

PUBLIC ACCOUNTS AND ESTIMATES COMMITTEE

Inquiry into the 2023–24 Budget Estimates

Melbourne – Tuesday 13 June 2023

MEMBERS

Sarah Connolly – Chair

Nicholas McGowan – Deputy Chair

Michael Galea

Paul Hamer

Mathew Hilakari

Lauren Kathage

Bev McArthur

Danny O’Brien

Ellen Sandell

WITNESSES

Ms Jacinta Allan MP, Minister for Transport and Infrastructure, and

Mr Paul Younis, Secretary, Department of Transport and Planning;

Mr Kevin Devlin, Director-General, Major Transport Infrastructure Authority; and

Mr Duncan Elliott, Chief Executive Officer, North East Link Program.

The CHAIR: I declare open this hearing of the Public Accounts and Estimates Committee. I ask that mobile telephones please be turned to silent.

On behalf of the Parliament, the committee is conducting this Inquiry into the 2023–24 Budget Estimates. The committee's aim is to scrutinise public administration and finance to improve outcomes for the Victorian community.

I advise that all evidence taken by the committee is protected by parliamentary privilege. However, comments repeated outside this hearing may not be protected by this privilege.

As Chair I expect that committee members will be respectful towards witnesses, the Victorian community joining the hearing via the live stream this morning and other committee members.

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

I welcome the Deputy Premier and Minister for Transport and Infrastructure and officers from the Department of Transport and Planning. Minister, I am going to invite you to make an opening statement or presentation, this time of no more than 10 minutes. This will be followed by questions from the committee. Your time starts now.

Visual presentation.

Jacinta ALLAN: Thank you very much, Chair. And thank you to members of the committee for the opportunity to present to you this morning on the transport and infrastructure portfolio. Just to re-emphasise: as part of the work we are doing in transport, there is the creation of the Department of Transport and Planning as the department's key agency to drive safe and integrated transport and land use outcomes and look at how we can leverage off the investments we are making in our Big Build and also in our projects across the state to make sure we are continuing to support a strong pipeline of infrastructure projects that are largely delivered through the Major Transport Infrastructure Authority but also make the most of these projects by way of investments in jobs and community and social infrastructure.

The Big Build is a big program: Metro Tunnel, West Gate Tunnel, North East Link, the Sunbury line upgrade, the Hurstbridge line duplication, 110 level crossing removals and upgrades to the Monash Freeway with the ring-road. There are something like 165 road and rail projects across the state that are reshaping how we travel and move around Victoria. It is also supporting jobs: 20,000 direct jobs and 50,000 indirect jobs annually. It is a big part of the Victorian economy and community. As there are people who have the reliability of a pipeline of projects, they have a reliability of pay packets coming home each week. Importantly, this year's budget continues to deliver on the Big Build across the government more broadly. There is \$9.3 billion of investment in infrastructure that supports that strong and sustainable pipeline.

Turning to the next slide, this gives you a sense of the transport and infrastructure area. The new projects in this year's budget total around \$7.3 billion, and they include the additional 25 level crossings and upgrades to the Ballarat and Boronia stations. The Melton line upgrade is happening in addition to the level crossing removal in Melton and also a brand new station in Tarneit – just some of the features of this year's transport and infrastructure investment.

I will not spend a lot of time on this slide, because I am assuming the Treasurer may have gone here, but this gives you, again, a sense of the pipeline that we have built up and are sustaining across the most recent years and going into the forward estimates – that average of \$19.6 billion a year over the forward estimates,

significantly higher than the 10-year average to 2014–15 of \$4.9 billion. It does represent the government's commitment to a strong and sustainable infrastructure program. It also includes some incredibly complex and big projects that have been talked about for a long time and that we are not just delivering, but as we can see here with the Metro Tunnel, this was the biggest investment – the Suburban Rail Loop has come on the books since then – since the investment in the city loop some 40 years ago. What is tremendously exciting about this year's budget – it was also a feature of last year's budget – is we are making the investments that are needed to operationalise the network.

We are coming towards the end of the construction part of the program, with trains expected to be running by 2025, a full year ahead of schedule. But to be ready for those trains to be running there is a huge task that goes to making sure that we operationalise the tunnel, making sure that we connect it obviously into the rest of the network, because the Metro Tunnel is joining up the Sunbury line with the Cranbourne–Pakenham line and creating, if you like, its own loop through the city. We need to make sure that the tunnel is ready to go, and that is why this tranche of investment will fund things like electrical works, plant and equipment maintenance, integrating train control systems and signalling. Also it is looking at other parts of the transport network and connecting it in, for example, our bus networks. Also there will be a big trial operation. We have got thousands and thousands and thousands of hours of testing the trains, because we will have our new high-capacity trains running through the tunnel, so we have got to make sure that is all in alignment, the platform screen doors open and close in the right places – all of those big integration pieces. Then also there will be a significant part of the work in terms of before we get to day one of passenger service having simulations with pretend passengers – they will be people, but they will be pretending to be passengers – to thoroughly test the network. This is a really big and important part of turning on the Metro Tunnel, and importantly the government is funding these operations so that we can have test trains. We will be looking at having them running sometime in the second half of this year ahead of the tunnel opening in 2025.

But there is also work going on in other parts of the state, a range of other transport projects that are being delivered right across Victoria. I mentioned level crossings. So far we have removed 70 dangerous and congested level crossings. We are working towards removing 110 by 2030, and by 2030 the Werribee, Frankston, Cranbourne, Pakenham and Lilydale lines, and Sunbury as well, will also be level crossing free. That again gives you that corridor-by-corridor benefit of removing dangerous and congested level crossings.

The West Gate Tunnel – that work is significantly advanced. We have completed the tunnelling part of the project. There are other parts of the work that are going on around the west as we deliver that project. The North East Link is really gearing up in terms of the work there too with the construction of the tunnel boring machine entrance spots and how we can also connect in to other parts of the road network. I will mention the Suburban Rail Loop in the next session.

The next slide goes to the projects across regional Victoria. Members who have been previous members of this committee know we are upgrading every regional passenger line through our regional rail revival program. Stage 2, for example, of the Shepparton line was concluded last year. That has allowed VLocity trains to run for the first time in and out of Shepparton, which has certainly improved particularly reliability of train service on that network. Stage 1 of the Warrnambool line upgrade is completed, delivering a fifth return service between Warrnambool and Melbourne. There have been train stations opened in Raywood and Huntly. Also, in terms of our road network, we have added 400 kilometres of new lanes to the state's road network since 2016, and there is more investment to come.

I have mentioned in previous presentations this morning to this committee how it is not just the dollar we invest in infrastructure, it is how we make the most of each and every dollar that we invest in our program, and that is why we have deliberate policy settings that go to how we can leverage that investment through the government's significant, if you like, purchasing power to drive broader social benefit. That is whether it is the Major Projects Skills Guarantee, which is the requirement for 10 per cent of all hours worked on our projects to be made up of apprentices, trainees and cadets, or our social enterprise strategy, which has been tremendously successful in supporting social enterprises across the state. They too can now see that there is a pipeline of work opportunities for them. So whether they are a disability service provider or work with migrant communities, they can gear up around that program as well.

The building equality program, which sets targets for women's participation on our projects, is a great policy and has required particularly the construction industry to think about how it changes its practice to make sure

we are getting more women into all levels of the construction industry. Also, in the transport department more specifically, the Aboriginal self-determination plan is a really important guiding policy piece that is supporting the Indigenous Victorians who work across our projects as well. This is really important work in making sure that the benefits of our infrastructure program are spread widely and fairly and equitably. There are some terrific examples. If I can just give one, on the Indigenous employment work that we are doing on the Princes Highway east upgrade. It has more than tripled its Aboriginal employment target on the Kilmany East section. The prime contractor engaged, Solomon and Sons, is a local Gunnai/Kurnai-owned and operated earthmoving business. This has obviously brought an important pipeline of jobs and investment for that company.

