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PUBLIC ACCOUNTS AND ESTIMATES COMMITTEE

Inquiry into Budget Estimates 2015–16

Melbourne — 15 May 2015

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Ms Jacinta Allan, Minister for Public Transport,

Mr Richard Bolt, secretary,

Mr Gary Liddle, Lead Deputy Secretary, Transport Group,

Mr Corey Hannett, Coordinator-General, Major Transport Infrastructure Program, and

Mr Mark Wild, Chief Executive Officer, Public Transport Victoria, Department of Economic Development, Jobs, Transport and Resources.

The CHAIR — I declare open the public hearings for the Public Accounts and Estimates Committee inquiry into the 2015–16 budget estimates. I welcome the Minister for Public Transport, the Honourable Jacinta Allan, MP; the Secretary of the Department of Economic Development, Jobs, Transport and Resources, Mr Richard Bolt; Mr Gary Liddle, Lead Deputy Secretary, Transport Group; Mr Corey Hannett, Coordinator-General, Major Transport Infrastructure Program; and Mr Mark Wild, Chief Executive Officer, Public Transport Victoria.

We also have a number of potential witnesses in the gallery: Ms Sue Eddy, Lead Deputy Secretary, Financial Management and Technology Services Group; Mr Evan Tattersall, CEO, Melbourne Metro Rail Authority; Mr Kevin Devlin, CEO, Level Crossing Removal Authority; Mr Matt Phelan, Director, Stakeholder and Communications, Major Transport Infrastructure Program; Mr Josh Miller, Director, Legal and Commercial, Major Transport Infrastructure Program; Ms Trish Burrows, Director, Governance, Major Transport Infrastructure Program; Mr Theo Taifalos, CEO, V/Line; Mr Campbell Rose, CEO, VicTrack; as well as the acting CEO of the Taxi Services Commission.

All evidence is taken by this committee under the provisions of the Parliamentary Committees Act, attracts parliamentary privilege and is protected from judicial review. Any comments made outside the hearing, including on social media, are not afforded such privilege. The committee does not require witnesses to be sworn, but questions must be answered fully, accurately and truthfully. Witnesses found to be giving false or misleading evidence may be in contempt of Parliament and subject to penalty.

All evidence given today is recorded by Hansard. You will be provided with proof versions of the transcript for verification as soon as it is available. Verified transcripts, PowerPoint presentations and handouts will be placed on the committee's website as soon as possible.

Departmental officers may approach the table during the hearing to provide information to the witnesses if requested, by leave of myself. However, written communication to witnesses can only be provided by officers of the PAEC secretariat.

Members of the public gallery cannot participate in the committee's proceedings in any way. Members of the media are to observe the following guidelines: cameras must remain focused only on the persons speaking; operators must not pan the public gallery, the committee or witnesses; filming and recording must cease immediately at the completion of the hearing.

I now invite the witness to make a very brief opening statement of no more than 10 minutes. This will be followed by questions from the committee.

Ms ALLAN — Thank you very much, Chair, and thanks to the committee for the opportunity to present to you on the public transport budget for the 2015 year and also the opportunity to explain and expand on how the Andrews Labor government is certainly getting on with delivering improved public transport services for all Victorians. We know that is something Victorians want. They want to see fast, reliable, comfortable services. They want to get home and to work quickly, but more importantly they also want to get home at the end of the day sooner and safely, so that is what this budget is focused on in public transport. It is about improving where we can services now and building the infrastructure and planning the infrastructure that we need for the future across Melbourne and regional Victoria.

Visual presentation.

Ms ALLAN — I thought I would start by presenting a few quick datasets on where public transport patronage growth has been over the last few years and more importantly where it is going.

Over the past decade we have seen the number of people using the metropolitan train system increase by 50 per cent — quite a significant increase. You have seen how that rises quite sharply in the 2000s. The data also shows us that in the last three months around 7 out of 10 Melburnians have used the public transport system, so it is a system that the vast majority of Melburnians engage with in some way.

Public transport is now something that we experience firsthand. It is something that, as we all know, people have very strong and diverse views about based on their personal experience.

As I said, this chart shows both the increase in patronage that has been experienced and also what we are projected to see in the future and why the Melbourne Metro rail project is such an important project for our state.

If you go back to the 1970s on that chart and the early 1980s, when the city loop opened, you will see how that turned around a decline in public transport usage leading up to that point. We would expect to see, not just through population growth but through the improved services that Melbourne Metro will provide, a passenger increase, a patronage increase, in the years ahead beyond 2026, when Melbourne Metro is completed.

Moving on to regional services, regional rail has been an amazing story as well. Patronage on regional rail services has increased by nearly 100 per cent — it has doubled — in the past decade. Again, if you go back to the early 2000s, when the former Labor government invested in improving regional rail services, it is shown on this chart here how that did stimulate a significant increase in passenger usage of our regional rail services. We are seeing not just that people use it to travel from the country into the city but that it is also a very important intra-country mode of transport as people move around regional Victoria.

Finally on trams, we are also seeing significant patronage growth on our tram network. Around 600 000 people on a typical weekday use Melbourne's tram network. What we are seeing here is there has been a 120 per cent increase in the past decade in tram patronage. This also shows the important need to invest in new trams, in new tram infrastructure, but the Melbourne Metro infrastructure will also support the growth in passenger patronage on the tram network as it provides additional capacity on the public transport system. The train system will alleviate some of that pressure on the tram network as well.

That frames, if you like, some of the key initiatives in our first budget, a budget where we have committed \$20 billion of investment into public transport — a record amount in Victoria's history. It is a big number, it is an exciting number and it reflects the size of the task that is ahead of us. It meets some of those key election commitments that we have made, and in many instances it exceeds them.

For example, we committed to purchasing 30 metropolitan trains; we will be ordering 42. We committed to provide \$300 million in funding to get Melbourne Metro started; this budget provides \$1.5 billion. We said we would order 20 additional V/Line V/Locity carriages; this budget provides for an order of 21 plus the construction of a maintenance facility at Waurin Ponds.

At the centre of our transport infrastructure agenda is of course the Melbourne Metro rail project, and it is at the centre because it is the project that will unlock the capacity of the system in the centre of Melbourne to enable additional services to be run from the suburbs of Melbourne and from regional Victoria as well. Everyone who uses the train system in this state will see a benefit from the Melbourne Metro rail system, and that is why we have committed \$1.5 billion in this budget. We have to push on with this project. It is the project the rail system needs, and I anticipate I will have a chance to talk a bit more about this over the course of the hearing.

The other big project that is going to unlock significant capacity on the rail system, address road congestion and be a massive safety boost for people who travel by train or car or bus is of course the removal of the 50 most dangerous level crossings across Melbourne. We have made the provision in this budget to remove the first 20, and 17 of those have been identified. If you look at the data — and again I might have the opportunity to expand on this later — some of those boom gates along the Cranbourne-Pakenham line are down for over 80 minutes in every two-hour a.m. peak. That provides enormous frustration for people in the surrounding suburbs, it is a safety risk, it is a congestion issue and that is why this project is so important.

The budget also commits to the purchase of 37 new high-capacity trains, longer trains that will give us the ability to move more people through our public transport system. Also with the Cranbourne-Pakenham rail corridor of works, that program will see an increase in capacity on that line by 42 per cent.

Moving to regional Victoria, this budget delivers — sorry, I am getting ahead of myself. I want to talk a bit about rolling stock before I get to regional Victoria. This budget provides a \$2 billion investment in rolling stock, and it is a comprehensive strategy. We are not just, in this budget, placing an order for the short term in terms of the next tranche of works; what we are doing with our rolling stock strategy is laying out a 10-year program of works, giving the rail industry and the supply chain components sector that relies on this industry some visibility over the government's long-term intentions around rolling stock procurement. This budget and

the rolling stock strategy commits to, as I have already mentioned, the high-capacity trains. It provides for the purchase of 20 new E-class trams, the 21 V/Locity carriages, the 5 new X'trapolis trains that will be built at Ballarat and it also provides for maintenance and refurbishment to extend the life of the Comeng fleet and the B-class trams. We need to do these works ahead of the new rolling stock coming online in the future.

Moving to regional Victoria, we are also very strongly committed to improving public transport in regional Victoria. I have touched a little bit on how Melbourne Metro will benefit regional communities, but we know, as I said before, public transport demand has increased by 100 per cent over the past decade in regional Victoria. We know we need to continue to push on to provide improved services. The regional rail link will be opening in the coming few weeks, and that will provide for extra capacity for regional rail services. There is the Bendigo Metro project, which I am happy to discuss in great detail, an exciting project that is about providing commuter rail services in and around the communities of Bendigo. Rail freight — I think many of us understand the importance of moving product by rail through regional Victoria. The Murray Basin freight rail project is an important one, and the budget provides commitments for this. Indeed we have already committed to stage 1 with the \$30 million package of work that is already underway at the northern end of the Mildura line.

Finally, just to flag a future piece of work, we will be undertaking the regional network development plan, for the first time putting in place a comprehensive plan for public transport services in regional communities that will help guide the next wave of investment and service provision.

I am not sure how I am going for time, Chair, but quickly on some of the other key features of the budget that is about delivering on our election commitments: there is the extension of the Mernda rail line. We have made a very firm commitment to extending the rail line from South Morang to Mernda. This budget provides the \$9 million that is needed for the planning. Before we can start works on this project we have got to do the planning. That is what this budget provides for, and this budget also makes the provision for the funding to complete the Mernda rail link.

We will also be providing a new bus interchange at Huntingdale station, a very busy location, very strategically important for Monash University and the thousands of people who use that precinct every day, and we also have a broader bus package of \$100 million for additional bus services right across the state. We are also getting on with fixing up Flinders Street station — a \$100 million investment to clean up and restore that fantastic facility in the centre of Melbourne. Then there is also a range of commitments that we made in the taxi industry. The feature there is the \$4 million for the Taxi Hardship Fund.

In winding up, Chair, this is both an exciting and indeed challenging time in public transport. There are more people using public transport and keen to see the delivery of more services that are reliable and accessible, and we are very focused on getting on with both delivering the projects we have committed to and looking at where at every possible opportunity we can improve public transport services for Victorians.

The CHAIR — Thank you, Minister. I might kick off, if I may. In the context of the 2015–16 budget and your own portfolio responsibilities, can you inform the committee how this budget acquits Labor's financial statements, please?

Ms ALLAN — Thank you, Chair. I will perhaps touch back on some of those issues that I talked about in my presentation, but this budget starts to deliver on all of our public transport commitments. There is that \$20 billion, that biggest investment ever in public transport services, and that is focused on accommodating future growth and very much having a strong focus on what passengers need, listening to what they tell us and delivering in those areas. I have talked already about the Melbourne Metro rail project, but can I say it was just so important that we did not just meet the commitments we made in the LFS document; it was so important that we exceeded them, because we know we are already four years behind on the Melbourne Metro project, and that is why we have committed the \$1.5 billion over the forward estimates period to do as much work as we can ahead of major construction starting in 2018. Similarly too with the level crossing removal program; we want to see 20 of the first 50 completed by 2018, and that is why the budget delivers the \$2.4 billion that is needed to remove those. We have already announced the first 17 of those that will be removed.

One that I did not touch on in my presentation but I should absolutely mention here is the Homesafe trial. We have committed \$50 million to trial Homesafe — 24-hour public transport services in Melbourne over the weekend — starting from 1 January 2016. We have that commitment in this year's budget paper to commence

that trial, and there is a lot of work underway right now on how that will be rolled out at the end of the year. There is also that rolling stock investment. I have talked already about the additional trains and trams that will be procured through the rolling stock strategy. Also, we should not lose sight of the fact that this is a significant investment in jobs in Victoria. There are around 10 000 jobs in the rolling stock supply chain, and that is not just the workers who are employed at your Bombardiers and your Alstoms. There is an enormous supply chain that has developed here in Victoria around those companies. Giving that industry the visibility of the government's future intentions is very important for the security of their workforce and enables them to invest in their own businesses.

Buses too. I mentioned the \$100 million bus package. I neglected to mention that in addition to providing additional improvements for Monash University part of our bus package includes improvements for students at La Trobe University and Deakin as well, recognising that for university students it is a good service for them to have, to be able to get to and from university safely.

