough, in the Committee's opinion, for consultation to occur. Consultation plans and their implementation should be assessed for effectiveness in achieving both project outcomes and meeting community needs. Consultation processes should also be assessed according to whether they meet stated aims or community expectations.

<sup>376</sup> Victorian Auditor-General's Office (VAGO), *Public Participation in Government Decision-Making*, Victorian Auditor-General's Office, Melbourne, 2017, p.27

The Committee notes that there should be a robust process of consultation for infrastructure projects, ensuring that consultation plans are following through on the stated objectives, outcomes and activities. This oversight should extend to preferred contractors hired to work on projects.

Evaluation is often considered for the physical and financial elements of a project – being delivered on time, on budget, and to design specifications – but not as often for elements such as stakeholder consultation.

Consultation plans should include reference to performance Evaluation criteria and where the outcomes of the evaluation, including key elements learnt, are to be stored as a resource to be used by future projects to improve performance.

The Committee believes that infrastructure project consultation will not improve unless evaluation is adequately planned for, implemented, and future projects incorporate what was learnt from previous consultation efforts.

## 7.4 Recommendations

### Communication and consultation

**RECOMMENDATION 3:** That the Government develop a best practice communication and consultation guide for public infrastructure projects which should include, but not be limited to, the following points:

- Risk identification and performance management criteria for stakeholder consultation processes should be documented in the project's business case or plan
- Information about complaints mechanisms and responsibility hierarchies should be provided to stakeholders directly and through a central information hub such as a website, by both the Government and relevant project partners
- Consultation should consider culturally and linguistically diverse communities affected by the project and steps should be taken to facilitate engagement with these groups
- Projects should provide substantive documentation to stakeholders well in advance (ideally 60 days prior to being asked to provide feedback or make decisions based on it)
- Project documentation for stakeholders should focus on areas of direct relevance to different groups and be available in varying degrees of length and complexity
- Stakeholder consultation should include collaborative consultation approaches and use of a broad range of consultation activities across all project phases, and should not be limited to requesting feedback or consultation after a decision has been made
- Information about the impacts of the project (for example noise, road closures, changed traffic conditions and public transport disruptions) should be provided to affected stakeholders across a range of communication platforms, including a central platform such as a website with as much notice as possible.

## Evaluation

**RECOMMENDATION 4:** That stakeholder consultation processes and activities for public infrastructure projects be evaluated against the stated planning outcomes, objectives and activities and be made publically available. This should include:

- Collection and maintenance of data documenting consultation and stakeholder engagement processes, outcomes, and lessons learned
- Reports of stakeholder feedback on the project, responses to this feedback, and stakeholder responses to the consultation process.



# Appendix 1

## Public Hearings

### Wednesday 21 June 2017 — Legislative Council Committee Room, Parliament House, Spring Street, Melbourne

Name	Title	Organisation
Mr Scott Charlton	Chief Executive Officer	Transurban
Mr Peter Sammut	Chief Executive Officer	Wester Distributor Authority
Mr John Merritt	Chief Executive Officer	VicRoads

### Friday 15 September 2017 — Legislative Council Committee Room, Parliament House, Spring Street, Melbourne

Name	Title	Organisation
Mr Evan Tattersall	Chief Executive Officer	Melbourne Metro Rail Authority
Mr Malcolm Wulf	Former proprietor	Oxford Scholar Hotel
Mr Trevor Jensen		Save St Kilda Road
Ms Marilyn Wane		
Ms Gillian Miles	Head	Transport for Victoria
Mr Jeroen Weimar	Chief Executive Officer	Public Transport for Victoria
Mr Chris Hewison	Executive Director, Property Services	RMIT University

### Wednesday 20 September 2017 — Legislative Council Committee Room, Parliament House, Spring Street, Melbourne

Name	Title	Organisation
Acting Commander David Clayton	Divisional Superintendent, North-West Division 1	Victoria Police
Mr Michel Dubois	Owner	Roule Galette
Ms Lucie Mulet	Manager	
Mr Frank Bazzano	Owner	Alpha Barbers
Ms Fiona Sweetman	Chair, Tour and Transport Policy Committee	Victoria Tourism Industry Council