There are many, many other examples as well. I mentioned migrant communities, where we work with particularly people who come to Victoria as refugees and need their qualifications in their original country recognised. There is work that is done through particularly the level crossing removal program, and we partner with Swinburne University to help them get recognition of their skills and get those translated to local recognition and then also have that important on-the-job training and support throughout their time on our projects.

The CHAIR: Thank you, Deputy Premier. The first 8 minutes are going to go to Mr McGowan.

Nicholas McGOWAN: Thank you, Minister, for that presentation. I am trying to understand. Looking at the witness list this morning, there is quite a large number of witnesses that are not appearing before us – deputy secretaries and senior executives. Can you explain why that is the case?

Jacinta ALLAN: Firstly, I have the same number of department officials with me this year as I did last year. Secondly, you have the leadership of the department and agencies here. And thirdly, we are ready to answer your questions.

Nicholas McGOWAN: Okay. But I just want to go through that, because I think it is important. This is all about, obviously, transparency and accountability. Who we have missing are the Deputy Secretary, Planning; Deputy Secretary, Land Services –

Jacinta ALLAN: Excuse me, Mr McGowan. We are here for the transport and infrastructure section.

Nicholas McGOWAN: I understand. I am coming to that right now. So let us go straight there.

Jacinta ALLAN: I would hope that we would be just talking –

Nicholas McGOWAN: The Deputy Secretary, Network Design and Integration; the Chief Executive Officer, Rail Projects Victoria; Chief Executive Officer, Level Crossing Removal Project; Executive Project Director, West Gate Tunnel Project; Chief Executive Officer, Major Road Projects Victoria; Chief Executive Officer, Suburban Rail Loop Authority. What does this say of transparency when we have, in either one of your three presentations this morning, 50 per cent of the senior executives – witnesses we have asked to appear before us – missing –

Jacinta ALLAN: You do not – let us be clear –

Nicholas McGOWAN: 66 per cent in this presentation missing – 66 per cent missing in action – refused to come before us as witnesses.

Jacinta ALLAN: Firstly, the CEO of the Suburban Rail Loop Authority will be here when I am presenting as the Minister for the Suburban Rail Loop, so you will have every opportunity in the next session to address questions as relevant because he –

Nicholas McGOWAN: As you well know, Minister –

Jacinta ALLAN: Excuse me, Mr McGowan, if I could –

Nicholas McGOWAN: that individual was invited to be part of this and to be a witness here between 10:20 and 11:35.

Jacinta ALLAN: And he is not responsible for transport and infrastructure.

Nicholas McGOWAN: To me it just shows the contempt the government have for this committee and transparency, sadly.

Jacinta ALLAN: No, well, see you –

The CHAIR: Mr McGowan, this is not opportunity for grandstanding.

Nicholas McGOWAN: It is an opportunity to understand and ask on behalf of the Victorian taxpayers why key witnesses are not appearing before this committee.

The CHAIR: The minister is here. Could you please ask a question?

Jacinta ALLAN: And the CEO of the Suburban Rail Loop Authority is indeed appearing before this committee for an hour and 15 minutes as relevant to the Suburban Rail Loop project.

Danny O'BRIEN: What I cannot fathom is why the witnesses we have asked to appear before us at a time we have asked them to appear before us do not show today.

Jacinta ALLAN: He has not got responsibility for the transport and infrastructure program.

Nicholas McGOWAN: It shows absolute contempt for the process and contempt for the people of Victoria.

Jacinta ALLAN: We can do this back and forth.

Nicholas McGOWAN: We can.

Jacinta ALLAN: We do not have to do it concurrently. So I will finish –

Nicholas McGOWAN: No, I need to do it concurrently because under the current system I only get 10 minutes in total, so unfortunately it needs to be done concurrently.

Jacinta ALLAN: You mentioned the roads CEOs.

Nicholas McGOWAN: Secretary, Morrison International has been –

Jacinta ALLAN: No, I am going to answer.

Nicholas McGOWAN: suspended from government projects –

Jacinta ALLAN: Excuse me, Chair, I have not finished answering the question.

The CHAIR: Mr McGowan, the minister is trying to answer your question.

Nicholas McGOWAN: With respect, Minister, it was not a question; it was a statement of fact.

Jacinta ALLAN: Also the witness list needed to change because last week we made an announcement of a change to the administration of the roads portfolios where the roads agency is now led by one person. The other two individuals report to Duncan Elliott, who is here today and happy and eager to answer any questions –

Nicholas McGOWAN: Minister, we are not talking about two individuals; we are talking about 12 individuals in total – 12.

Jacinta ALLAN: so your conspiracy theories do not stack up.

Nicholas McGOWAN: It is not a conspiracy. The facts speak for themselves, as you know.

Jacinta ALLAN: We are here ready to go to answer your questions. So we can keep doing this, or we can ask questions that are relevant to my portfolio.

Nicholas McGOWAN: Fifty per cent previously, 66 per cent – it is 12 individuals. It is a lot of executives.

The CHAIR: Mr McGowan –

Jacinta ALLAN: I am very happy to answer questions.

The CHAIR: the minister and Secretary are happy to answer questions.

Nicholas McGOWAN: Secretary, Morrison international has been suspended from government projects as part of the immediate preliminary measure, as you know, following the ‘ghost shifts’ scandal. How many sites and which projects were Morrison international operating on?

Paul YOUNIS: It is Morson International, Mr McGowan.

Jacinta ALLAN: Not Morrisons.

Nicholas McGOWAN: Morson, sorry.

Paul YOUNIS: You may be aware or not that the contractors that are working on all of the projects are employed by subcontract arrangements under all the arrangements. Particularly MTM and Cross Yarra Partnership employ all the employees across that, and I think it is worth pointing out that there are tens of thousands of people that have worked across all of those projects over a number of years. When there are these cases of wrongdoing there are processes in place to deal with them. MTM, Cross Yarra Partnership and the national rail safety regulator have commenced investigations into those matters and are looking at part of the issues that you have just raised in relation to which sites, how many people, what the exposure is and what the actual facts behind the allegations are. While those investigations are being done and carried out, they will be taking the appropriate action, as we have seen, that they see fit in relation to individual areas. In some sites they have cancelled the contracts in relation to that and have removed contractors from the sites, and they will continue to do that as the investigations proceed.

Nicholas McGOWAN: Thank you, Secretary. I presume you have a preliminary understanding of how many sites are affected?

Paul YOUNIS: I have not got the number of sites. As I said, we have got 165 projects operating across the state. It is clearly not all of those sites, but in relation to these works it is MTM and Cross Yarra Partnership worksites.

Nicholas McGOWAN: Of the 165 projects, how many are affected, do you believe?

Paul YOUNIS: I am sorry. Using that context of the size of our program should not be interpreted as meaning that all of those sites are part of these investigations – they are not. If I gave that impression, that is certainly not it. It is some isolated sites of MTM and Cross Yarra Partnership. I do not know the extent of the sites – that is part of the investigations by MTM and Cross Yarra Partnership.

Nicholas McGOWAN: When do you expect to know?

Paul YOUNIS: I have not got a time frame on that, but as the investigations are done – and I know they are very thorough investigations – we will get more information.

Nicholas McGOWAN: What is the time line for the end of the investigations?

Paul YOUNIS: I am not in a position to give you that information.

Nicholas McGOWAN: But, Secretary, wouldn't you want to know the end of the investigation so then you can take necessary action?

Paul YOUNIS: Yes, I would, and as we go through the process and as the investigations unfold, I will be given the information as it is reliably available to be given to me.