Another one I did not mention in the introduction that is also important very much at a community level is the Frankston station precinct redevelopment. Through LFS we committed that \$50 million would be allocated over four years. This budget makes provision for that and gets a start with \$13 million. This is an exciting development. Anyone who has been to Frankston and knows that station precinct knows that it needs work, both in terms of improving public transport services and community amenity, and that is what this project is focused on.

There are a number of other initiatives. I can see that I may be coming towards the end of my time limit for this question.

The CHAIR — I think you have another minute.

Ms ALLAN — Another minute? Terrific. There is also the Ballarat railway precinct development — another exciting project that is about looking at the land around that beautiful Ballarat railway station. It is an old heritage station. There is an opportunity to do some development and investment in that area, and I know my colleague the Minister for Regional Development is very excited about that.

We also have a number of commitments outside of the LFS, if you like, that have been achieved as well. Most notably we said we would implement a crackdown on station skipping, and we are well down that path with some work that is underway between Public Transport Victoria and Melbourne Metro to see that happen.

In a whole number of areas, as I said, we have delivered in full in this year's budget in acquitting those commitments we took to the community and which were articulated in *Labor's Financial Statement*. In many instances and cases we have exceeded those commitments. We had gone beyond what we committed to, recognising that we need to have both a fast start with strong financial backing to get on with those important public transport projects the state needs.

Mr MORRIS — Minister, can I refer you to the budget information paper *Getting On With It* and budget paper 3, page 36, asset initiatives, and, as you mentioned in your opening remarks, the Melbourne Metro rail project. The budget information paper indicates the total scope of the project to be \$9 billion to \$11 billion — within that range — but the asset initiatives only provide for \$1.56 billion over five years. Some may call it a black hole, but I am not going to do that this early in the hearings. Clearly it is a significant gap. The best part of \$8 billion to \$9 billion is still to be found. We know that there are alternative views in the government about how this may be funded. We have heard about possible levies, and we have heard about the potential for fare rises and for increased tolls. I know that the Treasurer has expressed some views on that. The Premier, before this committee last week, expressed a different view, but as the minister responsible for the project, how do you see it being funded?

Ms ALLAN — How I see it being funded — that is the nub of the question?

Mr MORRIS — Yes.

Ms ALLAN — Thank you for that question, and I am really pleased to have an opportunity to expand on the Melbourne Metro rail project. I will just go back a step and explain what goes into that \$9 billion to \$11 billion, because this is the biggest infrastructure project the state has seen. As part of its construction there are two

9-kilometre tunnels. With that, there is the construction of five new stations — Arden, Parkville, City North, City South and Domain. There are significant works that will need to go on in terms of rerouting the tram services to make provision for the works on Melbourne Metro. This is a significant project that will dramatically unlock the capacity of Melbourne's public transport system.

In this year's budget we have allocated \$1.5 billion, and this is on the advice of the Melbourne Metro rail authority. This is the funding that is needed to do all the work that needs to be done to get the project ready for major construction in 2018. That funding will go towards the completion of the business case, the planning work that needs to be done and the land acquisition. A vast amount of geotechnical work is already underway. All this is work that needs to be done leading up to the commencement of major construction. I should also mention that a significant part of that is the work on rerouting the trams. The trams that run down Swanston Street will need to be rerouted. So there is a significant amount of work that will occur that makes up that \$1.5 billion.

We felt that we needed to get on with it quickly and get those works underway. We have always been very clear that this is a project that would be funded a third by the state, a third by the federal government and a third by the private sector. We have already made great progress on our commitments. We have indicated that we have that \$1.5 billion in this year's budget. We have already also indicated that the credit facility that has been negotiated as the outcome of the east-west project negotiations will be repurposed towards the Melbourne Metro rail project. We have already had very strong interest from the private sector about coming on board as a partner. It is not surprising. This is an exciting project.

Finally, I continue to be very optimistic that commonwealth governments in the future will come to see that this is a project of great value and great worth to Victoria and indeed to the commonwealth. The commonwealth's own independent advisory body, Infrastructure Australia, have had this consistently as their number one project for Victoria for very good reason, because of the economic contribution it makes to the state, not just the 3500 jobs through construction, the economic activity that it will stimulate through the more efficient and productive movement of people through the city and the state. This is an important project that we need to deliver. Infrastructure Australia has recognised this. Vast numbers of other people have recognised this and look forward to future commonwealth governments also recognising this and recognising that historically they have played a role in funding urban rail projects. Indeed the regional rail link in Victoria is an outstanding example of that.

There are other projects around the country that are underway or have just been completed that have been funded in partnership between federal and state governments. It is something that needs to be done and should be done, and we will continue to have very good dialogue with the commonwealth around supporting this project.

Mr MORRIS — Minister, thank you for that comprehensive answer. I take it from that that the intention is to spend \$1.56 billion but not turn one shovel of dirt.

Ms ALLAN — That would be misrepresenting and perhaps not fully understanding the scope of works that are involved. If I can share with you some information, some of the geotechnical work that is underway right now. I have a handout, if I can just hand this around to the committee. This shows you the geotechnical work that is already underway. There will be 140 drilling sites across Melbourne. That is work that is underway, and we need to do this to test the soil conditions and to understand the location of utilities under the surface. This work started two and a half weeks ago in the Queen Victoria Gardens down near the Arts Centre, and there will be 140 of these sites across the length of the route of the project.

Also too I mentioned as part of that list of things that will be funded from the \$1.5 billion, we need to do extensive tram relocation work. The trams that currently run down Swanston Street will need to be relocated, and there will need to be tram works at various locations in the city to accommodate that. You will be pleasantly surprised at the amount of preparatory work that will involve some of these construction activities. It will be well and truly underway ahead of major construction in 2018.

The CHAIR — Minister, for clarification, are these documents now public documents?

Ms ALLAN — Yes. I just realised this one has not been sourced. It is provided by the Melbourne Metro authority — my apologies.

The CHAIR — Thank you for that clarification, Minister.

Ms PENNICUIK — Minister and departmental representatives, good morning. With your presentation, Minister, you went through several slides showing us the increase in patronage on the Melbourne rail and tram network in particular over the last couple of decades, and basically saying, in both cases, patronage has pretty well doubled. I think we would have to say that in that time capacity has nowhere near doubled to keep up with that, and so the ongoing problem that is facing commuters in the morning and in the evening is overcrowding on the train system and on the tram system, in particular in Melbourne.

While you have talked about, particularly budget paper 4 with your public sector capital program investing in transport, more than \$2 billion in rolling stock and associated infrastructure, high-capacity trains et cetera, my question is: what measures are in place to actually address the ongoing overcrowding issues, the issues with lack of regular service or irregular service, and you mentioned briefly in your contribution before about skipping stations. What measures are in place to actually deal with these issues now in the short term? I appreciate the long-term plans, but commuters are, and have been for years, facing these problems, and I am wondering what measures are in place to actually alleviate these problems in the shorter term?

Ms ALLAN — Thank you, Sue, for your question. There are performance measures in the budget papers around capacity of the system that is tracking in part that increase in patronage that I spoke about. There is no doubt that one of the big challenges for our public transport system is addressing some of those congestion issues that are being experienced right now by people who use the system on a regular basis.

The opening of the Regional Rail Link in a few weeks time — in about a month's time — will enable the provision of additional services primarily, obviously, geographically to the west of the city and the state; additional services for regional commuters and also for people along the Werribee line. That will provide some relief for those commuters.

Also, the purchase of additional rolling stock. Some of that is a little way off, as in the high-capacity trains. The first of those will be rolling into the system in 2018, but in the shorter term we recognise we need to put some additional rolling stock into the system, and that is why we placed an urgent order with Alstom in Ballarat for five new X'trapolis trains. We announced that in February. We made that important announcement and also an important jobs announcement — I think that supports around 60 or 70 jobs at Alstom in Ballarat — recognising that a big part of addressing some of those pressure points on the system now is about providing new rolling stock.

Similarly, the commitments we have made to purchase new trams and regional trains are an extension of current orders that are already in place with Bombardier in Dandenong. They are already rolling 1 tram off the production line, at around one a month, of the current order of 50 that was placed by the former Labor government in 2010. That order is ongoing, and we have made a commitment in the short-term to procure another 20, with more being provided for in the future in the rolling stock strategy. Similarly, as I have mentioned, extending the current work on the regional V/Locity trains will enable those trains to come into operation sooner. I hope that gives you a sense of some of those actions that we are needing to take now to address some of those capacity issues.

If I can just talk briefly about the second part of your question, which went to the issue of the skipping of stations, I think I might have touched on this in my introductory comments. We indicated through our election commitments that we wanted to see this practice stamped out. Indeed it is incredibly frustrating; I hear this a lot from public transport users how — —

Ms PENNICUIK — Minister, I have experienced it a lot — standing on stations and seeing them fly past, and then the next train commuters cannot get on.

Ms WARD — Yes, everyone has.

Ms PENNICUIK — That is why it is an important issue, Ms Ward.

Ms ALLAN — It is a hugely frustrating experience. On coming to government I have had a number of conversations with both Public Transport Victoria and Melbourne Metro, the franchisee, about how we can see this practice stamped out. As part of this, what we have moved to do already is we have implemented the Metro performance reporting system. In March 2015 Public Transport Victoria introduced this new system to enable better recording and reporting of performance. What we have since done, and this was announced and released late last week, is introduce into the monthly reporting, which is available on the Public Transport Victoria website — we have included station skipping in the performance report that is made available to the public, so the public can see how Metro is performing and it be measured against this.

It is an accountability measure and makes it very transparent from the point of view of a passenger, as they can see the number of services that this happening with. That information has been available on the website since last Friday. We can point you to it more easily if you are wanting to see it. The April figures show that there were 97 services that this happened to. I think this makes up about 0.2 of all services that are run across the system and provides passengers with a better level of understanding of what is happening across the system. We are also talking to Metro about how this can be reduced even further.

Ms PENNICUIK — Hopefully it will reduce to zero, because I think it is cold comfort to passengers who are seeing the train go by that it is only 0.2 per cent. It is actually affecting them on a daily basis. And the next train of course nobody can get on — and at the following stations. It has an ongoing effect.

But if I can turn to trams, one of the problems with trams and the whole overcrowding issue is the areas where there is no connectivity between trams and tramlines and trams and railway lines. I am sure the minister is aware of those. In budget paper 4, page 100, with regard to tram procurement and supporting infrastructure, I wonder if any of that supporting infrastructure includes tram extensions and connections between tramlines and railway lines. I am sure the minister knows where those gaps are without me telling her.

Ms ALLAN — There are two parts to that. One is an infrastructure response, which is what that budget paper reference refers to, and that goes to the purchasing of additional trams and improving tram stops, particularly improving tram stops to have the disability access provision —

Ms PENNICUIK — I saw that.

Ms ALLAN — which is critically important in improving accessibility across the system. Then the second part of your question goes to the alignment of the timetable, which is something that is being worked on at present.

Ms PENNICUIK — It is not just the alignment of the timetable; it is gaps, for example — —

Ms Shing interjected.

Ms PENNICUIK — Thank you, Ms Shing.

Ms ALLAN — In terms of the timetable work, there is work going on in terms of what a new metropolitan timetable might look like, and this is necessitated by the rollout of the Homesafe trial. It means we need to print a new timetable by the end of the year just to factor in the Homesafe trial. As part of that, looking at other changes across the system, there is also a review — and some of this I think has already made the media in some ways — around looking at tram timetable changes as well. The work that is going on has as one of its primary objectives how to improve those linkages between tram and train services, whether it is lining up tram services to train stations to make sure there is connection there for when the major services arrive. It is also important for buses as well, that they are part of it. At every possible opportunity there is a focus on how we can align and link those timetables across bus, tram and train so we can reduce some of those gaps.

In a big system there is always the risk that there may be some gaps, but as much as possible, where there is the opportunity to align services and provide as seamless as possible a service for passengers, that is certainly the aim of the work that Public Transport Victoria does.

Ms PENNICUIK — Chair, my question was not really about timetables. It was about infrastructure and gaps between linkages of tramlines that do not connect with other tramlines by a few hundred metres.

Ms ALLAN — Oh, right. You are talking about extending tramlines.

Ms PENNICUIK — Tram extensions, yes, or tramlines that do not connect with a railway station by a few hundred metres — for example, the no. 3 tram; for example, the Park Street tram. That is the sort of thing I was talking about, Chair, not timetables.

The CHAIR — I am happy for the minister to continue.