# Appendix 2

## Answers to Questions on Notice

A2





6 July 2017

The Hon Bernie Finn MLC  
 Chair, Standing Committee on the Economy and Infrastructure  
 Parliament House  
 Spring Street  
 MELBOURNE VIC 3002

**Transurban Limited**  
 ABN 96 098 143 410

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 Level 23, Tower One, Collins Square  
 727 Collins Street  
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 Telephone +61 (0)3 8656 8900  
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**Brisbane**  
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 Eight Mile Plains Qld 4113  
 Telephone +61 (0)7 3323 0100  
 Facsimile +61 (0)7 3422 3209  
 transurban.com

Dear Mr Finn *Bernie*

**RE: Questions on notice – June 2017 hearing**

I write in response to the questions I took on notice at the June 2017 hearings of the Standing Committee on Economy and Infrastructure.

In relation to Mr Ondarchie's question, I can advise that changes to the CityLink Concession Deed are publicly available and are tabled before the Victorian Parliament. These changes are made in conjunction with the Government-of-the-day and are not determined by Transurban alone. I can advise that the specific clauses asked about, clauses 14.3(d) and 14.3(e), have had various changes made to them, including technical changes regarding the obligations on Transurban for the construction of the Southern Link Upgrade and CityLink Tulla Widening projects.

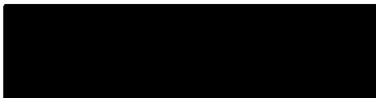
Regarding Ms Hartland's question, attached with this letter you will find a detailed map of the lanes feeding into the West Gate Bridge. The West Gate Tunnel Project will add four new lanes to the West Gate Freeway and will still have the same number of lanes heading towards the West Gate Bridge as today. The three centre lanes will run express in each direction from the M80 interchange to the West Gate Bridge, meaning these lanes will have no on or off movements. The three lanes in the outside channel will provide access to the tunnels, on and off ramps and the West Gate Bridge.

You asked a question regarding accessing CityLink at Flemington Road on the night of 27 May 2017 after Richmond played Essendon at the MCG. I can confirm that the freeway closure commenced at 11.30pm. However, additional closures were in place that night for the Flemington Road on-ramps from 9pm. Our communications for these closures, including via radio advertisements, on-road electronic signs and social

media advertisements did mention times for both the freeway and on-ramp closures. We will continue to be mindful of the needs of motorists when planning future road works but, as I am sure you would appreciate, it is difficult to completely avoid all events in a city like Melbourne that has a strong major events calendar.

Finally, Ms Hartland asked a question regarding occupation of the E-Gate site during project construction. Land requirements will be finalised following planning approvals, with occupation a matter for the Government.

Yours sincerely



Scott Charlton  
Chief Executive Officer



**West Gate Freeway connections and tunnel**  
South Kingsville, Spotswood, Yarraville  
**DESIGN**

**From:** [REDACTED]  
**Sent:** Thursday, 21 September 2017 11:47 AM  
**To:** EIC  
**Cc:** [REDACTED]  
**Subject:** Re: FW: Inquiry into Infrastructure Projects - questions on notice

Hi

Please find the below answers.

**1. How many trucks or owners have been fined for breaking the truck ban curfew over the last two years?**

July 1 2015 -June 30 2017 (2 year period from when the question was asked)

751

**2. Can you give the Committee a breakdown of the \$2 billion Transurban spent on the road network in Melbourne?**

- \$150 million for the Upgrade of the Tullamarine Calder Freeway interchange
- 
- \$614 million for the Monash CityLink Westgate Upgrade
- 
- \$219 million for Southern Link (the CityLink component of the Monash CityLink Westgate Upgrade)
- 
- \$1009 million for the CityLink Tulla Widening
- 

**Daniel Raleigh**  
**Acting Manager - Office of the Chief Executive**  
**VicRoads**

60 Denmark Street KEW

**M** [REDACTED]  
**E** [REDACTED]  
**W** vicroads.vic.gov.au



**Part of Transport For Victoria**

I acknowledge the Traditional Aboriginal Owners of Country throughout Victoria and pay my respect to Elders past and present and to the ongoing living culture of Aboriginal people.