Nicholas McGOWAN: I understand that, Secretary, but ‘unfold’ and ‘when things come about’ just gives me some alarm that we are actually not taking action and we cannot be sure action is being taken in an immediate action to make sure that this is not continuing. How would we know it is not continuing?

Paul YOUNIS: Just to be clear – and I will go back to where I started – the contractors working on these projects are employed under subcontract arrangements. They are being employed by MTM and Cross Yarra

Partnership. I am confident in the systems in place and the processes we have in place, and I think the way that this has been handled, in that certain contracts on those sites have been cancelled during the investigation, is quite appropriate.

Nicholas McGOWAN: What is the total value of the Morson International contracts to the state government?

Paul YOUNIS: I have not got those numbers. That is a part of the investigations and a part of the subcontractor arrangements with MTM.

Nicholas McGOWAN: So after all this time and all this scandal you still do not understand or have a concept of how much the total value of worth is?

Paul YOUNIS: As I said, Mr McGowan, I think it is important to go back to the construct of the way that we operate these. We manage these contacts under subcontractor arrangements.

Nicholas McGOWAN: It sounds like a free-for-all, though, Secretary. It sounds like an absolute free-for-all.

Paul YOUNIS: No, it is an appropriate way to manage risk and to manage these projects.

Nicholas McGOWAN: Clearly not.

Paul YOUNIS: We have got the right expertise employed at the right spots to manage these contracts. This is their expertise – managing large employees.

Jacinta ALLAN: To be clear, MTM is the accredited rail operator who is responsible for the management and oversight of the operational part of the network. They interface with level crossings and Metro Tunnel in terms of their role as the accredited rail operator. They are the ones who are carrying out this investigation, and it would be highly inappropriate for the Secretary of the department to cut across that independent investigation whilst it is underway.

Nicholas McGOWAN: I have heard that many times, Minister, but as you and I both know ultimately the minister is responsible for what occurs in their portfolio –

The CHAIR: Mr McGowan, your time is up.

Nicholas McGOWAN: You are not responsible, Minister?

The CHAIR: Mr McGowan, your time is up. We are going to go to Ms Kathage.

Lauren KATHAGE: Thank you, Chair, Minister and officials. Budget paper 4 setting out the state capital program, page 17, says the government will continue to deliver its existing pipeline of significant infrastructure. Are you able to outline our infrastructure spend this year and how that compares to previous years?

Jacinta ALLAN: Yes. Thank you for the question. As I indicated in my presentation earlier, the big pipeline of projects that we have across Victoria, particularly through the Big Build, the transport infrastructure delivery, is more than 165 major road and rail projects supporting those tens of thousands of jobs across the state. Since 2014 the Victorian government has committed \$112 billion in planning, building, running and upgrading Victoria's transport network, which is a massive regeneration of Victoria's transport network alongside the jobs that it supports. As you have identified in budget paper 4, the budget paper outlines the scale of this investment across the government. There is \$9.3 billion of total investment across infrastructure more broadly. A lot of that is transport. A fair chunk of that is level crossings, but it also involves schools, hospitals and other infrastructure as well. That brings the total investment to \$201 billion in new and existing capital projects across the state.

Importantly too that four-year average number is also important, because it is about making sure that there is a continuity on the program so that we can support, whether it is the construction industry, their subcontractors, professional services firms – there is a big and diverse supply chain that sits around the construction work itself. For every 100 jobs you see in hi-vis on construction sites there are another 200 in the supply chain working across a whole range of different companies, so they need that certainty for the pipeline alongside the construction sector as well. There is also a chart on page 2 of budget paper 4 that provides a comparison of how

the work that we are doing and the investments that we are making compare to just under \$5 billion in the 2014–15 year, of course a time that we were not in government, but it does show the difference in investment and the priority that we are placing on investing in infrastructure, investing in jobs and investing in the community. If you break down the figure that we are investing, it is over \$53 million every day that is being invested in infrastructure. That is not just in projects, that is in our economy, that is in our community, creating jobs and supporting the connections that we need.

Some of the projects we are investing in include the removal of 110 dangerous and congested level crossings by 2030, and that includes \$6.5 billion for the additional 25 level crossing removals that have come into this year's budget papers. Seventy level crossings have already been removed. The Member for Box Hill and I were very pleased to mark the removal of 69 and 70 at Surrey Hills quite recently. That is also, as I mentioned before, important to making those key corridors level crossing free by the end of 2030. So by the end of this year, to give the committee a sense of how we are ticking over with the removal of level crossings, a total of 74 level crossings are expected to be removed by the end of 2023. So we have still got four more to go over the course of this year, and we are on track to complete that target that we had initially set of 85 level crossings by 2025. So we are massively ahead of time, which is why we can add to the program in this way.

New initiatives in this year's budget also include the \$650 million to upgrade the Melton line. We are also, as part of our level crossing program, making Melton level crossing free and building a brand new train station at Melton. The Melton line upgrade gives us more space, the capacity to carry more passengers on the Melton line, giving us an increase of 50 per cent capacity on the Melton line when that project is completed.

I talked earlier in the presentation about the Metro Tunnel. I will not go back over that again, but associated with that is the allocation in the budget of \$353 million for the construction of extra train stabling at Kananook, and that is so we can run more trains on the Frankston line. We needed to significantly increase the capacity of stabling on the Frankston line, and we have done that at Kananook. This will be the second of two stages in providing that extra stabling capacity. I mentioned Ballarat and Boronia stations earlier. I should mention Tarneit West and Albion as well, which are being upgraded.

There is also work on our road network, with funding for stage 2 of the Barwon Heads Road upgrade. There is also funding for the Watson Street–Hume Freeway interchange upgrades at Wallan, which is an important project, and I was very pleased to join with colleagues – well, they were about to become colleagues – to make that announcement last year; and for work at the Ballan Road intersection upgrade in Wyndham Vale. I should give the Member for Point Cook a shout-out as we are doing work on Point Cook Road as well. This gives you a sense of the scale of the works across –

Members interjecting.

Jacinta ALLAN: Is that crossfire? You guys have still got a week to go; be nice to one another. It gives you a sense of the size and scale of the program of road and rail across the state.

Lauren KATHAGE: Thank you, Minister. Yes, we have got more frequent services on the Mernda line now as well because of the level crossing removals further down. You spoke about page 2 of budget paper 4, which also sets out some of the market constraints that we are facing. Are you able to elaborate on what sort of challenges we are experiencing with such significant infrastructure projects, considering the market constraints we are facing?

Jacinta ALLAN: This is alongside the work we do on having a stable pipeline. Being able to deliver that stable pipeline relies on us having a very keen eye on and also taking action to address some of the market challenges that we do face. It is not just us here in Victoria; transport ministers around the country have got these same challenges, and indeed globally as well there are real challenges around labour shortages and supply chain issues. There is a lot of work that goes on in terms of implementing a range of strategies to support skills and to look at market capacity and also through our procurement mechanisms, making sure we are driving value for money. You will find page 26 of budget paper 4 outlines a range of initiatives that we have put in place to respond to these global challenges to major infrastructure delivery, whether it is putting more support into our TAFE network, free TAFE or Big Build apprentices – and I talked about the Major Projects Skills Guarantee earlier. Also in 2019 we launched the Australian Major Projects Leadership Academy because it is important that we have leaders in this field as well to provide that stable oversight of our projects. Also we have

a big focus on supporting more women to get into the construction and transport industries more broadly, whether it is through the women in construction strategy or, as I mentioned earlier, the *Building Equality Policy*. There is a lot of work that goes into supporting a skilled pipeline of workers, whether it is, as I mentioned, TAFE or whether it is through individual bespoke programs. It is an opportunity to address the challenge that we have, but it is also making sure that we have that ongoing supply of a skilled workforce for our community and for future projects, which in turn supports the ongoing stability of the pipeline.