Ms ALLAN — Sorry. Look, I can come back to you on some of that work, because a lot of the infrastructure work we are doing at the moment is focused on the disability access needs —

Ms PENNICUIK — I noticed that.

Ms ALLAN — Not necessarily, at this stage, about extending tramlines. Significant tram works will be necessitated as a result of the Melbourne Metro rail project, because the new station at Domain, for example, will be a significant tram and train interchange. Similarly, Parkville is also going to be another significant train and tram interchange point. At the moment those are the priorities across the tram infrastructure network, and work is also being done through agencies around Public Transport Victoria and VicRoads about what improvements can be made to the operation of trams at the moment. Obviously the pressure point, the tension point between trams and cars, is a constant one across the tram network in Melbourne. It is something that I know Yarra Trams speaks to PTV all the time about. They have spoken to me. The CEO, Clement Michel, has raised with me some of those issues across the system.

Ms WARD — Minister, can I ask you to have a look at budget paper 4, page 98. I am glad that we started talking about Metro rail first up this morning because, as you say in your presentation, it is an incredibly important project. We have spoken about how the costings are going to happen, but can we talk a bit more and learn a bit more about how this project is going to address the demand on public transport?

Ms ALLAN — Certainly. Thank you for that question, Vicki. The construction of the Melbourne Metro rail project provides for a significant expansion of our public transport system. I think I might already have provided the committee with the figure. It will enable an additional 20 000 passenger movements during the peak period through the construction of two 9-kilometre tunnels through the city and the construction of five new stations. It really will provide a significant increase in capacity. There will be connections with the city loop through two of the new stations. Roughly, at the moment, City North is planned to be located near the corner of La Trobe and Franklin streets. Obviously that will provide for a connection through to Melbourne Central station. City South will connect through to Flinders Street station, providing for those seamless connections to the city loop.

People will be able to come in and have a seamless interchange at those key points if the city is not their final destination. For many people the city is their final destination, but some people need to go further afield. It will certainly provide for that. Also the issue for country people is at the moment people coming in on regional services can, if you like, get to the front door of the city, but it can sometimes be a bit hard to get through because there is not the provision or the space in the system to provide for additional regional city services. Melbourne Metro will unlock that city gate to provide for additional regional services. Particularly if you are a country person who has to travel to the hospital precinct, whether you are coming from Gippsland, Ballarat or Bendigo, many country people use the Children's, the Women's and the Royal Melbourne up in and around that precinct, and a whole range of specialists and other health professionals base themselves in that precinct, Melbourne Metro will deliver them to that precinct in a much easier way than is done at present. If you are from the country, you may not always be as familiar with the metropolitan system. It can sometimes be a daunting task made even more difficult when you are not well or visiting someone who is not well. This will be a very important connection for people from the regions as well.

Similarly, for movements across the city, making it easier for people to access the university precinct. I have not even touched on the importance of the St Kilda Road connection. Obviously a lot of trams currently run down St Kilda Road. I think that Swanston Street – St Kilda Road thoroughfare is just about the busiest tram thoroughfare in the world, and that can also get congested as we have just been talking about. Melbourne Metro will relieve some of that tram congestion by providing an underground train service to those locations, particularly with the new interchange that will be constructed at Domain. The St Kilda Road business precinct is a significant part of Melbourne's economy. Tens of thousands of jobs are based there now, and it is only

predicted to grow and continue to be a location where businesses want to choose to locate themselves to access the services and skills of the Melbourne and Victorian communities. Providing public transport infrastructure that meets the needs of those key precincts is going to provide increased capacity to move people to those key locations, but it will also relieve pressure from other parts of the network by providing additional pathways into the city for a whole range of different trains. It will also free up some of those congestion issues.

Mr T. SMITH — Welcome, Minister. I refer to budget paper 3, page 161, regarding punctuality for metropolitan and regional trains. What percentage of Metro and V/Line trains ran on time during the weekday peak hours on each line in each of the first four months of 2015?

Ms ALLAN — I believe that information would be publicly available on the Public Transport Victoria website. I do not have it. If you gave me a few minutes, I could Google it for you right now, but we can make that available. That is publicly available on the Public Transport Victoria website.

The CHAIR — If you could take that question on notice and provide that answer to the committee when you can that would be — —

Ms ALLAN — It is information that is already publicly available, Chair, and I am more than happy to.

Ms WARD — Perhaps send the link.

Ms ALLAN — I can send the link to the committee to assist with their considerations.

Mr MORRIS — On a point of order, Chair, just so we have got clarity. I am certainly no expert in this field, so I may well be incorrect, but my understanding is that the peak times, which is what was actually asked for, are not available on the web. Is that correct or not correct?

Mr WILD — I can answer that. The minister is correct that the data you have requested by line is available and published in something called *Track Record*. The peak-hour data is not published; but, as the minister said just a moment ago, there is a new system called Performance Reporting System, PRS, that has only been in use for about a month or so. That will enable us in future Track Records to publish peak and non-peak, line by line data, and that will be in the next issue of *Track Record* for the quarter that we are in. The data is published at the moment across the whole day; the system we have instituted under the direction of the minister will enable that granularity, and we will start reporting that in the next *Track Record*.

Mr MORRIS — Excellent.

Mr T. SMITH — So going to what Mr Wild had to say with regard to that new system, would you be able to make the data that I was seeking for the peak periods on each line available to the committee?

Mr WILD — It will be publicly available.

Mr T. SMITH — It will be publicly available anyway.

Mr WILD — As the minister said, it will be on our website and freely available on a quarterly basis.

Ms PENNICUIK — If we could continue on our themes of overcrowding, connectivity et cetera, and just immediate services, Minister, when you were talking about timetables before, I did not mean to say that timetables were not an important issue, but I was just clarifying the purpose of my question because timetables are an important issue. But then you touched briefly on buses, so if we look at your \$100 million bus package, which seems to have a fair bit less than \$100 million in the immediate future, the questions I want to ask about the expansion of bus services that are detailed in that bus package are: whether that will mean that bus services across the metropolitan area and indeed in regional areas will achieve a minimum service level; how many more kilometres of bus services will be introduced; whether there is going to be an expansion of hours of service across the network; and what community consultation has been or will be undertaken as part of this process?

Ms ALLAN — Thank you, Sue. Again, there are a few things in that so I will work through them, and pick me up if there is anything that I miss out. You are correct that we have an election commitment and indeed a project delivery of a \$100 million bus package to improve Victoria's bus network, and it is a package of works that will be delivered over the four years and rolled out progressively. As part of the breakdown of that

\$100 million in funding there is \$15 million for capital funding to upgrade interchanges. Also I mentioned before disability access-compliant tram stops, and we will similarly, as part of that infrastructure work, be doing a similar thing for major bus stops on new routes and also improved signage.

The balance of that fund is \$85 million over four years to deliver additional bus services, and there is a significant list of new bus services that are listed in *Labor's Financial Statement*. I do not think the committee would necessarily want me to go through that list. I am happy to, but I think it is there in the documentation before you.

Ms PENNICUIK — Yes, I have it

Ms ALLAN — Terrific. Sue has got it there. I think it gives you an indication of the spread of additional services that are going to be delivered across the city. You asked about what that means in terms of extending the number of kilometres, and I will take that one on board and will come back to you in terms of what that means in what those additional kilometres provide to the bus network, but it is an increase, particularly in bus services. I also mentioned before the improvements for students at Monash, La Trobe and Deakin universities by increasing services for those locations.

Ms PENNICUIK — Minister, I also asked about minimum service levels.

Ms ALLAN — You asked about minimum service levels? That is — —

Ms PENNICUIK — Is this going to mean that those bus routes will have minimum service levels operating 7.00 a.m. to 9.00 p.m.?

Ms ALLAN — Those additional services will be rolled out over the next four years and the timetable will be published as part of the rollout of those services. You also talked about consultation, and I think you touched on a really important point here, a point that has perhaps been lost in recent years in terms of the delivery of public transport services, and that is the need to really engage with the community in not just the delivery of new services, but where there are particularly changes to services, it is so important to consult with the community along the way. That is why — and, again, it is an election commitment — we are working on implementing the establishment of a ministerial consultative group, a group that will bring together operators, PTV and local governments to provide direct advice on service provision improvements that can be made across the system.

Also, there is significant consultation going on right now in a couple of regional centres around bus services that have been put in place. I think it has just wrapped up in Geelong. There has been a significant revamp of the bus timetable in Geelong that also includes additional services. There has been extensive consultation in that local community. A similar process is underway quite literally right now this week in Bendigo. Also, looking at where there is a proposal to change bus routes as part of changed timetables, there is work going on to look at how you can improve services. But where there are proposals to change bus routes it is so important that in providing new services, particularly new services to growing communities, you also make sure you recognise that there are people who use that and rely on that service right now and their needs need to be considered as part of any bus timetabling that is undertaken.

Ms PENNICUIK — On buses again, a recent report by VAGO on the tendering of bus contracts found that urgent action is needed to strengthen the performance data on contract management and develop strategies for future bus reform. Can the minister advise us if, in part of this bus package and the allocation of \$8 million in 2015–16, there is an amount allocated to ensuring urgent and appropriate action from PTV in relation to the maintenance and management of bus-operator contracts?

Also, just on the timetables, if I could just throw this in, you were talking about changing timetables and new timetables et cetera. I travel a lot on the bus and tram system, and I have raised this in Parliament before, the bus and tram timetables are in 10-point font, and usually you are in the dark with a light shining in your eyes rather than on the actual timetable. Is there any plan to actually make the timetables at bus and tram stops a little bit more user-friendly?

Ms ALLAN — I think, Sue, you have just made your representations directly to the head of PTV and he has listened very carefully. Lest he comes back next year and you ask him the same question again, he will be ready to respond to that. It goes to that issue of accessibility, which is your point, and being able to easily read them. I

know when you are squinting at that tram timetable it can be a bit of a challenge, but it also demonstrates — and this is a plug for the PTV journey planner — why you need to plan your journey. If you planned your journey ahead and downloaded the information from the website or got your printed timetable if that is your thing —

Ms PENNICUIK — Not all commuters are able to do that.

Ms ALLAN — I think most commuters plan their journey. I think we are encouraging as many people as possible to take up the opportunity to do so ahead of time, but we have taken on board those representations.

The Auditor-General's report was handed down a few weeks ago. In terms of sequencing and timing, the Auditor-General released his report sometime after our election commitments were released, so it is not quite right to see them in the same basket. There is work already underway on implementing the recommendations of the Auditor-General's report, and indeed Public Transport Victoria and the department have accepted all of the recommendations made by the Auditor-General and are working through the implementation of those to appropriately manage future bus contracts. I think the Auditor-General has provided some useful direction on how those bus contracts and franchise relationships can be appropriately managed, so that is being worked on.

Mr DIMOPOULOS — Minister, you spoke about Melbourne Metro. It has been fairly well canvassed in terms of what it will achieve when it is completed. I just note with some confusion that governments over the past have failed to invest in Melbourne Metro, and the minute one government does, to the tune of 1.5 billion, it gets accused of not investing enough. Nonetheless I think the issue —

Mr MORRIS — Not for an \$11 billion project.

Mr DIMOPOULOS — You have to start somewhere.

Ms WARD — You have to get the project started.

The CHAIR — Order!

Mr DIMOPOULOS — My question to you, Minister, is in relation to budget paper 4, page 98 — the famous page 98. One point five billion is a lot of money. We have heard already that 120 or 140 shovels of dirt are being turned right now, but what will that 1.5 billion see? You talk about engineering works and those things, but do you have any more breakdown for that money?

Ms ALLAN — Yes, certainly, thank you. There is an enormous amount of work being undertaken by the Melbourne Metro Rail Authority to really push on to deliver the Melbourne Metro tunnel. On the \$1.5 billion, if I can go back a step, the committee may recall that in February the government announced a bring forward into this current financial year of \$40 million to enable the establishment of the Melbourne Metro authority and the commencement straightaway of dusting off, if you like, the previous business case that was there and had unfortunately sat on a shelf for far too long. It started to update that work and started to put in place the staffing and expertise that is needed to deliver this enormous project.