**From:** [REDACTED]  
**Sent:** Friday, 15 September 2017 2:00 PM  
**To:** EIC  
**Cc:** [REDACTED]  
**Subject:** Evan Tattersall - issue taken on notice (Economy & Infrastructure Committee)  
 [SEC=UNCLASSIFIED]  
**Attachments:** 1465.pdf

On behalf of MMRA CEO Evan Tattersall, please find below a response to the issue raised by Ms Colleen Hartland MLC this morning and taken on notice in regards to construction traffic on the Metro Tunnel Project and air quality.

**Given the Metro Tunnel will only run electric trains, then air emissions associated with its routine operations are considered to be negligible.**

**As such, the Environment Effects Statement (EES) air quality impact assessment for the Metro Tunnel Project focused on issues relevant to construction-related air emissions.**

**The EES identified that exhaust emissions from construction traffic was one potential impact that would need to be managed over the lifetime of project delivery. The Metro Tunnel Environment Management Framework (EMF) contains specific Environment Performance Requirements (EPRs) to manage this potential impact. In particular, EPR AQ3 requires that the emission of smoke, dust, fumes and other pollution into the atmosphere during construction and operation be managed in accordance with the State Environment Protection Policies (SEPPs) for Air Quality Management and Ambient Air Quality.**

**EPA Victoria administers and oversees the implementation of a range of SEPPs that cover emissions to the air, land and waters of Victoria. These policies apply to all Metro Tunnel construction activities at all times and include guidelines for the monitoring of emissions that may arise from the delivery of the Metro Tunnel.**

In addition, attached is a relevant EPA fact sheet on its own processes in regards to air quality.

Please let me know whether the Committee requires further information or clarification.

Regards

James

**James Tonkin** | Director  
 Communications & Stakeholder Relations  
 Melbourne Metro Rail Authority



Level 13, 121 Exhibition Street, Melbourne 3000  
[metro.tunnel.vic.gov.au](http://metro.tunnel.vic.gov.au)



# Air

Environment Protection Authority Victoria (EPA Victoria) is the state's independent environmental regulator. Under the powers of the *Environment Protection Act 1970*, EPA is responsible for protecting the environment and the community through effective regulation of industry and pollution. EPA's vision is a healthy environment that supports a liveable and prosperous Victoria. As part of its *5 Year Plan* EPA is committed to ensuring our air quality meets or surpasses national and state air quality objectives.

**PUBLICATION 1465  
JULY 2012**

Authorised and published by  
EPA Victoria, 200 Victoria Street, Carlton.

## What is air pollution?

Air pollution is the introduction of chemicals or matter to the atmosphere which may cause harm or discomfort to humans or animals. Air pollution is more common in major industrial or urban areas. Melbourne has three major forms of air pollution:

- The build-up of fine particles and other pollutants in still conditions, predominantly due to motor vehicle (commonly referred to as smog) and the burning of wood fires.
- Windborne dust transported long distances in high winds.
- Recirculation of polluted air (such as smog) by sea breezes.

In an international context Melbourne's air quality remains quite good. There has been little change in many air pollutants over the last decade despite increasing pressures such as population growth. EPA has led many of the improvements in air quality standards over the last 30 years. Fossil fuel combustion, particularly as it occurs in motor vehicles, is still a major source of air pollution. In Victoria, cars and trucks are responsible for about half the state's air pollution in summer. In winter the greatest source of polluting particles is from home heating.