The CHAIR: Thank you. The next 8 minutes is going to the Deputy Chair.

Nicholas McGOWAN: Thank you very much. Secretary, what safeguards have been put in place to strengthen the integrity of the invoicing system?

Jacinta ALLAN: What budget paper is this referring to?

Nicholas McGOWAN: Budget paper 3, page 310. What safeguards are being put in place to strengthen the integrity of the invoicing system?

Paul YOUNIS: Well, we have an entire process to manage the invoicing that is done at the department level. We have systems in place. We have IT mechanisms in place. It is audited. We have an audit committee which oversees all of those processes and our procurement and auditing issues, and we have a range of committees that oversee that.

Nicholas McGOWAN: Secretary, has the department provided any information to the Ombudsman or Auditor-General for the investigation into this scandal?

Jacinta ALLAN: That is not appropriate.

The CHAIR: Mr McGowan, you know that is not only inappropriate, it is deeply disrespectful.

Nicholas McGOWAN: How is it inappropriate? Who is it disrespectful to?

The CHAIR: Please rephrase your question.

Jacinta ALLAN: If there are independent investigations underway by independent agencies, that is a question for them, not the Secretary of the department – to prejudice those investigations should there be any underway.

Nicholas McGOWAN: I am quite entitled to ask these questions, as you know, Minister. Secretary, do have an answer?

Paul YOUNIS: Mr McGowan, these are subject to investigations. I am not going to talk about the detail of those investigations. It would be totally inappropriate for me to do so.

Nicholas McGOWAN: Secretary, the Fair Work Ombudsman is investigating claims the CFMEU has blacklisted an Indigenous labour hire firm from nine different government building sites, including the Suburban Rail Loop. Secretary, have either you or your department been approached by this investigation?

Paul YOUNIS: That is a federal agency. No, I have not, and I am not aware of any approaches to my department.

Nicholas McGOWAN: Secretary, is the department aware of any other claims against the CFMEU on transport and infrastructure sites?

Paul YOUNIS: I am not aware of any.

Nicholas McGOWAN: Secretary, perhaps on notice can you please provide for 2021–22 and 2022–23 so far the total number of employees on WorkCover and the breakdown of the reasons for each of the agencies that fall within the department?

The CHAIR: Mr McGowan!

Paul YOUNIS: So those –

The CHAIR: Excuse me, Secretary. Mr McGowan, you were reminded last week that asking questions and expecting them to be answered on notice is not the purpose of this inquiry.

Nicholas McGOWAN: You are just wasting my time, Chair.

The CHAIR: Could you please just ask your question and allow the Secretary an opportunity to respond to you.

Paul YOUNIS: So, Mr McGowan, I would be surprised if it was appropriate for me to give details of individual WorkCover claims and –

Nicholas McGOWAN: Not their names, Secretary. You know that.

Paul YOUNIS: the nature of those investigations. I took the question as being asked to me of individual details –

Nicholas McGOWAN: The total number, Secretary. I said ‘total number’.

Paul YOUNIS: What I can provide in relation to WorkCover claims – but I think it is important to go back to what I said earlier, that we build and construct the arrangements under contractual arrangements. The employees are employed under subcontractor arrangements. We do not, on many of these sites, have direct responsibility for the employees of those sites. That is an issue for the appropriate contractors on the sites to manage, and it is their systems that would be managing those issues. So I would not necessarily have the information on the details of their staff management structures.

Nicholas McGOWAN: Again budget paper 3, page 310: traders in Mont Albert, Surrey Hills and Glen Huntly have struggled financially due to the constraints of street closures in the LXRPs works. Secretary, of the level crossing removal projects completed or commenced in the past years, have any traders been paid compensation for disruption?

Paul YOUNIS: Kevin Devlin is here. He is in charge of the MTIA program and the level crossing program, and he can probably supplement what I am saying, but the disruption program is really complex. We have got a massive amount of works going on, and one of the challenges that we have with the program is making sure that we can do the works, because these are really city-shaping, state-shaping works, and provide the support to those that are impacted. Building infrastructure in a brownfields environment is incredibly complex, and so –

Nicholas McGOWAN: I understand that, Secretary. I suppose the question is: have any traders been paid compensation?

Paul YOUNIS: there are impacts that we need to manage not only to the people who are impacted by the disruptions but adjacent to the sites. So Mr Devlin might be able to give some more information in relation to specific –

Nicholas McGOWAN: Thank you, Mr Devlin.

Kevin DEVLIN: Thanks, Secretary. The level crossing removal program has extensive trader support packages in place right across the whole program, including what was deployed at Union and Mont Albert. Those teams worked very closely with those traders to minimise the impact of the construction and occupation periods. It is obviously both an opportunity to have a lot more workers who are on site using those shops and to encourage locals to shop local. We have an extensive shop local campaign, including vouchers –

Nicholas McGOWAN: Mr Devlin, I understand this. The question is actually whether any traders have been paid compensation.

Kevin DEVLIN: Not direct compensation, but through the trader support programs we purchased vouchers from those businesses – tens of thousands of dollars worth – to provide to the workforce, and we also, for the locals, have a voucher –

Nicholas McGOWAN: So to be clear, not a single trader has received any compensation?

The CHAIR: Mr McGowan, Mr Devlin is answering your question. You may not like the answer to your question.

Nicholas McGOWAN: To be clear, not a single trader has – Chair, you are just interrupting for the sake of interrupting right now.

The CHAIR: Mr McGowan!

Nicholas McGOWAN: Mr Devlin –

The CHAIR: Mr McGowan, please do not talk to me like that. Mr Devlin is answering your question. You may not like the answer he is giving you, but he is still answering your question, if you would have the courtesy of listening to it.

Jacinta ALLAN: We were having such a pleasant morning too.

Kevin DEVLIN: Just to complete, the extensive voucher scheme with locals being able to get a shop local stamp at the various businesses, and that –

Bev McArthur: Completely useless in Ballarat at Albert Street.

Jacinta ALLAN: Excuse me, Chair. I would ask my officials not be spoken – we are happy to answer questions. I will not have my officials spoken to in this way.

The CHAIR: Thank you, Minister. I will remind all committee members to treat witnesses, including department officials, with respect, please. Thank you.

Nicholas McGOWAN: Secretary, has the investigation into the stakeholder relations and communication manager of the LXRA – and I will not name his name – been completed, to your knowledge?

Kevin DEVLIN: I might be able to answer that, Secretary.

Paul YOUNIS: Mr Devlin is in charge of that area.

Kevin DEVLIN: We reviewed the allegations and took appropriate measures, but it is not appropriate to comment on the individual circumstances of that employee any further.

Nicholas McGOWAN: Is the investigation ongoing, or has it ceased?

Kevin DEVLIN: No, it has ceased.

Nicholas McGOWAN: Ceased. Thank you very much. Secretary, it has been reported the state government wrote to the Commonwealth prior to the 2023–24 federal budget requesting the Commonwealth funding for the airport rail be delayed and signalling an intention to delay or shelve Geelong fast rail. Is that correct?

Paul YOUNIS: No, the department did not write to the Commonwealth.

Nicholas McGOWAN: Sorry, I cannot quite hear.

Paul YOUNIS: The department did not write to the Commonwealth in relation – having said that –

Nicholas McGOWAN: The state government. The state government, though, Secretary, not –

Paul YOUNIS: we are in constant conversation with the Commonwealth all the time on all of the projects that we have, and so there is correspondence around the status of all programs. So this is a part of the business we do with the Commonwealth in reviewing and giving updates on status and program and project progress.

Nicholas McGOWAN: Okay. Thank you. Secretary, to your knowledge have any level crossing removals been futureproofed – that is, allowing for additional rail tracks in the future?