Some of the other activities I have already mentioned. The geotechnical work that is underway across the alignment is particularly important when you consider that there will be work underground in the two 9-kilometre tunnels and that there are also going to be different approaches taken along that alignment. The work that has been done to date has already enabled the government to announce its intention for Swanston Street to be the preferred route through the city and for a shallow tunnel to be the preferred construction methodology. What does that mean? It means that the Melbourne Metro authority can further refine their work to focus on how those outcomes can be delivered. With the construction of the five new tunnels there will be points at which the cut and cover activity is done — where they will be going in to build the portals for the new stations — and then for much of the rest of the alignment a lot of work will be going on underground.

The committee will be thrilled to know that there will need to be a couple of different sorts of underground digging machines. We are going to have a big tunnel boring machine and a couple of smaller underground diggers. I am not an engineer, as has been referenced on many occasions, but these are going to enable the project to be delivered in the appropriate way. There are those sorts of things. There is a lot of detailed technical and engineering work. Because we got a fast start on this and were able to finalise broadly the alignment and the

construction methodology, it means we are now going out and finding a tunnel boring machine on the international market, which is a big piece of work to do as well.

I should really also make reference to the significant amount of work that needs to be done with the community along that alignment, because this will be a project that will cause disruption for residents, traders and businesses along the route. They need to be engaged along the way. I will say that the City of Melbourne has been terrific in partnering with us, particularly for its work in talking with the Swanston Street traders, where it will obviously have a particular impact on their business. That is some of the work that is being undertaken right now.

There is also work on the preparation of the expression of interest and the request for tender documentation — significant pieces of work. We have said we want to have the expression of interest documentation out to the market by 2016. Again, that is putting a lot of pressure on the Melbourne Metro authority to have those documents and materials ready, but to achieve major construction by 2018 we need to have that tender process followed along those time lines. Then, and I should have mentioned before in relation to the impact on businesses and residents along the route, there is also very careful and considered work being done on land acquisition. This is obviously for people whose properties are directly affected. This is a very sensitive issue to be worked through. That is what is being done. We are really trying to carefully and clearly define the number of properties that are going to be affected, which is why the announcement a few weeks ago of the preferred alignment was so important. It enabled the refinement of the numbers of properties and the location of those properties and then the work to go out and talk with those property owners to work through issues they may or may not have with how it will affect them personally.

Mr D. O'BRIEN — Good morning, Minister. I want to talk about road and rail.

Ms ALLAN — I am the minister for trains.

Mr D. O'BRIEN — Thank you, Minister. Is that an answer to my question?

The CHAIR — You can move onto your supp if you would like, Mr O'Brien.

Members interjecting.

Mr D. O'BRIEN — Thanks for that information; I will let the shadow minister know. You will be aware of course that the congestion on our freeways is a big issue, and heavy trucks stuck in traffic in particular — not helped, I might add, by the east–west link decision, and we are not sure what is happening with the West Gate distributor.

Ms SHING — Sorry, I am going to raise a point of order if you keep on arguing into this.

The CHAIR — A point of order.

Mr D. O'BRIEN — I will get to my question, Ms Shing, thank you.

Ms SHING — No, further to the point of order, you are not to express an opinion or argue in relation to the asking of a question, Mr O'Brien, and talking about the east–west link is not helpful. I think we have done pretty well this morning to keep things clean, so if we could keep going down that path, that would be great.

Mr D. O'BRIEN — I do not want to add anything on the point of order, Chair. I think points of orders can be taken on questions, and I have not actually got to that yet.

Ms SHING — Sorry, standing order 57(1)(a) states:

A member asking a question must not:

... offer argument or an opinion on the matter ...

Mr D. O'BRIEN — Would you like me to — —

Members interjecting.

The CHAIR — Order! I am going to rule. I think Mr O'Brien is trying to set a context around his question. I would encourage, though, the member, if he could, to come to his question now.

Mr D. O'BRIEN — Thank you, Chair, that is, I think, a very good ruling because we are constantly told that ministers are allowed to providing contexts to answers.

The CHAIR — Mr O'Brien, do not test my patience.

Members interjecting.

Mr D. O'BRIEN — My question is to the minister.

Ms ALLAN — Shouldn't you be in Echuca?

Mr D. O'BRIEN — I will be there tonight, Minister. I look forward to passing through Bendigo on my way there and back. Can I ask the question now? Obviously getting more freight onto rail is important. I refer to the mode shift incentive scheme program, which is on page 152 of budget paper 3. I also note that in *Labor's Financial Statement* it was listed as an initiative to be reprioritised. I guess my question straight out is: has this program been cut, or will it be continuing into the forward estimates?

Ms ALLAN — Thank you for your question.

Mr D. O'BRIEN — I got there eventually.

Ms ALLAN — When you got there. I hope when you do head up to Echuca you do stop for a while in Bendigo and spend lots of time and money in our wonderful city. You are right. Danny has obviously read our *Labor's Financial Statement* carefully.

Mr D. O'BRIEN — I am becoming very acquainted with it, Minister.

Ms ALLAN — Yes, and you are obviously familiar with the project and what that means in terms of assisting the industry to move from road to rail. That is something that is also important to this government, and it has been a program that was designed to encourage businesses to shift the transport of their export containers from road to rail. And we did intend initially to reprioritise funds. However, on coming to government we have since become aware that the previous government had signed a four-year funding agreement with four companies who were to receive the funding from that scheme. That obviously does not expire for another three years. We will be honouring these existing agreements, and indeed I have written very recently to those companies informing them of that intent.

The CHAIR — Mr O'Brien, on a supplementary question.

Mr D. O'BRIEN — The supplementary, then, goes — and you may well have referenced part of what your answer may be — to the table on page 152 of budget paper 3. Why does the target for the actual number of containers to be moved by rail as opposed to road go from 65 000 down to 50 000?

Ms ALLAN — Oh, I see. I think that the answer to your question is provided in the footnote under there in regard to the contractual arrangements.

Mr D. O'BRIEN — It says 'contractual arrangements' but why are we taking less containers by rail is the question.

Ms ALLAN — As it indicates, it has obviously something to do with those contractual arrangements that were put in place, and honouring those — —

Mr D. O'BRIEN — It does not really tell us much.

Ms ALLAN — Those existing contracts were signed by the former government, and our intent is to honour those commitments and those arrangements that were put in place.

Ms SHING — Good morning, Minister, good morning, departmental representatives. Minister, I would like to take you to BP4, page 98, which outlines a series of asset initiatives in relation to the Victorian rolling stock strategy, which you have touched on in your presentation and also in responding to earlier questions from Ms Pennicuik. Could you outline for the committee how the government intends to support the manufacturing industry — and I note that this also has overlap with your other substantive portfolio — as part of support for the manufacturing industry within the strategy itself?

Ms ALLAN — Yes, thank you, Harriet, for that question. By way of providing information to the committee, I am happy to provide the committee with a copy of the rolling stock strategy that has been released by the government and provide copies to members. We have copies available here.

The CHAIR — Thank you. Is it worthwhile just distributing those copies now?

Ms ALLAN — Yes, sure.

The CHAIR — Does the minister propose to talk to this document?

Ms ALLAN — I was going to talk to this document.

The CHAIR — Yes, okay. It might be helpful for members to have a copy of the document before them.

Ms ALLAN — If members would like to take a copy of that.

Ms SHING — That is of course publicly available, Minister?

Ms ALLAN — Yes, absolutely. I mentioned before, this is important in terms of the delivery of our public transport system, that we are keeping pace with investments in rolling stock across metropolitan and regional trains, and trams as well. But the opportunity here to invest in Victorian jobs is also critically important, and I think this gives a good indicator of where this government wants to take our investment in infrastructure more broadly — where there is an opportunity to invest in infrastructure improvements, to invest taxpayers funds in major projects, we are looking along the way as to how we can also maximise job opportunities.

That is why, as part of our rolling stock strategy, we have set minimum local content targets of 50 per cent. That will see the manufacturing of the rolling stock here in Victoria. That figure — there are 10 000 jobs in the rolling stock industry, including the supply chain in Victoria — demonstrates it is important to our economy. A lot of this is centred around Dandenong, with Bombardier located there, but also too in Ballarat with Alstom having been there for some time now. So our local content provision, coupled with the release of our 10-year pipeline of purchasing intent, demonstrates to the industry that we are fair dinkum about wanting to support a Victorian-based industry and that we will back that up with our future orders.

This budget makes provision for those 5 X'trapolis train, the 37 high-capacity trains, the 21 V/Locity carriages and the 20 trams. But it also shows, on pages 26 and 27, what we intend to order into the future, and these are the orders based on the advice from the department and Public Transport Victoria. These are the orders that the system needs to cope with future demand, and that goes, in some way, to some of the questions Sue was asking before about looking at where future demand is going. This is the spread, if you like. This is the order profile that we need to do to meet future demand.

But by laying it out in this way, it gives the industry, for the first time, a 10-year visibility over what the government intends to do. We want to try, as much as we can, to smooth the pipeline, so we can end the days of the stop-start approach to rolling stock where a short order is put in, the companies gear up, then there is a cliff, if you like, as the next order has not been placed in time. We have seen that happen too often in recent years. There has not been a tram order placed in the last four years. There was a gap between when the regional train orders were put in; there was a two-year gap. That does not only put you back in terms of your public transport delivery, it has a real impact on those workers and their families who are employed in this industry.

We have got some great expertise here in Victoria in this industry. Anyone who has been lucky enough to ride one of the new trams or the regional trains, knows that they are a fantastic product that is made here in Victoria. It demonstrates the importance of government understanding that where it can purchase locally it should and can and make a real difference in terms of the local economy as well.

Mr MORRIS — Minister, budget paper 4, page 99, the Southland station. Can I ask you what work on the proposed Southland station has the government undertaken since its election, or had undertaken perhaps is a better way of putting it?

Ms ALLAN — Sorry David, I am just having a wee bit of trouble hearing you.

The CHAIR — If I could intervene, I believe the question related to what works has the government commenced in relation to Southland station since it was elected?

Ms ALLAN — Southland station is a project that has had a bit of history, like many in public transport, and a commitment has been made for a little while for a station to be built there.

A bit of background for people who might not be familiar with Southland station. It is on the Frankston line, it is going to be built between Highett and Cheltenham stations and it will be providing people who use this station direct access to Southland shopping centres. This is not just a benefit for people who want to shop at Southland. If you consider the large number of staff who work there, either directly in the retail business or in any of the other businesses associated with the operation of a shopping centre, that is a large number of people. The work underway has been going on for some time with the City of Kingston, the Bayside City Council, the owners of Southland station and residents. There has been a lot of consultation being undertaken with residents in that local area. Community consultation formally commenced at the end of February and closed earlier this month.

The plan is for major construction to commence in the second half of 2015, with the station to be completed and opened in early 2017.

Mr MORRIS — Minister, I am trying to get an idea of the intended degree of utilisation of the station, the impact of express trains perhaps running through it, whether the station will be used for the time the trains are running — I was going to say 24 hours but that is not quite right — or whether it is going to be only utilised part of the time.

Ms ALLAN — You are interested in the stopping patterns at the station?

Mr MORRIS — Yes.

Ms ALLAN — That will be finalised closer to the completion of the station in 2017. I imagine we will have had a few timetable iterations between now and then, so it is perhaps a bit premature to be able to indicate the pattern of when the trains stop. Obviously there would be some logic to the timetable to make sure it is around those key times of the day that people want to get in and out of the station. It was remiss of me not to mention that of course this station will have the appropriate toilet facilities that perhaps previous plans may not have provided for.

Mr DIMOPOULOS — Minister, can I bring your attention to BP4, page 17, in relation to the level crossing removal program. You touched on that. In fact I had the pleasure of accompanying you and the Premier at an announcement recently at a station. I just want to get a sense of this first 17 that you mentioned in your opening remarks that have been decided already and what the timing of those 17 will be and the benefits, I suppose, for motorists, commuters, buses, the transport network generally.

Ms ALLAN — Certainly. Chair, again, to assist the committee, I have got a map of the 50 level crossings, and when I talk to the 17, it might be of assistance. This is appropriately sourced as being from the Level Crossing Removal Authority, and I think we have also got it as an overhead if people want to look at it. It just might help in terms of answering Stephen's question about those first 17 that will be removed. Again it demonstrates why it is so important that this budget made such a significant allocation to this program, because it is just so important that we get rid of these level crossings — the 50 that we have committed to over eight years and getting a start on the first 17.