## EPA's role in regulating air pollution

EPA has a key role in protecting the community from air pollution through:

- developing State Environment Protection Policies (SEPP), setting rules that cars, trucks, factories and businesses must follow to minimise air pollution
- managing Air Monitoring Stations, which help EPA monitor the state of the air
- enforcing pollution emission limits on cars, trucks and factories
- supporting bans on backyard burning
- partnering with and advising government, industry and the community.

EPA also actively seeks to influence community behaviour through raising public awareness of what the issues are and what we can all do to keep improving our air quality.

### Air quality bulletins

EPA monitors air quality in order to ensure that the health and wellbeing of Victorians is maintained. Monitoring allows air pollution levels to be checked against targets and provides data for ongoing research into how air pollution affects health.

There are 15 fixed monitoring stations across Victoria.

## REPORTING AIR POLLUTION

To report air pollution, including excessive smoke from vehicles, call EPA's 24-hour Pollution Hotline on **1300 EPA VIC (1300 372 842)**.

Visit [epa.vic.gov.au](http://epa.vic.gov.au) to learn more about EPA's air monitoring programs and tips on how to reduce air pollution in your community.

1

# Air

**Fact sheet**  
July 2012

Mobile laboratories are also available to test air quality during events such as bushfires or for particular sites of concern to the community.

The stations measure a range of pollutants - each of which has a different impact on humans or the environment. Air quality bulletins are issued twice a day from Monday to Friday, and daily at weekends. Hourly data is available 24 hours a day, seven days a week at [www.epa.vic.gov.au](http://www.epa.vic.gov.au)

**Reducing air pollution from motor vehicles**

Motor vehicles make the largest contribution to poor air quality in Victoria. At a national level EPA is involved in the development and implementation of new Australian Design Rules for new cars, and national fuel quality standards.

Using the *Environment Protection (Vehicle Emissions) Regulations 2003*, EPA regulates car emissions, noise and fuel. Under these regulations, a vehicle must not continuously emit visible smoke for 10 seconds or more. Vehicles that do can be reported to EPA.

EPA's Smoky Vehicle Program allows the public to report smoky vehicles online or via the EPA Pollution Hotline.

**Smog alerts**

EPA also forecasts smog days for Melbourne. A smog alert can act as a warning for people with respiratory and cardiovascular disease. You can get free smog alert forecast emails by subscribing at [www.epa.vic.gov.au](http://www.epa.vic.gov.au)

On smog alert days people are asked to:

- reduce car usage
- limit use of wood fires
- not burn off or light incinerators.

Due to tightening standards for fuel and motor vehicles, smog alerts are issued much less frequently for Melbourne than they were in years gone by.

**Partnering to advise and educate industry**

Industry is another major contributor to air pollution in Victoria. EPA's work in partnership with other agencies means significant progress has been made in reducing emissions from large industrial premises. In addition, licencing reform has led to standard conditions for air emissions for EPA licenced sites across Victoria.



[www.epa.vic.gov.au](http://www.epa.vic.gov.au) 1300 EPA VIC

**From:** [REDACTED]  
**Sent:** Wednesday, 11 October 2017 5:16 PM  
**To:** EIC  
**Cc:** [REDACTED]  
**Subject:** Transcript Verification - PTV / JW Inquiry into Infrastructure Projects  
**Attachments:** JW Verified Transcript - Economy and Infrastructure Committee Hearing - 20170915.pdf

Hi Prue

[REDACTED]

At the hearing, the following matter was taken on notice:

**Question:** *In terms of risk rating, where does Yarraville Station sit in the list of Victorian level crossings? [Page 45/46]*

**Answer:** *Presently, The ALCAM rating for Yarraville Station level crossing (which is Anderson Street level crossing) is ranked at 89<sup>th</sup> in public crossing in Victoria.*

Please do not hesitate to contact me should you require any further information.