Paul YOUNIS: Actually with all of our works we have a long-term transport plan in relation to what types of services we would expect to come into the future, and the level of futureproofing on those projects is considered in relation to that long-term transport plan.

The CHAIR: Thank you, Secretary. We are going to go to Mr Galea.

Michael GALEA: Thanks, Chair. Good morning again, Deputy Premier. Good morning, officials. Deputy Premier, I would like to start with you on a very important topic, and that is the Metro Tunnel. It is very important statewide and to my constituents in the south-east suburbs in particular.

Jacinta ALLAN: It is.

Michael GALEA: Budget paper 4, page 183, outlines this project. Deputy Premier, could you please provide an outline of where the project is at now and also some of the benefits that this project will provide for the south-east, particularly across that Pakenham–Cranbourne corridor.

Jacinta ALLAN: Those level crossing-free lines of Cranbourne-Pakenham –

Michael GALEA: Level crossing-free lines soon, yes.

Jacinta ALLAN: of course, which will join up with that Sunbury level crossing-free line by 2030. Look, it is with some excitement that I get the chance to talk this morning about the Metro Tunnel project, particularly, as I said in the presentation, as it heads towards the completion of the construction phase and we get to go towards the time where we are realising the benefits of building such a big and complex project. To think that for the last five or six years, while the CBD of Melbourne has continued to move above ground, there has been the construction of two 9-kilometre tunnels and five underground stations beneath the ground and we are starting to see signs of that construction phase coming to its completion, particularly with things like the removal of the acoustic sheds that have been around the city for a number of years. And the contract for the Metro Tunnel has that it is contracted to be completed by 2026, and as I said before, we are on track to have it operating for passenger services in 2025, a full year ahead of schedule. Again, given the construction challenges, particularly during the COVID period, when construction kept going, this is really a remarkable achievement by all the workers who have been working really hard, as I said, beneath the city, whilst we have all been moving around above the city.

We have seen with similar projects around the world some of the challenges they have faced. We have looked at and learned from those projects and are looking towards, as I said, how we are turning on the Metro Tunnel, which is only a couple of years away. So if you think about it, if you are studying in year 11 now, you will be able to think about how you can catch a train directly to Melbourne University when you start uni in a couple of years time. So it really does give you a sense of how it is going to open up the network and open up that connectivity. So if you are in Pakenham, you will be able to jump on the train and go straight through to Melbourne Uni – if that is what you choose to do; there are plenty of great TAFE offerings of course as well – in a couple of years time.

I mentioned before that we are gearing up to start doing the testing of the trains in the tunnel in the second half of the year, and that is a really big program of works that will need to be carefully and methodically run through, because we have to test every part of the train operation as well as the tunnel operation during that period of time. I was recently at the future Town Hall station to see the work that is going on at what will be a spectacular underground station. They are all fabulous, but this has got quite a large, cavernous space that is going to have the space because it is going to be a major interchange with Flinders Street station, and there will be a direct underground connection between those two stations as well.

Tunnel-boring machines have left us. Since they have left us, we have done the work from January of this year installing the platform screen doors at the underground stations. This is a first for the Victorian network, and we do that because we are building brand new track and putting brand new trains through the Metro Tunnel. This is going to be a good feature for the network. Also, in March of this year the final length of the track itself was laid – another big milestone. There was more than 40 kilometres of track laid through the tunnel, and work continues right now on all the fit-out, plumbing, mechanical and electrical works to operationalise the tunnel. Also, from December of last year our first train–tram interchange stop at Anzac station opened for the tram bit of the network. It will obviously pick up the trains when they start running when the Metro Tunnel opens in

2025. Also, alongside the testing, we need to test all the signalling and the communications. If you think about the passenger information systems that we run through the network, they also need to be rigorously tested. That is everything to the lifts and the escalators. It is a big program of work and real people, as I said before, will be coming to help test all parts of the network. We can all get excited about this phase of it and also the construction work that has gone on, but what it means is that it is going to create room for an additional 121,000 passengers every single week on the Cranbourne–Pakenham lines during the peak period. So just more trains, more accessibility to key sites in the city like Parkville, like St Kilda Road, direct access into Town Hall station, State Library, Arden, but also it gives us that interchange opportunity to really have those connections across the network.

It will also, as I said, save travel times, because you currently cannot get to some of those key parts of the city on our heavy rail network. If you are a nurse or a patient or a carer and want to access the comprehensive cancer centre, the Royal Women's, the Royal Melbourne, from 2025 you will be able to catch a train right into the heart of that area, which is saving travel times. Particularly if you have got a loved one in hospital, it is a bit stressful at the best of times, and if we can ease that stress through making it easier to get there, that is important, alongside all the other benefits that come with seeing the Metro Tunnel start its operations in a couple of years time.

Michael GALEA: Thank you, Deputy Premier. I understand obviously the huge capacity boost from the tunnel itself, but there are also other projects going on. Could you tell us a bit more about the signalling and how those upgrades will also impact communities?

Jacinta ALLAN: So the Metro Tunnel, you are right – there is the Metro Tunnel itself, so building the tunnels and the tracks to run the new high-capacity trains that are kitted out with high-capacity signalling technology that needs to be installed in both the trains and the tunnel to run this part of the network. It does give us the opportunity to run more trains more often, particularly during the peak times. What we are doing with the rollout of high-capacity signalling, we are rolling that out on the existing network, which is the first time anywhere in Australia. Usually it happens on greenfields networks where you are building brand new tracks. We do not have that here because obviously we are connecting up parts of our brownfields network with the Metro Tunnel. So that also has added a significant complexity to the delivery of the project.

But pleasingly we have been running the high-capacity trains for a little while now, and part of that extensive testing that will go on will be about how the trains and the track and the tunnel and the signalling all integrate with each other. So that is part of that significant work. It will go from conventional signalling to high-capacity signalling to conventional signalling on either side of the tunnel. It is a great feature that we are bringing to our network for the first time. It will give us the opportunity to run more trains, but it also speaks to the complexity and the testing phase that we have got to go through over the next couple of years.

Michael GALEA: Thank you, Deputy Premier. Thank you, Chair.

The CHAIR: Thank you. The next 8 minutes go to Mr O'Brien.

Danny O'BRIEN: Thank you, Chair. Minister, can I just go back to the question that the Deputy Chair asked the Secretary about the department. Did anyone from the state government write to the Commonwealth about airport rail or Geelong rail asking them to be put on hold? When I say 'anyone' – you, the Treasurer, the Premier?

Jacinta ALLAN: Well, I can only answer for myself. Let us be clear. I am not in a position –

Danny O'BRIEN: Well, this is your portfolio, so you would know if the Treasurer –

Jacinta ALLAN: Yes, it is my portfolio, but I am going to, out of respect for my colleagues, answer for those areas that I am responsible for. As has been now well ventilated, as part of the federal government's budget, they have announced that they are undertaking –

Danny O'BRIEN: Sorry, Minister, this is a very simple question: did you or any other government ministers write asking them to be shelved?

Jacinta ALLAN: I will be clear: right now there is a review going on on the joint infrastructure program between the federal government and all states and territories. Those projects are part of that review. There is an independent process that is covering that –

Danny O'BRIEN: Did you ask for them to be shelved?

Jacinta ALLAN: and we have got to let that review go through its course.

Danny O'BRIEN: Minister, you are not answering my question. It is fairly simple.

Jacinta ALLAN: Every year in the lead-up to the budget we write to the federal minister and put the suite of projects on the table that we would like them to fund as part of their budget process.

Danny O'BRIEN: And did you ask for airport rail and Geelong to be delayed?

Jacinta ALLAN: No.

Danny O'BRIEN: Thank you.

Jacinta ALLAN: Not as part of that process.