We have already identified the first 17 that will be removed, which goes to your question. There are the four level crossings that were already out to market. Can I make the point that they were only committed to after we had released our Project 10 000 plan in late 2013. However, it was good to see that policy was copied in part and that we have four level crossings that were out to market at Main Road, St Albans, on the Sunbury line;

Blackburn Road, Blackburn; Burke Road, Glen Iris; and North Road, Ormond. They are the four that provision had already been made for.

In looking at opportunities to get a fast start on the remaining 46 level crossings we looked at where there was an opportunity to combine those level crossings in packages of works with others that made sense, if you like. That is why you will see that another four level crossings are being fast-tracked: at Furlong Road, which as you can see from the map is quite close to Main Road, St Albans; Heatherdale Road, adjacent to Blackburn Road; Centre Road in Bentleigh; and McKinnon Road in McKinnon. You can see that McKinnon Road and Centre Road are very proximate to North Road, making that a sensible group of level crossings to remove in a package of works.

Then there are the nine level crossings on the Cranbourne-Pakenham line, so the ones between Dandenong at Caulfield. Those level crossings have been committed to be removed as part of our program of works in the Cranbourne-Pakenham corridor. This will see the removal of every level crossing between Dandenong and the city, providing not just for the capacity for us to run significantly increased rail services — —

Mr DIMOPOULOS — On the busiest line.

Ms ALLAN — That is right; on Melbourne's busiest rail line. That will do so much to unlock congestion in that part of Melbourne. Indeed when I was at Clayton Road, Clayton, last week with the Premier and the member for Clayton — sorry, it is now — —

Mr DIMOPOULOS — Clarinda.

Ms ALLAN — Clarinda; thank you. He was telling us that his electorate office is constantly getting phone calls from people who see an ambulance stuck at the Clayton Road level crossing and are concerned for the people who are stuck in that congestion trying to get to the Monash Medical Centre but also fear that one day it may be them or a loved one who is in a similar situation. It not only causes frustration; it causes great concern. They are a safety risk, and that is why we have moved very quickly on getting a start on the first 17, and we will have more to say about the next 3, if you like. We have committed to removing 20 in our first term in government, and we are well down the path of achieving that.

Mr T. SMITH — Minister, I want to go back to metro rail. My question is around your reliance on commonwealth funding for this project. In your initial answer you talked about regional rail being an example of where the commonwealth has funded an urban rail project in Victoria. I am interested to know when the commonwealth has ever funded a rail project in Melbourne that is purely urban rail with no freight component whatsoever.

Ms ALLAN — Perhaps if I can give a bit of background to Melbourne Metro so you can see the impact and improvement it has on the freight system. The Cranbourne-Pakenham line is not just Melbourne's busiest passenger rail corridor; it is a very important freight corridor as well. Indeed I would suggest that your colleague sitting next to you could talk to you about how important that is as a pathway for freight coming from Gippsland into the city. Whether it is for the dairy industry, the paper industry or the forestry industry, a number of industries in Gippsland rely on that being there — I am sorry, Harriet; I should also acknowledge you — —

Ms SHING — No, it is fine. I am used to having my light snuffed out by Mr O'Brien's omnipresence in the region of Gippsland.

Ms ALLAN — It is an incredibly important freight network. The Melbourne Metro project in effect connects the Dandenong line in the north through to the Cranbourne-Pakenham lines in the south, so it joins those two corridors. By doing that, by doing the works on removing the level crossings and by purchasing the high-capacity trains, you are able to run more passenger services in a more efficient way and provide additional slots into the system for freight and passenger movements coming in from Gippsland.

Mr T. SMITH — Minister, it has been essentially bipartisan in Canberra for decades that they do not fund passenger rail, and that is a fact. So I am just wondering where this confidence comes from that it is a fact — —

Ms PENNICUIK — It perhaps needs to change.

Mr T. SMITH — Thank you to the Greens — that the commonwealth does not fund passenger rail. So this confidence that the commonwealth will fund one-third of your project, where does that come from?

Ms SHING — On a point of order, the minister has already been asked and has answered this question, and you are asking her to express an opinion in relation to a level of confidence about discussions — —

Members interjecting.

The CHAIR — Order!

Ms SHING — She has already indicated that they are on foot with the commonwealth government as part of that and other stakeholder engagements.

Mr T. SMITH — Chair, we have asked a very specific question about how this project is going to be funded, and a comment has been made that one-third of it will come from the commonwealth. Given the historical circumstances, which I have outlined, that the commonwealth does not fund passenger rail, I am interested as to why the minister is so confident that it will.

Ms WARD — Surely you will be lobbying the federal government to — —

The CHAIR — Order! Ms Ward. I am happy for the question to be asked and answered by the minister.

Ms ALLAN — Thank you. The question as I understood it goes to precedents for the commonwealth supporting projects that are only urban rail — passenger rail. As I tried to impress in my previous answer, Melbourne Metro indeed has great benefits for the freight network. But putting that aside, I was having a meeting this morning with the Deputy Prime Minister. In the conversation and in passing he talked about the federal government's support for the Canberra light rail project, so that is quite clearly a passenger rail project.

Mr T. SMITH — I asked about Melbourne.

Members interjecting.

The CHAIR — Order! The minister is responding to your question. Does the Minister wish to go further?

Ms ALLAN — There is a project on the Gold Coast I believe that the commonwealth have supported — —

Mr T. SMITH — Again, Chair, I asked about Melbourne.

The CHAIR — Order! The minister is answering your question, Mr Smith.

Ms ALLAN — In very recent history the commonwealth has shown a tendency to support passenger rail projects in other parts of the country. Here in Melbourne we have seen the experience where the Commonwealth — given it was the previous Federal Labor Government — supported the regional rail link project in a significant way. The Commonwealth have not had, other than the Regional Rail Link, a project of this size and scale to contemplate funding in Victoria. So to put a parameter around it that they should not fund it simply because it is passenger rail, which, as I have already indicated, is not representing accurately the true nature of the project.

Putting that aside, they are not wanting to indicate in a unified way that there is a wonderful opportunity for the commonwealth government here to invest in not just a city-shaping or state-shaping project here in Victoria, but a project that is going to bring enormous economic and productivity benefits to the country as a whole. This is an opportunity to invest in a project that will create 3500 jobs, that will provide enormous economic benefits in terms of the improved efficiencies it will provide for the movement of people around the city and the state and the reduction it will have on congestion; perhaps it is a shame that there is not that unified approach in advocating for this proposal to the commonwealth. We should consider that the independent authority, Infrastructure Australia, has already very clearly identified this as a priority project. They have not been distracted by this perhaps artificial debate about it being just a passenger rail project so it should not be supported. They have recognised that it has enormous benefits and is absolutely a project that should be supported by the Commonwealth Government.

Dr CARLING-JENKINS — Minister, I would like to apologise for being late this morning. My car broke down, and I took advantage of the great public transport that we have here in Melbourne to make it to work this morning, so it was a relief that it was there. I do apologise if I overlap with any questions that have been asked, so please just let me know if that is the case. I would like to congratulate you on the huge plan that you are putting in place in this budget and over the next four years. When I came in there was a little bit of talk around timetabling, I think, in relation to disability compliance, and I would like to ask a little bit more about the work on accommodating people with disabilities in our train system — trains and buses. I am looking at page 5 of your presentation and also budget paper 3, page 361, if anyone needs a reference, and I have two questions. Firstly, in regard to the rolling stock strategy, I understand there has been a lot of focus in the past on physical accessibility, but there are also a lot of concerns about other forms of accessibility. Do you have an ongoing commitment to ensuring that the new trains, trams and particularly buses that you will be rolling out, which have traditionally been extremely inaccessible for people, will be disability compliant?

Ms ALLAN — The short answer is yes. If I can just expand a little bit: the new rolling stock that is in production now and is coming off the production line certainly is disability access compliant. If you have had the opportunity to travel on the new trams, the E-class trams, or the regional V/Locity trains, then they most certainly are accessible in those terms. That will also be one of the requirements that will be laid out for the purchase of the new 37 high-capacity trains that will be running across the system.

Also, I know from my conversations with representatives of the bus industry that this is also a focus for them, because, as you have identified in your comments, they too can be difficult to board for people who need disability access for those services. So this is something across the network. It is a priority. There are some challenges in having the network accessible for everyone because of the age of a lot of the rolling stock and the size of the network and the integration of the trams. There is no point having a disability accessible tram if it is not stopping at disability access tram stops.

Dr CARLING-JENKINS — Absolutely.

Ms ALLAN — There is a lot of work that is being done on where we can align the tram works on the routes where those trams are running. This is a significant piece of work; it will take quite a while before that is rolled out across the whole system. But when we are making new purchases, that is a priority in the specifications for the rolling stock orders.

Dr CARLING-JENKINS — Excellent. If I could just pick up on the point about people with communication accessibility needs; for people who have difficulty communicating or being understood, or people who find it hard to read or understand signs and information, I wonder whether you could explain to the committee if you have any plans around making the network more accessible for people with communication difficulties? I refer you to some of the work that La Trobe University has been doing with V/Line in this area.

Ms ALLAN — I might ask Mark Wild, the head of PTV, to answer that in a bit more detail because there are a number of things that go on, and it also includes the deployment and work that authorised officers and station staff do as well. So I might, if that is okay, ask Mark to respond to that.

Mr WILD — The first thing I would say is the work that V/Line have done with La Trobe University is very important, and we have decided to roll that work across all our operators — that is, the adoption of the international standard of verbal and non-verbal communication. By the time we get to this committee next year a significant improvement will have been made — a credit to V/Line and La Trobe. That is a good example of sharing best practice. That is something to really look forward to — quite a breakthrough for us — that I could take you all through at some other time.

Independent of that, a lot of our operators are making great progress with mobile phone applications. Metro in particular have a very good application that we are rolling out with our operators as well. So there is lots to do, but the La Trobe and V/Line work is very exciting, and we aim to get all of our operators to the international standard of verbal and non-verbal communication.

Dr CARLING-JENKINS — Excellent; thank you very much.

Ms SHING — Minister, I would like to take you to BP4, page 98, which sets out the \$1.3 billion to procure 37 high-capacity Metro trains for deployment on the Cranbourne-Pakenham rail corridor. I note from the level

crossing removal program that you have spoken about already and have distributed the diagram for that nine of those level crossings will be removed on that corridor. I would like to ask you why this differs from the original Cranbourne-Pakenham unsolicited bid proposal that was provided for in the 14–15 budget?

Ms ALLAN — Thank you, Harriet, for that question. The main difference, if you like, between the original unsolicited bid proposal that had the support of the previous government and the program of works that the Andrews Labor government has adopted for Melbourne’s busiest rail corridor is that the alternative proposal did not address the problem of congestion along that line. It did not have in place the numbers of trains and enough level crossings removals to meet future provision that we know is going to be needed along that line.

The program of works that we have adopted for the Cranbourne-Pakenham rail corridor will boost capacity by 42 per cent along that rail corridor. So that will be a significant increase in rail services. It will mean an extra 11 000 passengers will be able to be accommodated in the morning peak along that corridor. When you consider that there are about 1 million people who live in that south-eastern corridor of Melbourne, that is going to provide a significant boost to public transport services. Also, as I mentioned before, if you are sitting in a car or on a bus stuck at a level crossing, that is also incredibly frustrating and time wasting, and it causes safety issues. The proposal that we have taken is to remove all nine level crossings along that corridor. The alternative proposal contemplated removing only four of those and so clearly was not going to go far enough in addressing those needs.

Also, when it comes to trains, the clear advice from Public Transport Victoria was that to meet the future needs on that corridor there need to be 37 high-capacity trains, and that is the order that we are placing. The alternative proposal made provision for only 25 of those trains. Again, it was going to provide an inadequate number of train services for — —

Mr DIMOPOULOS — And no 50 per cent local content.

Ms ALLAN — Thank you for that prompt. I know interjections are disorderly, but it is a prompt that helps — —

Mr D. O’BRIEN — I should take a point of order.

Members interjecting.

The CHAIR — Order!

Ms ALLAN — Our order for trains does have that very strong local content requirement. The alternative unfortunately was considering the purchase of trains from either China or Korea, so not necessarily the investment in Victorian jobs that Victorians need to see.

Then of course there was the issue that was perhaps unnecessarily kept from the Victorian community before the last election, and that was the removal of high-capacity signalling along that corridor. The alternative proposal had initially indicated that that was going to be part of the scope of works. That was removed in the period immediately before the election last year. That also was not part of that original scope of works. It is a little bit tangential to this question, but we are proceeding with a trial of high-capacity signalling on the Sandringham corridor, again on the advice that that is the best place to undertake that trial. In a nutshell, the alternative proposal still would have seen people stuck at level crossings, it would have seen people being on those trains that were crowded, and it was not going to meet either the rail network needs or the road network needs for that very important part of Melbourne.