We apologise for the delay in responding,

Many thanks

Phil

**Phil Ferns**  
Cabinet and Parliamentary Services Advisor  
Office of the Chief Executive Officer  
Telephone [REDACTED]  
Email: [REDACTED]



Part of Transport For Victoria

For more information visit [ptv.vic.gov.au](http://ptv.vic.gov.au)  
[Twitter](#) | [YouTube](#) | [Live travel updates](#)



VICTORIA POLICE

North West Metro Region  
Division 1 - Melbourne

Telephone: [REDACTED]

Our Ref.: FF-118606

Committee Secretary  
Economy and Infrastructure Committee  
Parliament of Victoria

By email to [eic@parliament.vic.gov.au](mailto:eic@parliament.vic.gov.au)

Dear Committee Secretary

**Inquiry into Infrastructure Projects - response to questions taken on notice**

I refer to the above Inquiry and the evidence I gave before the Economy and Infrastructure Committee on 20 September 2017.

In respect of the two questions taken on notice, I advise:

- In relation to the signage erected on Queensberry Street, North Melbourne - no safety concerns regarding this signage blocking the view of drivers has been raised with Victoria Police (page 5 of the transcript).
- In relation to the use of new yellow lines on roads during works and not painting over the existing white lines - no safety concerns regarding these lines being confusing for drivers has been raised with Victoria Police (page 7 of the transcript).

If you have any queries regarding this matter, please contact the Legal Operations, Commissions and Inquiries Division on [REDACTED].

Yours sincerely,

[REDACTED]  
David Clayton  
Superintendent

18 / 10 / 2017

**Economy and Infrastructure Committee Inquiry into infrastructure projects – health infrastructure**

Follow up questions for DHHS

**In relation to the Bendigo Hospital Project (Bendigo Health)**

**Question** Have there been any changes to Stage 2 of the Project since Mr Mulder gave evidence on 18 October 2016?

**Answer** No.

**Question** Are you able to provide the Committee a timeline of Stage 2 construction?

**Answer** Yes – refer table below:

Bendigo Stage 2 Milestone	Contract Date
Works commencement	6 March 2017
Carpark structure commence	1 September 2017
Barnard Precinct landscaping complete	11 November 2017
Link Bridge structure commence	23 November 2017
Link Bridge complete	31 January 2018
Carpark structure complete	28 February 2018
Alexander Bayne complete	8 March 2018
Carpark complete	9 March 2018
Lucan Precinct landscaping complete	12 April 2018
Retail space handover	28 April 2018
Commercial Acceptance	26 June 2018

**Question** Is the Hospital planning a Stage 3 for the project?

**Answer** There is no planned future “Stage 3” for the Bendigo Hospital Project.

**In relation to the Victorian Heart Hospital Project**

**Question** Could you please provide the tender documents for the Victorian Heart Centre?

**Answer** The tender documents are published online and can be downloaded from the Victorian Government Tenders website (<https://www.tenders.vic.gov.au>). Tender numbers E1801 and E1802 refer.

**Question** The Committee has heard new reports that the cost of the project is likely to be \$450-600 million instead of the original \$350 million. Why has the expected cost changed?

**Answer** The total estimated investment required for the Victorian Heart Hospital is dependent upon final scop/staging options which are yet to be decided (and funded) by the government and other project partners.

**Question** Have any funding partners or investors joined to the project?

**Answer** The project is being developed in conjunction with Monash Health, the proposed operator of the hospital, and Monash University, who have confirmed their contribution to the project, including making the land available for construction.

**In relation to the Victorian Comprehensive Cancer Centre**

**Question** What will the 13<sup>th</sup> floor be used for?

**Answer** As announced by the Minister for Health on 16 July 2016, and confirmed by media release of same date, Level 13 of the Victorian Comprehensive Cancer Centre will become the *Ian Potter Centre for new Cancer Treatments* and provide a home for the Peter Mac-led VCCC Immunotherapy Research Program, the Australian Genome Research Facility, the Cooperative Research Centre (CRC) for Cancer Therapeutics and the Innovative Clinical Trials Centre, promoting partnerships with other cancer research agencies and linking with global studies for the benefit of Victorian patients.