Danny O'BRIEN: Okay. As part of some other process then?

Jacinta ALLAN: No. I am being very clear with you. If you want to ask questions about the federal government review, I am afraid you will have to ask the federal government on that.

Danny O'BRIEN: Well, it is funny you should mention that because I also want to ask, perhaps to the Secretary: in the budget papers, BP4, multiple projects – for example, all the regional rail revival projects and one close to my heart, Princes Highway east, which is just about finished – are listed as total cost 'TBC' and may be impacted by the federal government's infrastructure investment program review. But that review's terms of reference specifically say, and I can quote for you if you want:

The review is not designed to consider projects already under construction ...

Secretary, why then have we got 'TBC' on all these projects and that they might be reviewed when they are clearly projects that are nearly finished in most cases?

Paul YOUNIS: Yes, Mr O'Brien, you are right. We are getting on with delivering all of those projects, and we have not stopped delivering those projects of course. We have responded to the infrastructure review, which requested that we not confirm new contracts on any Commonwealth government funded projects. I cannot go through all the details of all of them, but some of them have some minor subcontract arrangements that might be completion works, and we have just made sure that we are not breaching the request from the federal government to not enter into new contracts in this period. But of course we are delivering those projects. We have got 165 Commonwealth projects, and we have delivered that. When the budget papers were put together, the details in relation to the infrastructure review were not clear, and we were not able to give advice to the Treasurer in relation to the impacts and what the implications were in relation to those projects, and we are unable to give detailed advice in relation to the completion dates. We are still working with the Commonwealth, and we are waiting for the Commonwealth.

Danny O'BRIEN: Okay. Thank you. It is not the completion dates; it is the total quantum of money, Secretary. But anyway, I will go back to the original question, Minister. The airport rail and Geelong fast rail – Minister, will the government commit to delivering those irrespective of the outcome of the federal program?

Jacinta ALLAN: Your question has provided the answer. There is a federal review at the moment, and these are projects that have funding from the federal government.

Danny O'BRIEN: No, but the question is: if they say 'Yes, we are going ahead with them,' or 'No, we are not,' is Victoria committed to the project either way?

Jacinta ALLAN: That was a slightly different variant on the question you asked. There is a federal review underway. All projects that are jointly funded between state and federal governments around the country are

being looked at as part of that review. As the Secretary has just indicated, we have received advice from the federal minister as to how contracts should not be entered into during this period of time, which –

Danny O'BRIEN: No, no, I am not talking about contracts. I am just asking you: are these projects going to go ahead?

Jacinta ALLAN: There is a federal review going on right now, and we are not in a position –

Danny O'BRIEN: Okay. Forget it. You are not interested in answering questions.

The CHAIR: Mr O'Brien!

Jacinta ALLAN: No, I could not be any more clear. There is a federal review.

Danny O'BRIEN: In what world is that a clear answer?

The CHAIR: Mr O'Brien, you may not like the answer –

Danny O'BRIEN: Are you going to do it anyway?

The CHAIR: Mr O'Brien, you may not like the answer that the minister is giving you, but she is answering the question.

Danny O'BRIEN: Oh, Chair, stop wasting my time. Really this is getting embarrassing. I know the minister is getting cranky that she is not getting all the questions –

The CHAIR: Mr O'Brien!

Danny O'BRIEN: I will move on.

Jacinta ALLAN: We were doing so well. We were having such a good morning.

Danny O'BRIEN: Secretary, BP4, page 181. The papers indicate that the Melton line upgrade will be complete in quarter 4, 2028–29. That was first promised in 2018. So when will the Melton line be electrified?

Jacinta ALLAN: No, it was not. That is a different project.

Paul YOUNIS: So the Melton line, yes, this particular project – I might have to go to Mr Devlin in relation to the detail of this. It is a different project that was committed in 2018 that I will have to go to Mr Devlin on the details.

Danny O'BRIEN: Well, can I perhaps, as we throw to Mr Devlin, add to it that Melton and Wyndham Vale is not yet started. Geelong fast rail –

Jacinta ALLAN: Is subject to a federal review.

Danny O'BRIEN: remains in doubt, thank you. Will the government commit to delivering the *Western Rail Plan* this decade?

Paul YOUNIS: It is probably up to me to answer that one.

Jacinta ALLAN: That is a different question you asked.

Paul YOUNIS: It is a different question.

Danny O'BRIEN: It does not really matter. I do not get answers anyway.

Jacinta ALLAN: You just do not listen.

Paul YOUNIS: Part of the *Western Rail Plan* is a whole suite of projects that commit to better services in the west, and many of those are subject to Commonwealth funding and will be part of this review. I think the benefit of considering all of those – we have got the Melton line upgrade, and we have got even the Waurn

Ponds work that is going on now and the duplication down to Waurn Ponds – is a very important part of improving those services. We are looking at nine-car sets into various parts of the west. All of those are part of that *Western Rail Plan*, as well as the Sunbury line upgrades, the Melton upgrades that we are talking about here and the connection of the Kerang –

Danny O'BRIEN: Will it be completed this decade then, Secretary?

Paul YOUNIS: As I said, there are a range of different projects as part of that.

Danny O'BRIEN: No, the whole thing. Will the whole *Western Rail Plan* be completed this decade?

Paul YOUNIS: The complete suite of the *Western Rail Plan* is subject to the federal review. It really would be premature for me to commit to all of those projects prior to that.

Danny O'BRIEN: Secretary, the minister referred to the merger of the West Gate Tunnel and the North East Link authorities last week. Was that made for financial reasons? If so, what were they?

Paul YOUNIS: No. Mr Devlin is in charge of that whole area, and that was really about making sure that as these projects wind down – West Gate Tunnel is moving into a different phase of its project, and the Metro Tunnel is moving into a different phase – it is just administratively a much more efficient way to oversight and manage the contracts that we have in place in relation to those. As I said before, many of those projects are managed under subcontract arrangements.

Danny O'BRIEN: So there is no financial aspect to it, then?

Paul YOUNIS: No, it is purely an administrative arrangement and oversight of those projects to make sure we manage them as efficiently as possible.

Danny O'BRIEN: How many people will be made redundant as a result of the decision?

Paul YOUNIS: All of these projects are going through phases where their employees are, under the subcontract arrangements, going on and off the job the whole time.

Danny O'BRIEN: No, but the authorities I am talking about.

Jacinta ALLAN: You have got to ask the authority. You need to ask him.

The CHAIR: Apologies, Mr O'Brien, your time is up. We are going to go to Mr Hamer.

Paul HAMER: Thank you. Thanks, Minister; thanks, officials. I would like to talk about level crossings. As you mentioned, the last two level crossings that were delivered and completed were in my community, at Union Road and Mont Albert Road, and I would like to just put on record my thanks to the community – it was a long disruption; it was a very difficult project – and to thank all the community and the traders for their forbearance during that time. But the result really is fantastic and testament to the work of the project team. The budget papers, pages 83 and 84 of budget paper 4, do talk about the existing commitment of 85 level crossing removals by 2025, and I was just wondering if you could comment on how this project is tracking against its objectives.

Jacinta ALLAN: Thank you for that question. The level crossing removal program is tracking very well. On the question of time, we are well ahead of the schedule, which is why we can keep adding and indeed fast-tracking in particular communities, like we made the announcement last week with Melton, and we can bring forward some of those level crossing removals. Remember too, what we are achieving with removing dangerous and congested level crossings is of course we are making communities safer, looking at how we can make those local road movements – dropping the kids to school, getting to work and going to the shops; those trips – less congested and also how there are other benefits that come when you are removing level crossings, whether it is building new stations or making those smaller investments like shared user paths, making sure you have got the connections right to the stations and providing additional open space. Of course we started with committing to remove 50 level crossings by 2022, and as you have indicated, we are now well ahead of that. The 50th went in 2021, and we have been able to, as I said, bring many others into the program. We initially went to 85 by 2025, and now we are at 110 by 2030 and making a range of those corridors level crossing free.