Mr D. O’BRIEN — Minister, my question is related to both Homesafe and the protective services officers. For the Homesafe program the reference is budget paper 3, page 33. Will PSOs be employed for the duration of the time that those services are running, what is the cost of that, and has it been budgeted for?

Ms ALLAN — I can answer the elements of the Homesafe trial insofar as I am responsible for the public transport operation of the trial. I understand the Minister for Police was here earlier in the week, and you may have had the opportunity to raise those issues of the provision of protective — —

Mr D. O’BRIEN — We did, but we did not get an answer out of him, either.

Members interjecting.

The CHAIR — Order!

Ms ALLAN — Just more broadly on the Homesafe trial, the budget provides \$50 million to implement that trial. This is delivering on the election commitment to see 24-hour public transport across Melbourne on the weekends. If you consider that Melbourne has become very much a 24-hour city, particularly on weekends, this is not going to be an important trial just for people who like to go out in the city. There are a lot of workers; there are a lot of people who come into the city to work in the hospitality industry, the retail industry or the health professions. In anything that operates around the clock, the people who work in those industries will benefit from this trial and being able to access public transport to get home on Friday and Saturday nights or Saturday and Sunday mornings, depending on how late you want to stay out.

We are currently working through that, and I think you may have got a sense of this from the Minister for Police. There is a lot of work going on at the moment between Public Transport Victoria, Victoria Police and the relevant unions around the scope of the trial. This is something that has not been done before in the city. I should emphasise that Homesafe is not for just the city; there is also the provision of regional services as well to Ballarat, Bendigo, Geelong and Traralgon. That is also part of the Homesafe trial. They are working on the rollout of that package and the appropriate safety or security personnel, if you like, for want of a better term — the PSOs and the authorised officers who will be part of that provision.

Mr D. O'BRIEN — I guess the question then is: as part of that 50 million that has been allocated, has there been contingency provided for PSOs on stations?

Ms ALLAN — The \$50 million encompasses the public transport and police requirements for the trial.

Dr CARLING-JENKINS — Minister, I understand that some discussion has been had this morning about community consultation around the bus package and the regional network development plan. I represent the area of western metropolitan, so Wyndham. In Wyndham there have been a lot of issues around buses and now that this plan has been announced there is a lot of excitement in the area. Lobby groups that have come to me include disability groups, retirees and aged-care groups. Will these stakeholders within the Wyndham area be consulted regarding timetabling, the best bus routes, and so on?

Ms ALLAN — I am not sure whether you were here or not when I talked about the bus consultation earlier, but I indicated that the approach we are taking is that whenever there is a plan to change a timetable or introduce new services there is an emphasis on community consultation around that across the various modes.

In terms of bus changes — and I might ask Mark to help me in a moment — with the introduction of Regional Rail Link there will be additional rail services for the Wyndham community. There has been some work go on, and again it goes to some of the things I was saying earlier about connecting the bus timetable into the train services, because particularly in and around those communities I appreciate there is a lot of pressure on local roads and station car parking, so if we can connect the bus to the train, that takes some of that pressure off. I might ask Mark to touch on that in a moment.

More broadly, though, with bus timetable changes we are taking a very consultative approach with local communities, recognising it is in some ways the most local of public transport services that are provided, because it is able to access local communities much closer to where they live. I will hand over to Mark to make some additional comments.

Mr WILD — Just two things. From 21 June, with the launch of regional rail link, there will be a reasonably significant increase in bus services along that line in Geelong and the Wyndham area. They have been consulted with the community, so there is some good news. Those bus services are connected to the railway timetable, so for the first time we are really getting a multimodal approach.

On the regional network development plan, under the instruction of the minister we are going to take a very comprehensive approach, and I guarantee to you that Wyndham, Hobsons Bay, those communities — all of the interface councils — will be included. It will be a mixture of online and town hall meetings. We have not quite agreed what the process is yet. I am sure the minister will have more to say when we come to launch it, but it will definitely include Wyndham.

Dr CARLING-JENKINS — The people of Wyndham are very excited, so we will watch this space, and we appreciate that. Part of the community consultation process, I understand, would involve the Public Transport Access Committee as well. I wonder if you could describe their level of involvement in that development of the plan as well. That is probably a question for Mr Wild again.

Ms ALLAN — Yes, that is right.

Mr WILD — PTAC, the ministerial appointed committee that oversees PTV, is an essential stakeholder in the development of the regional development plan. PTAC is one of our more important committees. It is supported by something called PTOC, which is an equivalent committee for the operators. In the development of a plan PTAC will be fundamental in it.

Ms SHING — Minister, you have touched on new V/Locity carriages for the regional network and indeed Mr O'Brien's passion for making sure that services are delivered for the Gippsland region. I would like to add my voice to that particular issue.

Page 98 of BP4 outlines an asset initiative for those new V/Locity carriages. Can you explain how the V/Locity carriage investment and other regional initiatives will help regional commuters whether within the regions themselves or as part of linking in to metropolitan networks.

Ms ALLAN — Thanks, Harriet. I gave in my presentation a slide that demonstrated how demand for regional rail services has doubled in the past decade, so we need to recognise that there is a huge appetite for public transport services now, and indeed it is going to grow in the future in regional areas. As part of this budget we are providing that funding for the 21 additional V/Locity trains, and I mentioned before that that will include a maintenance and stabling facility at Waurn Ponds, where that will provide a jobs boost for the Waurn Ponds community as well. We have talked at length, I think, already about how the new rolling stock will have strong local content provision also.

In terms of regional services, I will expand further on the regional network development plan. I have also asked for that work to commence, because we do not have one at the moment. There has been a metropolitan network development plan, but there has never been a regional network development plan, and for those of us who live in regional Victoria and use public transport, we know that — I mentioned before — there is a great appetite to see an increase in services. Regional communities understand well just how important it is to their community to be connected, whether it is connecting communities to Melbourne or communities with each other either via rail or by bus, and it is seen as a very important part of the way of life of regional Victorians for them to get around for employment or for young people to access education and training.

For the regional network development plan there is going to be a significant amount of consultation. As part of that I will be establishing an advisory committee to help guide the work. I fully expect that there will be a large number of aspirations expressed from local communities across the state about what they would like to see from a public transport service in the future. This is very important to get their views and feedback and build in a longer term plan so that communities can see that there is a plan for improving services in regional areas and building, can I say, on the work that has been done by previous Labor governments in investing in regional rail services.

Over many years now I have seen country rail lines closed, and I was very pleased to see country rail lines reopened by the former Labor government. We are continuing to invest in regional rail services, recognising that rail is a very important connector for country communities, but so too are buses. Buses particularly connect smaller country towns with the larger regional centres, and it enables people to stay living in those small communities but having those important connections — whether it is for economic, medical or education reasons — with those country communities.

Just to finish, I want to re-emphasise a couple of points. One is that Melbourne Metro is going to be a project for the whole state. It will unlock additional pathways for regional services into the centre of the city. I mentioned before it is very difficult at the moment to add extra services, because we are at capacity in the city loop, so we will be able to provide additional services for regional communities around the state. If you catch the train in Ballarat or Bentleigh, the Melbourne Metro rail project is going to be of significant benefit.

Also, as part of the work we are doing in supporting regional public transport services, it is recognising the vital role that V/Line plays. V/Line is a key part of our public transport family, if you like — are we a family, Mark? I think we spend a lot of time together. We certainly see it has an important role to play. You can imagine, Harriet, I was quite alarmed when I was briefed early on coming into office that there was a plan that V/Line had been asked by the previous government to look at cutting 100 staff from its services and reducing cleaning of trains. I did not think that was an appropriate way to deliver services to regional communities, which is why I asked for that not to go ahead, and we are looking at how we can support investments in our regional public transport system, not reduce them.

Mr MORRIS — Minister, ticketing systems and in particular an issue not in the broad system but a specific issue: we are all aware of the history of the difficulty with some specifications and operational aspects, but at Richmond station there is an issue with touching on and touching off, particularly at the Brunton Avenue entrance, with some of the bigger AFL games and of course so many other major sporting events. Do you have any plans, or does the contractor have any plans, to deal with that issue and try to speed it up a bit?

Ms ALLAN — Yes, Richmond station has been receiving quite a bit of attention obviously at the moment, particularly after those major sporting events. The advice I have received from Public Transport Victoria is that over the course of 2014 the Brunton Avenue end of Richmond station was upgraded. The new readers were put in and the gates were put in. The advice from Public Transport Victoria is that that has actually seen an improvement in the clearance rates, if you like, of people going through that entrance. I appreciate that if you have been to the footy and you want to leave in a hurry, particularly if your team has lost, it is not a pleasant experience. But the information has been that it has improved the movement of people through that station.

There are quite important safety considerations to be given around that configuration of stations, particularly after football matches or major events — it is not just football matches — because there has to be an eye kept on the number of people on platforms, because you do not want to get a situation where there is overcrowding on platforms. It can increase safety issues when trains are pulling in and out of the station. Richmond is something we are keeping a very close eye on. There has been a lot of work and conversations already with Public Transport Victoria and the AFL, and there have been steps put in place in terms of advising people about thinking about how they plan their journey home, making sure that they have got enough money on their cards so they do not have to top up after the game, all those sorts of things, so people can plan ahead to try to address some of those issues that have been experienced in recent weeks.

Mr MORRIS — To just seek clarification on the answer, my understanding of the response, Minister — and just an indication of whether I am right or not would be helpful — is that, yes, there has been some work done on it, it is now being watched but there is no further action planned at this point.

Ms ALLAN — At this stage the advice is that the work that was undertaken — and I should point out, perhaps generously, that it was undertaken by the former government — appears to be addressing the issues. Obviously when you have large numbers of people in one spot at one time, it is going to take a little bit longer to get through to the station platform than what it would in more normal circumstances.

Mr DIMOPOULOS — My question relates to budget paper 3, page 20, in relation to your part of the world, Bendigo, and the metro rail. While you mentioned it again in your opening remarks, I just want to get a better sense and more detail about the status of this project and when it is likely to be introduced.

Ms ALLAN — Thanks, Stephen. I am very excited about Bendigo Metro Rail. It was a key commitment we gave to the Bendigo community last year, and we allocated \$2 million towards that project. What it is is about recognising that there is a tremendous infrastructure asset running through the centre of Bendigo in the heavy rail network, and around that there are stations at Kangaroo Flat, Epsom and Eaglehawk that are all in growing communities. Bendigo has a rapidly growing community, and it is causing congestion on the main roads through Bendigo.

What you have running north–south through the centre of Bendigo is heavy rail infrastructure almost in parallel with the main road that runs through Bendigo, which is becoming more and more congested. For the last couple of years the City of Greater Bendigo and a number of other government agencies and community organisations have been doing work on an integrated transport plan. One of the recommendations out of that was to look at using that heavy rail infrastructure to put in place a commuter-style train service in and out of Bendigo from

those areas: where there is infrastructure already there, how can you put in place the services to connect those suburbs? We have embraced this idea and picked it up, if you like, under the umbrella of Bendigo Metro Rail.

The work that is underway at the moment is that I have established a community consultative task force that is being chaired by our colleague the member for Bendigo West, Maree Edwards. There is a broad representation of people and organisations on that. It is being supported by a technical working group to provide the technical advice, and can I say that also includes representatives from the bus and taxi industries, who are also quite engaged and enthusiastic about Bendigo Metro Rail. The task force is being asked to report back to me by the end of June and really to provide advice on — we know we have got the infrastructure there — what is the service provision that people will use, because we want to make sure that we are putting a timetable in place that will meet the needs of the local community by making sure that there are a number of services at particular times of the day obviously to get people in and out of the city for work and connecting up to buses and making sure that those connections are appropriate. Then of course, too, it means that particularly if you are living in Epsom or Eaglehawk, you have also got that direct connection through to Melbourne. There are just not enough services at the moment servicing those communities of Epsom and Eaglehawk. They have the train station infrastructure there, but they just do not have the services. It is a bit like running a pub with no beer.