In addition, the University of Melbourne in partnership with Peter MacCallum Cancer Centre has recently announced the development of a major new collaborative initiative in *Clinical Informatics and Health Services Research*, bringing together expertise in cancer medicine, biomedical engineering and computer science to develop new algorithms and therapeutic devices to facilitate clinical decision making.

All of the above activities will be accommodated on Level 13 of the VCCC building.

**In relation to the Joan Kirner Women's and Children's Hospital**

**Question** The Committee has heard opposing reports regarding when the project will be completed. What is the expected completion date for the project?

**Answer** The financial completion of the Joan Kirner Women's and Children's Hospital project is on track for the 4<sup>th</sup> Quarter 2019-20, as indicated in Budget Paper No. 4.



# Extracts of proceedings

Legislative Council Standing Order 23.27(5) requires the Committee to include in its report all divisions on a question relating to the adoption of the draft report.

All Members have a deliberative vote. In the event of an equality of votes, the Chair also has a casting vote.

The Committee divided on the following questions during consideration of this report. Questions agreed to without division are not recorded in these extracts.

## Committee Meeting – 7 February 2018

Mr Ondarchie moved, That Recommendation 1 be adopted and stand part of the Report.

**The Committee divided.**

<b>Ayes 4</b>	<b>Noes 3</b>
Mr Finn	Mr Gepp
Ms Hartland	Mr Eideh
Mr Ondarchie	Mr Leane
Mr O'Sullivan	

**Question agreed to.**

Mr Ondarchie moved, That Recommendations 2-4 be adopted and stand part of the Report.

**The Committee divided.**

<b>Ayes 4</b>	<b>Noes 3</b>
Mr Finn	Mr Gepp
Ms Hartland	Mr Eideh
Mr Ondarchie	Mr Leane
Mr O'Sullivan	

**Question agreed to.**

Mr O’Sullivan moved, That Chapter 1 be adopted and stand part of the Report.

**The Committee divided.**

<b>Ayes 4</b>	<b>Noes 3</b>
Mr Finn	Mr Gepp
Ms Hartland	Mr Eideh
Mr Ondarchie	Mr Leane
Mr O’Sullivan	

**Question agreed to.**

Mr Ondarchie moved, That Chapter 2 be adopted and stand part of the Report.

**The Committee divided.**

<b>Ayes 4</b>	<b>Noes 3</b>
Mr Finn	Mr Gepp
Ms Hartland	Mr Eideh
Mr Ondarchie	Mr Leane
Mr O’Sullivan	

**Question agreed to.**

Ms Hartland moved, That Chapter 3 be adopted and stand part of the Report.

**The Committee divided.**

<b>Ayes 4</b>	<b>Noes 3</b>
Mr Finn	Mr Gepp
Ms Hartland	Mr Eideh
Mr Ondarchie	Mr Leane
Mr O’Sullivan	

**Question agreed to.**

Mr O’Sullivan moved, That Chapter 4 be adopted and stand part of the Report.

**The Committee divided.**

<b>Ayes 4</b>	<b>Noes 3</b>
Mr Finn	Mr Gepp
Ms Hartland	Mr Eideh
Mr Ondarchie	Mr Leane
Mr O’Sullivan	

**Question agreed to.**

Mr Ondarchie moved, That Chapter 5 be adopted and stand part of the Report.

**The Committee divided.**

<b>Ayes 4</b>	<b>Noes 3</b>
Mr Finn	Mr Gepp
Ms Hartland	Mr Eideh
Mr Ondarchie	Mr Leane
Mr O'Sullivan	

**Question agreed to.**

Ms Hartland moved, That Chapter 6 be adopted and stand part of the Report.

**The Committee divided.**

<b>Ayes 4</b>	<b>Noes 3</b>
Mr Finn	Mr Gepp
Ms Hartland	Mr Eideh
Mr Ondarchie	Mr Leane
Mr O'Sullivan	

**Question agreed to.**

Ms Hartland moved, That Chapter 7 be adopted and stand part of the Report.