You have mentioned the two at Union Road and Mont Albert Road in your community. They are again good, important examples of why there are so many of those benefits that I talked about in terms of safer, less congested roads and a brand new station. Remembering too that two women died at that intersection in 2016, it is important to get rid of those dangerous and congested level crossings and also make some of those other investments in the local community. You are right to thank the local community and traders. It was a long occupation because of the nature of the corridor and the construction of the 1.3-kilometre rail trench through that community.

I would also like to acknowledge the workforce who worked really hard on this project. We had an email from someone in your local community showing their appreciation, and they said:

... for the amazing way that this major project, to carve out a tunnel for trains, and to create a beautiful new station – was all done on time and with such great committed attention and friendly staff.

And that is why we do this – we make these investments for those broader community benefits, and also when it comes to level crossings we can upgrade the stations and have the opportunity to run more trains.

On new train stations, as part of the removal of 70 already we have built 41 new or upgraded stations as well, so this is a massive modernisation of the metropolitan rail network alongside removing dangerous and congested level crossings. Thirty-one MCGs worth of open space has been unlocked, whether it is through elevating the train line or, when we put them in a trench, creating decking over the track. Fifty-six kilometres of walking and cycling connections have also been built just by the Level Crossing Removal Project team alone, and it does show how we get a broader network benefit but also importantly too a community benefit from removing dangerous and congested level crossings.

Paul HAMER: Thanks, Minister. I understand that the LXP team were also responsible for delivering the Hurstbridge line upgrade, which is obviously a very important project in the north-east suburbs of Melbourne. I was wondering if you could just update the committee on the benefits of that project and its delivery.

Jacinta ALLAN: The Hurstbridge line upgrade has been a terrific program of works across two stages, and the first stage of the Hurstbridge line upgrade was completed in 2018 when we duplicated 1.2 kilometres of a single section of track between Heidelberg and Rosanna, which was a constraint on the network to be able to run more trains. Again that is a terrific example that not only are we removing level crossings and building new train stations, which we did at Rosanna, we are duplicating and upgrading track and signalling as well. That was part of that Hurstbridge line stage 1 project that allowed for extra services to be added to the Hurstbridge line. Stage 2 was completed just recently, in April, and I was pleased to be with my colleagues the Member for Bundoora and the Member for Eltham when we visited the newly opened Greensborough station. Again, it was built as part of stage 2 of the Hurstbridge line project, and this included new stations at Greensborough and Montmorency and an upgraded Diamond Creek station as well. We also duplicated key sections of track between Greensborough and Montmorency and then again between Diamond Creek and Wattle Glen, again removing those bottlenecks on key sections of the track to allow us to run more trains along that corridor. That is why at the end of May we were able to release a new timetable for the network that allowed more services to be run – particularly morning peak train services to be run every 7 minutes from Greensborough, every 10 minutes from Montmorency and Eltham and every 20 minutes from Diamond Creek, Wattle Glen and Hurstbridge. It is just another example of making these improvements to the network and also adding more train services.

There is still a bit of work going on along the corridor, some of the landscaping works. We like to get the trains back and running as soon as possible, so that is why sometimes the areas around the station are still going through that landscaping. We are not going to wait until every tree is planted before we get the trains back up and running, so that is why there is still some of that finishing work at the stations and the landscaping being undertaken, but the new stations are open, trains are running and it has been an addition of extra services for the Hurstbridge corridor.

Paul HAMER: Yes, and I know how limited services were beyond Greensborough in years gone by, so no doubt those infrastructure improvements are going to make a huge difference for the community out there. I was just going to quickly ask you about the Melton line upgrade as well, and if you could update the committee on that upgrade and that figure in the budget there.

Jacinta ALLAN: Yes, very quickly. It is an additional project – \$650 million – to upgrade the Melton line to help get extra capacity on the network. It comes off the back of the 220 extra services that came as a result of the Ballarat line being completed a couple of years ago.

The CHAIR: Apologies, Minister, for interrupting. We will go to Ms Sandell.

Ellen SANDELL: Thank you, Chair. It is a bit hard to tell, but we have tried to add up all the total new projects and look at active transport versus non-active transport: it looks like less than 1 per cent of total new projects are for cycling and active transport. The UN has recommended 10 to 20 per cent. This government has made a climate transport pledge which sets the target of active transport making up 25 per cent of all trips by 2030. Given all of this, why is there not a larger proportion of our transport spend on active transport like cycling and walking?

Jacinta ALLAN: I will step through it, because active transport is built into each and every one of our major projects that we deliver. Whilst in the Department of Transport and Planning we have already constructed 150 kilometres of walking and cycling paths, there is another 300 kilometres under construction plus other improvements to pop-up cycling lanes and other improvements to another 100 kilometres of the network. So that is 550 kilometres of active transport – cycling, walking – that is happening in the Department of Transport and Planning. At the Major Transport Infrastructure Authority, as I said, each and every project looks at how we can embed it, so there will not be a separate line item. In terms of the level crossing removal program – and I just gave that figure – we have constructed 56 kilometres of walking and cycling connections as part of removing level crossings. So that is not called out as a separate funded line item; it is embedded and built into the planning and the design and the delivery of the project. Similarly, on the North East Link project there are 34 kilometres of walking and cycling paths built into that project. In 2022–23 Major Road Projects Victoria delivered 21 kilometres of new paths. West Gate Tunnel Project has 15 kilometres of new walking and upgrades. I can go on and on, but I hope you can see that whilst there is not a line item in the Major Transport Infrastructure Authority that calls it out, it is because it is built into each and every one of our projects.

Ellen SANDELL: Would the government consider a new reporting mechanism in the budget to actually make that clear, given that there are these UN targets and state government targets?

Jacinta ALLAN: Well, you know what, given we have been asked this question by you and your colleagues every year, you would reckon we probably should.

Ellen SANDELL: Yes.

Jacinta ALLAN: I will have some discussions with the Secretary, because we do make big investments. I also want to emphasise that these are also in the suburbs and the regions, because it is not just – and I know you are not inferring this – in the inner city that walking and cycling connections are important. They are important for communities everywhere – the connections to schools, the connections to shops – so that is why they are built into all of our projects. As I said, given we get asked this every year, we might have a look at it and think about how we can call that out a bit.

Ellen SANDELL: Thank you. I appreciate it.

Jacinta ALLAN: But again, I want to emphasise that it is built into the design and delivery of every project.

Ellen SANDELL: Understood. I have got limited time, so I might ask another question. We have got an objective of 50 per cent of light vehicle sales in Victoria to be zero emission by 2030, but we have cut the subsidy for electric vehicles. We also have a tax on electric vehicles. Why cut the subsidy and keep the tax?

Jacinta ALLAN: My apologies, that is the responsibility of Minister Horne.

Ellen SANDELL: Okay, sure. I will move on.

Jacinta ALLAN: Sorry, I am just –

Ellen SANDELL: Sure. I will move on to another question, then. I will take that up with her as well.

Jacinta ALLAN: Yes.

Ellen SANDELL: Just in terms of tram stop accessibility and train station accessibility, do we now know how many tram stops are fully accessible?

Jacinta ALLAN: Again, that is the responsibility of the Minister for Public Transport, but one of the big constraints a few years ago to making our tram stops accessible was the Yarra council blocking the upgrade of three accessible tram stops. It was a pretty big shame. I could not believe it that the Greens council –

Ellen SANDELL: Train stations as well, are we –

Jacinta ALLAN: That is Minister Carroll. But again, going back to the delivery of major projects, all of our train stations are built to the highest of accessibility standards. Minister Carroll has a public transport accessibility advisory committee that advises him, which in turn advises the department of transport, who set the specs, who hand it over to MTIA to deliver and –

Ellen SANDELL: That is for new projects?