We are wanting to make sure we take a different approach and make sure that we have services for those growing communities. It is going to make sensible use of existing infrastructure, and it is going to go a significant way towards addressing some of those congestion issues that are becoming prominent in our regional centres in a way that we are familiar with in metropolitan Melbourne.

Mr D. O'BRIEN — My question is related to regional rail and VicTrack, pages 98 and 99 of budget paper 4. I welcome your comment before about the importance of the Gippsland line. I am sure Ms Shing welcomes it too.

Ms SHING — I love it when we work together, Danny; it is fantastic.

Mr D. O'BRIEN — I am sure you will love this one too, Ms Shing. Particularly in relation to the issues of congestion that you referred to in relation to Mr Smith's question before, I ask: why is the government not funding the duplication of the line between Bunyip and Longwarry?

Ms ALLAN — Bunyip and Longwarry? And is your supplementary question going to refer to the fact that that was a commitment you may have made at the last election?

Mr D. O'BRIEN — I will ask the questions, Minister.

The CHAIR — Danny, could you just clarify for me which line item you referred to? I missed it when you started speaking.

Mr D. O'BRIEN — There are a number; 'Regional rail network major periodic maintenance' is one, on page 99. But the question is specifically about funding for Longwarry. I will not flag what my supplementary may be.

Ms ALLAN — This may get a little political, Chair, so I would appreciate your guidance on the way through. It has been astonishing, and I notice that the members for Gippsland decided that four years of government was not good enough to take any action to address some of these issues —

Mr D. O'BRIEN — Not true, Minister.

Ms ALLAN — and in opposition decided to launch a petition, petitioning me for additional regional rail services.

Mr D. O'BRIEN — We delivered additional rail services, Minister.

Ms ALLAN — That was an interesting thing to note, as I was going through my regional media clippings recently.

I mentioned before the regional network development plan, which we are about to commence, and that will help guide and shape the future provision of regional services. We have gone to the election with a clear outline of

our priorities right now for regional communities, and I have mentioned those over the course of the presentation. Clearly there will be more priorities that will be identified through the regional network development plan process, particularly for Gippsland, which in recent years has not been well serviced. It has had some real issues. I think it is a shame that it took until late in the piece for the previous government to recognise this and only make a commitment to those communities by way of an election commitment.

Mr D. O'BRIEN — That is not true, Minister.

Ms SHING — It was not real money. It was never real money.

Mr D. O'BRIEN — We added additional services.

The CHAIR — Order! While I am quite happy for you to set the scene in terms of what you found when you came to office, I would encourage you to seek to answer the member's question.

Ms ALLAN — Sure. The information I have around the Bunyip and Longwarry duplication is that an alternative proposal that was put to the community before last year's election did not provide any funding until at least 2017, so it would be a good few years off yet under the alternative proposal.

Mr D. O'BRIEN — Do you want to start talking about putting things off, Minister?

The CHAIR — Order! Mr O'Brien!

Ms Ward interjected.

The CHAIR — Order! Ms Ward! The minister is answering the question.

Ms ALLAN — So by 2017 we will have well and truly completed our network development plan, which will help guide and shape our future commitments of services to regional communities. I recognise, and I have already mentioned on a number of occasions, that services to Gippsland need to be improved. Services to Gippsland will be improved through the work on the Cranbourne-Pakenham corridor. Removing the level crossings between Dandenong and the city will provide for a much more reliable service. One of the big issues for the Gippsland line is reliability. I believe last night there was an issue on the line that caused delays of up to 40 minutes, and that happens frequently.

Mr D. O'BRIEN — Regularly, yes.

Ms ALLAN — That is incredibly frustrating. One of the issues with that is pathways in and out of the city. Gippsland is part of the rail corridor that is on the busiest line in Melbourne. The Cranbourne-Pakenham package of works will help provide improved reliability for Gippsland commuters.

Mr D. O'BRIEN — I referenced the regional rail network major periodic maintenance in my original question, and my supplementary question now is: why does this program, on page 99 of budget paper 4, not show any allocation past 30 June next year?

Ms ALLAN — Sorry? It does not provide anything past — —

Mr D. O'BRIEN — It does not show any allocation past 30 June next year for major periodic maintenance.

Ms ALLAN — Because next year's budget will provide for that funding beyond June of next year. That is something that will be articulated through next year's budget. We are dealing with this year's budget.

Mr D. O'BRIEN — But there is nothing in this year's budget indicating that.

Mr DIMOPOULOS — That is why we have an annual process.

Mr D. O'BRIEN — That is what I am asking you.

Ms ALLAN — We have an annual budget process, and there will be funds, of course, allocated to maintenance on our regional system. I have already indicated to the committee that we take a very different

approach and I have rejected alternatives that included cutting staff to the V/Line system. Next year's budget will provide you with that information on maintenance funding.

Ms WARD — So hopefully you will be able to join us next year, Danny.

The CHAIR — Order!

Ms WARD — Minister, we have already had a little bit of discussion about Homesafe in terms of PSOs. What I am interested in is directing you to budget paper 3, page 20, and the 24-hour public transport on weekends, which is of particular interest to people living out in Eltham, as access to public transport can sometimes be a challenge. Can you please provide an update on the progress of the planning for the introduction of the trial for Homesafe?

Ms ALLAN — Thank you, Vicki. Yes, certainly there is a power of work going on to implement this trial, some of which I touched on before, because this is something that has not been done before in Melbourne. Many other cities around the world do have 24-hour public transport services, like Berlin, New York and Chicago, and I am told that London has announced similar plans on its network. There may be opportunities for people to explore these in their own time, but it is certainly something that reflects that Melbourne is growing as a city.

I mentioned before that it is a 24-hour city, and whether you are accessing the city for work, for pleasure or for entertainment reasons, exploring the opportunity to support those activities with improved public transport services is what the Homesafe trial is in part about, but it is also in part about helping people to get home safely during those early hours of the morning when at the moment public transport is currently not provided.

There is a lot of work going on, which I have mentioned. To implement something like this is complex. It is not just a matter of flicking the switch and keeping the system running. There has to be consideration given to not just the operation of the trains, because this also includes trams; it includes providing 24-hour tram services. There are the existing NightRider services — the bus services that will be kept in part — but also additional bus services that may need to be provided. We have already indicated there will be bus services to the regional centres of Traralgon, Ballarat, Bendigo and Geelong as well. There is also work that has to be done by the operators of those services in having adequate staffing levels — drivers, staffing personnel — to support the operation of the system.

I have also mentioned that there will need to be a timetable released as part of this, and this will be done towards the end of the year. There will be evaluation built into this trial; I should emphasise that. Because we will obviously need to determine the future once we have been able to have an opportunity to assess the response from the community to the introduction of the Homesafe trial.

Mr T. SMITH — Minister, I refer to budget paper 4, page 17, level crossing removal program, and I ask: will the Dandenong line level crossing removal project be configured so that a future government can easily install two additional tracks, increasing the number from two to four between Caulfield and Dandenong, or is there no provision in the project for these extra tracks and consequent extra railway station platforms to be installed?

Ms ALLAN — The level crossing program that we have indicated is a level crossing removal program, not a track duplication program, so that is outside the scope of works for the Level Crossing Removal Authority.

Mr T. SMITH — I just would have thought that it would be somewhat forward thinking to plan for added capacity.

Ms WARD — Is that a comment or a question?

Mr T. SMITH — It is a question.

Ms ALLAN — With these things of course provision is going to be made for the future needs of the rail system. That is one of the things that keeps VicTrack very, very busy — making sure that rail corridors are appropriately reserved for future demand.

Mr T. SMITH — There are no current plans at this stage.

Ms ALLAN — I have just indicated to you that that is one of the jobs that VicTrack already undertakes.

Ms PENNICUIK — Minister, I would like to speak about something which you have touched on briefly but it does not get the attention it deserves, which is signalling on the railway system. We know from many reports and views of experts in public transport that that in itself — upgrading signalling across the rail network — could increase capacity by 50 per cent. We also know that the metropolitan and to some extent the regional rail system runs on a very antique signalling system which has not really had any significant upgrades for decades.

Minister, if you listen to the radio in the morning and the traffic reports, you will notice, ‘Trains delayed on so-and-so line’, let us say the Belgrave–Ringwood line, ‘due to signalling problems’. I note in your budget that there is a project regarding the Cranbourne–Pakenham rail line signalling upgrade of conventional signalling and at the same time a trial of high-capacity signalling on the Sandringham line.

Now, Minister, I use the Sandringham line every day, so I have got a couple of questions which I will do by way of a first question and then perhaps a supplementary. The question regarding the trial is: why was the Sandringham line chosen for that trial given the Sandringham line does not have freight on it and it does not go through the loop during the weekdays — it only goes through the loop on the weekends? It would appear to me that the trial would need to be looking at these issues: how does the metropolitan passenger rail interact with freight, interact with V/Line services, which also do not run on the Sandringham line? It is a line that does not have these complexities on it, so why is the trial being held on that line?

Ms ALLAN — Thanks, Sue. For some of the reasons that you identified: the features of the Sandringham line are some of the very reasons, I have been advised by Public Transport Victoria, you do undertake your trial on the Sandringham line. As you would know, it is a stand-alone part of the network. You have already mentioned that it does not carry freight and does not interact with the city loop on weekdays. It is also not as busy as some of those other corridors. The advice from Public Transport Victoria — and I am happy to let Mark expand on this if the committee desires — is that is precisely the environment in which to undertake a trial.

To put in place a trial of high-capacity signalling on your busiest corridor, for example, the Cranbourne–Pakenham corridor, is inviting trouble, is inviting problems. By its very nature, the trial implies that it needs to be tested and worked through before it can be deployed into a full operational setting. That is absolutely the intent once the trial is completed, but first and foremost it needed to be tested in a part of the network where it could be most appropriately managed, as best as possible. But if you like, I can ask Mark to expand on that.

Ms PENNICUIK — Can the expansion be about how then does that trial transfer across to a busier line, and what is the actual signalling type that is being trialled?

Ms ALLAN — I will answer the first bit and Mark can go to the second bit. Once the trial is evaluated then that is the basis for which you then look at how it is deployed across the rest of the network in an appropriate way but you have got the benefit of a trial that is undertaken on part of the network. Mark, do you want to talk about this in a bit more detail?

Mr WILD — The technology we have selected, for those that are interested, is something called CBTC. There are two variants of this high technology in the world: one is CBTC, one is ETCS. Don’t worry too much about it.

Ms PENNICUIK — I am worrying about it.

Mr WILD — In CBTC there are 200 installations around the world and contemporary practice in all jurisdictions has been to do an early deployment in a line that is isolated and segregatable. Generally jurisdictions around the world that have tried to implement this high technology in a dynamic, complex environment have failed, so we are following a path of not being on the cutting edge of technology. We are learning all the lessons from around the world and we are bringing them to Sandringham for exactly the reasons you have said — it is discreet and is not interfered with by other modes of freight or going through the city loop. The reason we do that is it is a safety critical system, and to get safety accreditation will involve the unions, the safety regulator and it has to be done in a place where there is little complexity. Once you have the safety

accreditation, you can then build layers of complexity on top of it, as you have just said through the city loop and maybe fitting it for freight. But contemporary practice around the world is to start in a very conservative way on a line that is kind of out of the way. Certainly from my experience, having done this on the other side of the fence, I think we are following exactly the right approach.

Ms PENNICUIK — Thank you for that explanation. My follow-up question is regarding the upgrade TEI of 360 million for the upgrade of conventional signalling on the Caulfield to Dandenong line. I welcome an upgrade of signalling anywhere, because it is a key thing that has been neglected for so long and does cause a lot of trouble on the rail network every day. I just want to know the rationale for upgrading conventional signalling and spending quite a lot of money — who knows whether it will be exactly 360; it could be half a billion dollars — on that when a trial of a new signalling system is happening. Why would you not put in the new signalling system?

Ms ALLAN — There are two parts to that. One, we need to let the trial run its course.

Ms PENNICUIK — How long will that take?

Mr WILD — The first bit of the trial will be completed in two years.

Ms ALLAN — The need is for an upgrade to conventional signalling along the Cranbourne-Pakenham corridor. It needs to be undertaken ahead of that. You mentioned in your earlier comments some parts of the signalling across the system are antiquated. You are right; they are. The opportunity presented itself, because we took the approach of removing all nine level crossings along that corridor, that scope of work enabled us to also address as part of that the conventional signalling upgrade. That upgrade will include the provision for it to be built upon. Once the high-capacity signalling trial is completed, that can then be built upon once that foundation of the conventional signalling upgrade is undertaken.