**The Committee divided.**

<b>Ayes 4</b>	<b>Noes 3</b>
Mr Finn	Mr Gepp
Ms Hartland	Mr Eideh
Mr Ondarchie	Mr Leane
Mr O'Sullivan	

**Question agreed to.**

Mr Ondarchie moved, That the Report be adopted.

**The Committee divided.**

<b>Ayes 4</b>	<b>Noes 3</b>
Mr Finn	Mr Gepp
Ms Hartland	Mr Eideh
Mr Ondarchie	Mr Leane
Mr O'Sullivan	

**Question agreed to.**



# Minority report



## Minority Report –

### **Preamble:**

#### **Major Projects**

Infrastructure investment is a key priority for the Andrews Labor Government, with \$30 billion worth of transport projects currently under construction.

The Labor Government is building congestion-busting roads and the turn up and go public transport system Victoria deserves – creating more than 50,000 new jobs.

50 dangerous and congested level crossings across Melbourne are being removed, making communities safer and less congested and creating thousands of jobs. Victoria's biggest ever program to remove level crossings started in 2015, with the program to be completed by 2022. 12 level crossings are already gone for good, with 16 others currently under construction.

Construction is underway on the \$11 billion Metro Tunnel project, which will take our two busiest train lines through a new tunnel under Melbourne, freeing up space in the City Loop to run more trains, more often across the network.

Melbourne's next generation high-capacity metro trains will complement our rail upgrades. The 65 new trains will be bigger, moving 20 per cent more passengers per service, with the latest signalling technology that will allow trains to run more frequently.

Construction has started on the West Gate Tunnel project, Victoria's long overdue alternative to the West Gate Bridge. It will take trucks off local roads in the inner west, create 6000 jobs and slash congestion all the way along the M1 corridor from Geelong to Pakenham.

Detailed design work is underway on the North East Link, Victoria's biggest ever transport project that will finally complete the missing link in Melbourne's road network. It will slash travel times, get trucks off local roads and link key growth areas in the north and south-east.

The Government is building Mernda Rail, a brand new rail line from South Morang to Mernda with three new stations, walking and cycling paths and up to 2,000 car parks for commuters in Melbourne's north.

The Government is also upgrading every regional passenger line in Victoria through the Regional Rail Revival program. The once in a generation investment will improve the reliability of the regional transport network, create 1,000 jobs and support local economies.

The Monash Freeway Upgrade will improve traffic flow on the Monash with more lanes and modern technology, while the CityLink Tulla Widening and M80 Ring Road Upgrade projects will improve safety, reduce congestion and cut travel times for the hundreds of thousands of people who use these busy corridors every day.

It doesn't stop there – the Government is upgrading the Chandley Highway Bridge and Swan St Bridge, while also streamlining Hoddle Street.

## **Dissenting Report**

The Government members of the committee do not accept the recommendations of the report because they would compromise the delivery of the Government's significant infrastructure agenda. The recommendations would increase the cost of infrastructure projects, delay their completion and are not consistent with international best practice approaches to business disruption, communication and consultation.

The recommendations from Opposition members are a clear illustration that they have no experience in delivering major projects. They didn't undertake major projects when in Government and they have opposed them in Opposition.

It is noted that the Liberal and National party members of the committee have voted in the Legislative Council in support of motions to block the delivery of the removal of level crossings, the Metro Tunnel project and the West Gate Tunnel. The Liberal party have supported Supreme Court action to halt the removal of level crossings. Liberal and National party members voted to give one local council the power to veto the Metro Tunnel project that benefits all Victorians.

Victorian industry and business groups have made it very clear that the current approach of the Opposition is a direct threat to the economic future of Victoria.

It is acknowledged that the suggested recommendations in this report are consistent with the position of the Liberal and National parties against major transport projects proceeding in Victoria.

Government members cannot support recommendations that would compromise the delivery of major projects and the Victorian economy.

### **Recommendation One - West Gate Tunnel**

The approval of the West Gate Tunnel followed a comprehensive and public Environment Effect Statement. The Public Private Partnership contract has been released to the public.