Ms SHING — Minister, I would like to refer you to budget paper 3, page 20, and budget paper 4, page 98, in relation to the bus package line items. Given the importance of buses as part of the connectivity and service delivery across a number of different modes, could you outline to the committee which initiatives will be actually included in this package, to build upon the earlier contributions that you have made in response to questions from Ms Pennicuik and Dr Carling-Jenkins.

Ms ALLAN — I am sure the bus industry is very, very pleased to see buses getting such a strong ventilation at the committee today. I think it does reflect that buses are just such an important part of our public transport system and people do rely on them each and every day. That is why our bus package, and I have touched on this a couple of times so I will not go back through some of that detail — the \$100 million package — has \$15 million of capital works associated with it and \$85 million to improve and expand services.

Just some more detail on those services. It includes servicing in growth areas; for example, part of the package includes more services in the Cranbourne area. They are looking at how improvements can be made in the Epping North-Epping West area and also how routes can be improved to service the Aurora, Lindarum and Eucalypt estates in those areas. And we have talked before about Wyndham and how there is work being done as part of this package to improve and make better connections to train stations in Wyndham. Two, there is the need to look at this as part of a regional work, and I have mentioned some of the consultations that are underway in Geelong and Bendigo. I have mentioned that this will also be a feature of the regional network development plan.

Demand for buses is actually growing faster than any other mode of transport. I neglected to put a bus slide up there earlier, but I showed you some of the demand projections for metropolitan and regional trains and trams. If you then think that it is even greater for buses, it shows you the demand on our system and that people really are choosing to use public transport across all the different modes. We do need to make sure that when we are making provision for new bus services, we are recognising that we need to provide for both the growth suburbs and the growing communities but also ensuring that we are retaining those local services that people do rely on.

Key to that will be the ministerial consultative group that will be established to bring together the industry and operators but also have a very strong voice of the users and passengers — people who rely on the service — to give that advice on how we can look at ways of continuously improving our bus network and making sure that

the new routes and the new services cater for the demand that is there now and the demand that we know is going to be there in the future as well.

Mr D. O'BRIEN — Minister, budget paper 4, page 101, mentions \$85 worth of completed projects for V/Line station upgrades, including at Warragul and Geelong, and Geelong is — —

Ms ALLAN — Sorry, Danny, can I just interrupt. I missed that reference.

Mr D. O'BRIEN — Budget paper 4, page 101. That reference is completed projects, including V/Line stations at Warragul and Geelong — I note Geelong was improving disability access — and also new V/Line stations at Epsom and Waurin Ponds, or Grovedale, and a statewide program to provide more accessible public transport, and I ask: what is the total outlay on new V/Line station projects in 15–16?

Ms ALLAN — The new projects?

Mr D. O'BRIEN — Yes.

Ms ALLAN — I have mentioned before that we will be using the opportunity through the regional network development plan to guide future investments. We are coming off a period of significant investment in regional rail services from the previous Labor government, where we started the regional rail link project. That is now coming into operation next month. There are the commitments that we have made about purchasing new regional rolling stock.

Looking towards the future, we want to take the opportunity through the development of the regional network development plan to be guided by where people are wanting to see improvements. Can I say we know that some of the many issues in regional communities will go to train stations. A lot of commentary is often made about the challenges of car parking around metropolitan stations; many of our regional stations face similar issues, and there is some work going on already by VicTrack in some of these instances. But we will be looking at this whole range of issues as part of the regional network development plan, for which the consultations are going to start very soon.

Mr D. O'BRIEN — I will take the answer to the question as zero then. On the accessible public transport in Victoria program, I understand VCOSS called for that to be expanded. Has that been maintained, or has it been cut?

Ms ALLAN — The accessible public transport?

Mr D. O'BRIEN — The accessible public transport in Victoria program.

Ms ALLAN — I am advised on all quarters it is a program that is continuing, and perhaps we can furnish some additional information. However, I know it is disorderly to respond to interjections, but the allocation of 'zero' is perhaps an unfair representation, particularly given the information I have is that there was zero allocation to regional rail services provided by the previous government until 2017.

Mr D. O'BRIEN — Sorry, I would appreciate if that further information could be furnished on the program.

Dr CARLING-JENKINS — Thank you, Minister. I would like to turn our attention briefly to trams now. This is a focus for people living in the other end of the western metropolitan area, where I sit, so for people closer to the city — for example, in Moonee Ponds. I noticed in your presentation that 70 new E-class trams have been ordered. The concern that has been raised with me is that the rolling stock plan includes an initial reduction in tram fleet size, with the large E-class trams coming on to replace the smaller ones. I am seeking clarity for my constituents, who have a little bit of a concern that some routes will see less frequent tram services under the transition.

Ms ALLAN — There might be a couple of things. Was it Moonee Ponds that you referenced as a community particularly interested in this?

Dr CARLING-JENKINS — Yes.

Ms ALLAN — There were some media reports earlier in the year about proposed tram timetable changes that made that speculation, and the tram timetable has not been finalised. There were no proposals before me, so that was speculation.

Dr CARLING-JENKINS — Sure.

Ms ALLAN — On the tram rolling stock — and you have got a copy of this and will have an opportunity to look at it — to clarify the order of trams we have in the forward program that we will be immediately extending the order for 20 E-class trams with a further 80 to come beyond that order. Then in between, if you like, recognising that it is going to take a while to deliver those new trams, and to keep up with demand, address some of the age of the tram fleet and pick up on the fact that no tram was ordered over the past four years, we need to do an extension of the B-class trams. They are not as old as some of the trams on the network, but they are reaching a point that, if they are to continue in operation, they need to have some refurbishment work on them. That is why the budget provides for 20.5 million to do works to extend the life of 25 B-class trams to address some of the reliability and amenity issues, and also to make sure that we are keeping enough rolling stock in the system to manage the demand that is there now and the projected demand into the future.

Dr CARLING-JENKINS — Just to clarify then, so there will not be any reduction in the frequency of tram services as the new trams, or the refurbished trams, are rolled out?

Ms ALLAN — No, that is not the intent, but Mark is looking very keen to make a submission.

Mr WILD — I know the graph you are looking at shows that the tram fleet reduces in size for a short period of time. There is no real correlation between the size of the tram fleet and the frequency, and that is because when you have a lot of smaller old trams they are not very reliable compared to the new trams. You cannot really take that graph and assume that means lower service frequency. The fleet size is mostly to do with availability and maintenance. As you get big, new, highly reliable trams come in, we can retire some of the older ones. So there is no real correlation between the two things.

Dr CARLING-JENKINS — Fantastic; my constituents will be very pleased. Thank you.

The CHAIR — As will mine.

Mr DIMOPOULOS — Minister, my question is in relation to the Murray Basin rail project; on page 99 of budget paper 4, a \$180 million to \$220 million investment. I am just wanting a bit more detail in relation to the status of this project.

Ms ALLAN — Thank you very much, Stephen, and I am pleased that we have the opportunity to talk about this project. We have talked a lot about rail services for regional communities, but we have not yet had the chance to touch on this very important rail project for regional communities, particularly for the movement of freight in the north-west of the state. The budget has provided for \$30 million for stage 1 of the works, and indeed the budget actually confirmed the announcement that was made by the Premier, myself and the Minister for Agriculture and Minister for Regional Development in Mildura, back in February, where we announced that we were bringing forward funding into this financial year to start those works. It also makes provision for up to \$220 million for the entire project, to upgrade and standardise the rest of the line.

If it is helpful, I can provide a map that shows where the area is. Can I say, Stephen, I am sure you will be thrilled to hear that this project will absolutely be delivered under a Labor government, and we will see this through because we have always been the party of regional rail services. For those who may not be as familiar with some of the detail, the Murray Basin rail project involves the standardisation of those rail freight lines in the north-west, as is illustrated by this map. But an important part of the work is improving the line so that it can increase the axle loading that line can carry from 19 to 21 tonnes. This is important, because this region is an important economic region for the state. Around 3.5 million tonnes of grain is produced out of this region, and the desire to get as much of that on rail is to be supported. That tonnage of grain is estimated to be worth around \$2 billion to our economy, and then add to that the significant mineral sands industry. It has been there for a little while and continues to be developed in that part of the region, and it is worth around a billion dollars. The container freight network is also worth around \$500 million, so there are billions of dollars of economic activity in this region that means, with an improvement to the rail freight network, we can support a much more efficient and productive output for that area.

There is some work going on at the moment within the department to finalise a business case for the full project. There is very keen interest in this project from a range of stakeholders that we have been engaging with, but once that business case has been released — and it will be shortly — we will be speaking with those people. We have already had conversations with them. Again, when we were in Mildura, we met with a number of the stakeholders who are keen to see this project progress. It is certainly an opportunity. There has been some discussion about how the commonwealth might want to fund rail projects in the state — some commentary that they should be funding rail freight. If they want to come and fund rail freight projects, this is a terrific one because of the significant economic value that comes out of that region.

It is part of the national rail freight network, as is designated by the commonwealth government, and it is a project for which we would love to see support. I should also mention that there is private sector support from parts of the grain industry as well. It is a project that we are very pleased to see continue in the tradition of Labor governments supporting regional rail programs.

Mr MORRIS — Minister, budget paper 3, page 37 — the Mernda rail link — has allocated funding there of \$9 million. I understand Treasury has previously costed the South Morang–Mernda extension to be \$700 million. Given the current rate of commitment it would take 77 years to build that extension. Can you indicate to the committee what date construction will start, as opposed to planning, when the extension will open and will there be any additional costs incurred over and above the \$700 million, given the lack of commitment of funds in this budget?

Ms ALLAN — I think you are being perhaps either a little bit mischievous or perhaps not fully reading the budget papers or presenting the budget papers in their true light, because certainly page 98 of budget paper 4 makes it clear that provision has been made for this in future budgets, and I think it is very clear that we would be four years closer to completing this project if planning had been undertaken on this project at any point of time in the past four years. Before we go ahead and build 1 metre of rail track we need to plan for that appropriately, and that is exactly what this \$9 million of funding will do. It will enable us to fully deliver on our election commitments.

I have seen some of the deliberately misleading commentary on this from members of the opposition, which I think is doing a grave disservice to the community of Mernda — to try to deliberately mislead them by saying this is a project that is not going to happen. This is absolutely a project that is going to happen. It would have happened sooner if some of that planning work had been done at any point in time in the last four years, or indeed if that planning work had led to the commencement of the project at any time in the last four years. So we will be taking the time to plan this project appropriately, this project will be commenced within our four years of government and we will be wanting to complete this as soon as possible.

I should also point out that the extension of the Mernda rail link from South Morang has only been made possible because the former Labor government extended a rail line to South Morang. Again we have a strong history and record of delivering for those communities in improving and extending rail services, and this is absolutely what we intend to continue on with, with the extension of the Mernda rail link. To say that this is not going to happen is being absolutely deliberately misleading to communities who deserve a much better treatment than what the opposition is providing them with.

Mr MORRIS — I think I asked for a construction and completion date. So I did not say it was not going to happen; I simply asked for the information. It is also interesting that future budgets are such a frequent feature of these hearings. Minister, you gave us an indicative construction date, but you did not give us a completion date. Are you able to do that?

Ms ALLAN — That will be guided by the planning work that is being undertaken as part of this \$9 million in allocation. I think you would be rightly critical if we rushed these things out. The most important thing, though, is that construction will commence within this term of government. Significant works will be undertaken within this term of government, and the community of Mernda will see their rail line extended by the Andrews Labor government.

Mr MORRIS — So the answer is no?

Members interjecting.

The CHAIR — Order!

Ms ALLAN — Can I say, Chair, that if it was the desire of the opposition to see this project completed by 2018, perhaps they should have planned for this project at some point in time over the past four years when they had the opportunity to do that, during their time in government.

The CHAIR — I would like to thank the witnesses for their attendance this morning: the honourable Jacinta Allan, Minister for Public Transport, Mr Bolt, Mr Liddle, Mr Hannett, Mr Wild, Ms Eddy, Mr Tattersall, Mr Devlin, Mr Phelan, Mr Miller, Ms Burrows, Mr Taifalos and Mr Rose. The committee will be following up on a number of questions on notice in writing. A written response should be provided within 21 business days of that request.

Witnesses withdrew.