The recommendations endorsed by Liberal and National party members do not suggest that the planning approvals for the West Gate Tunnel should be revoked by the parliament. This is further evidence that the Opposition's decision to revoke the planning approvals for this project was a political stunt.

With respect to the specific points of Recommendation One, the Government response is as follows:

That the Government make available:

- Amount of funding Transurban will contribute to WGTP
- Amount gov will contribute to WGTP

**Response:**

This information has been made available on page 4 of the West Gate Tunnel Project Summary. The nominal State Government contribution to the West Gate Tunnel Project is \$2,658 million.

- How much motorists in each vehicle class will pay in tolls on the WGT and Citylink between 2019-2029

**Response:**

It is not possible to calculate the exact tolls on the CityLink network or the West Gate Tunnel without knowing the forward inflation rate. Further information is provided on page 4 of the West Gate Tunnel Project Summary.

- Estimate of how much TU will receive in toll revenue for the life of the CL and WGT toll concession until 2045

**Response:**

This depends on a number of factors, including number and type of vehicles using the road and the inflation rate. Over the period to 2045, these factors are subject to considerable uncertainty. Risk to revenue associated with this uncertainty is entirely borne by Transurban.

- Info from TU illustrating that it will not meet the equity return threshold of 17.5%, even with the increased toll revenue.

**Response:**

The Government satisfied itself that the early exit provisions in the original CityLink Concession Deed is unlikely to be met under any scenario as part of the WGT MLP. It did so using commercially sensitive information from both the State and Transurban, and specialist advice from Macquarie Capital, PWC and others.

As part of that process, Transurban provided the State with access to commercially sensitive information on the condition that it not be made public. The Government will not breach those confidentially obligations.

## **Recommendation Two - Compensation**

The objectives of this recommendation are worthy, but its intentions can be addressed through better and existing methods. The recommendations have potential to create significant cost implications depending on the nature and scale of the project and the businesses that are disrupted. This would compromise the Government's infrastructure agenda. The Government's comprehensive Business Assistance approach is a far better way of addressing business disruption. It is a far more flexible approach that is able to deal with the specific impacts on individual businesses.

The report's recommendations do not cover the option of relocation, either temporary or permanent, which is often the best approach and is being successfully implemented.

Businesses make and lose money for a variety of reasons. The trading conditions of businesses are impacted by many factors. In many cases it will be difficult and often impossible to attribute and quantify a revenue adjustment to the specific impacts of a major project disruption.

The recommendations do not acknowledge or cater for the fact that many businesses enjoy increased trading conditions and revenue during disruption.

Depending on the project and the nature of a business, many businesses will experience long term benefits from the project. These benefits will potentially including increased land value and trading conditions. Under the proposed recommendations the taxpayer will be compensating many businesses that are going to receive ongoing long term increased revenue and profits as a result of taxpayer funded expenditure.

While the recommendations confine compensation to the declared project area this can still include thousands of businesses that will all be impacted differently. The Metro Tunnel project is a case in point.

### **Recommendation Three - Communication and Consultation**

The Government already has proper and comprehensive processes in place in relation to consultation and public participation. On major infrastructure projects, the Government's engagement with the community is consistent with the International Association for Public Participation (IAP2) framework. The IAP2 framework already includes key approaches towards accommodating the items that the recommendation suggests be incorporated into a guide.

It is noted that while the Opposition have complained in public about the cost of communication and consultation in relation to major projects in this report they have called for expenditure on communication and consultation to be increased.

The recommendation to provide information about the impacts of projects, including changed traffic conditions and public transport disruptions across a range of communications platforms including a central platform such as a website is supported and being implemented via the Government's Big Build initiative..

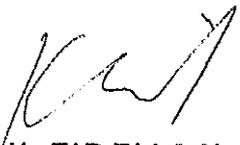
### **Evaluation**

What is recommended already occurs. Government produces comprehensive Consultation summaries that include all the items outlined in the recommendations.



MARK GEPP MLC

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