Jacinta ALLAN: That is for new projects.

Ellen SANDELL: We are still waiting on a number of train stations that are highly inaccessible, like one in my electorate, South Kensington.

Jacinta ALLAN: Again, we are removing level crossings, we are building new train stations, we are making them accessible and we are working our way across the network.

Ellen SANDELL: Great. Thank you. Again, probably a question that you have had many times around the integrated transport plan –

Jacinta ALLAN: I was hoping for high-capacity signalling.

Ellen SANDELL: In 2021 the Auditor-General found the department:

have not ... demonstrably integrated transport planning and are yet to meet the Act's requirements for the transport plan.

In fact he found that there are 40 different plans and strategies. When will the government fulfil the legislative requirement to produce Victoria's integrated transport plan?

Jacinta ALLAN: Well, I will say very clearly your question demonstrates we are fulfilling the requirements to have a transport plan. You do not just have –

Ellen SANDELL: I think the Auditor-General would beg to differ.

Jacinta ALLAN: Well, we will not quibble with the Auditor-General in this forum, but I will say that we very clearly are fulfilling our obligations under the Act. The important thing is not about having a transport plan that you put on a shelf and you are, 'Quick, tick the box.' What your question implies is with the range of different plans we have got to make sure that – whether it is bus or tram or train or regional train or metro train or cycling and walking – they are all integrated together. That is the work that, particularly last term when we created the Department of Transport, all came together under one department, bringing in VicRoads and Public Transport Victoria, bringing all the agencies that were sitting outside of the department to come in and work together, which is, again, why as part of every single one of our projects we have those active transport walking and cycling connections built into the delivery of the project. So we are fulfilling those requirements, and we do not just have it as a static tick-a-box exercise – they are live, living, constantly refreshed and reviewed – because it is in the context of a growing population, and also we are making changes to our network all the time. Every time we remove a level crossing that is a change to the network. Every time we upgrade a road that is a change to the network. Our plans and the arrangements we have in place have to be flexible enough to change the operation of the network as we make those infrastructure changes.

Ellen SANDELL: I guess one of the Auditor-General's recommendations seemed pretty reasonable:

establish completion timelines for all outstanding priority transport plans and start tracking progress against them ...

Why did the department reject that recommendation?

Jacinta ALLAN: Well, I might ask the department Secretary to answer that.

Paul YOUNIS: We did have somewhat of a disagreement with the Auditor-General on some elements of that, and it was in relation to the complexity of our transport task. It is appropriate we believe that we have a multitude of different programs and plans that fulfil the whole transport task. And now we have got planning as a part of that for precincts, which is an important part of that story. So these plans are continually updated, they are continually reviewed and there is a range of those that form up the entire transport. And as a department we have restructured our department to make sure that all of these elements are part of the way that we do planning. It is an integrated department. All of the active transport is not called out as a separate program, because it is integrated into exactly how we do our planning. We have got plans around active transport, and they are in the form of our major priority line.

The CHAIR: Thank you, Secretary.

Paul YOUNIS: I would love to answer this. This is a –

The CHAIR: We will go to Mr Hilakari for the last 8 minutes.

Mathew HILAKARI: Thank you, Chair. Thank you, Deputy Premier and officials. I might just inquire about Victoria's road network in this budget. I will take us to budget paper 4, pages 83 and 84. Of course there are really substantial projects like the North East Link, the West Gate Tunnel and then those ones which are really suited to local communities like my own, with Point Cook Road and Central Avenue. I am glad to see that even at the very start of this project we are talking about pedestrian and cycling as being really essential elements, but I am just hoping you can outline some of the breadth of the budget in regard to road networks.

Jacinta ALLAN: Yes. Thank you. We do spend a lot of time talking about those bigger projects. You are right to draw our attention to those equally important for those communities but slightly on a smaller scale, and that is why the budget does provide \$674 million for another allocation for our road budget blitz, supporting families to get home safer and sooner. There are a number of commitments that you can see that are outlined in the budget paper, and again I will emphasise that point that I think I made before: in local communities with the stress and the challenge of getting the kids to school and then getting to work and then getting to the shops, we want to make those trips safer and less stressful, because no-one wants to be stuck in that sort of traffic when you could be home cooking dinner – well, you might want to be, anyway. That is why we have seen a range of benefits already. There are a number of investments in this year's budget that go to some of those key projects. There is the upgrade to the intersection of Thompsons Road and Berwick-Cranbourne Road in Clyde North in the south-eastern suburbs, which is of interest to some on the committee. We are looking at what is currently a small roundabout – into a bigger signalised section, again reflecting the growth and the volume of traffic through that part of the city. We must talk about Point Cook Road, of course. It was great to join you the day after the budget and again with our roads officials to get cracking straightaway on the design work, also, as you have pointed out, thinking about not just the movement of cars but pedestrians and cyclists through that tricky spot on the network, and that work is definitely underway. There is also work on the Ballan and McGrath roads intersection in Wyndham Vale – also close to your neighbourhood – which is a congestion spot. I mentioned this before, but it is worth mentioning again: the Watson Street interchange upgrade, completing the interchange onto the Hume Freeway, again is an incredibly busy part of the network with a busy growing community, and it is important to make those local connections work for local communities.

In regional Victoria stage 1 of Barwon Heads Road is going very well, so we are in a position to fund stage 2 of the Barwon Heads Road upgrade, taking that upgrade from Reserve Road down to Lower Duneed Road in that community. That is again an important connector from Geelong into the peninsula for people who like to swim and surf and spend some time along the coast as well as for people who live and work there. It is a very busy part of the state. These are important local projects that are providing those local connections, but again you can see how they are also speaking to keeping that strong pipeline of road projects ticking over because there is a big industry that is geared around that as well.

Mathew HILAKARI: I might take you now to page 88 of budget paper 4 around suburban roads upgrades, particularly some of those in the north and the south-east. You have covered some further out, in the north and south-east, but what else is within the budget?

Jacinta ALLAN: Again, we have got a big suburban roads program that is underway right now. There are works that are happening right now. You mentioned Melbourne's north in your question. We have got upgrades to Childs Road and Fitzsimons Lane already completed. I spent a bit of time particularly at the Fitzsimons Lane one. That has gone very well, and the local community did a big tree-planting exercise there not that long ago with the support of our colleague the Member for Eltham. Also the Sunbury Road upgrade and Craigieburn Road upgrade are well underway – a lot of work going on there. I also want to acknowledge and thank, as the Member for Box Hill Mr Hamer did just earlier, the local community for their patience during the construction phase, because it does cause disruption and that can be a little frustrating from time to time, but it is part of getting towards a better outcome for those communities. The Bridge Inn Road has also got work underway and also Epping Road, and these projects will wrap up by 2025. Again, these projects all give you a sense of how we are delivering them in growing communities who are looking for those important connections, whether it is to the heart of those communities, the retail area, or making sure we are getting them connected to the bigger arterial parts of the network, which is important as well.

Very quickly on the south-east, there are upgrades to Golf Links Road; Hallam North and Heatherton roads are completed; and also nearly completed on Pound Road West and Lathams Road. There is, again, a lot of work going on there. Let me give a shout-out to the Narre Warren-Cranbourne Road and Healesville-Koo Wee Rup Road upgrades that are also underway right now – again providing for those important local connections.

Mathew HILAKARI: I might draw your attention to regional Victoria – I will come to the West Gate Tunnel in a moment because that is central to the experiences of people in the western suburbs. But in regional Victoria, could you outline some of the projects there as well?

Jacinta ALLAN: Look, we may not get time to go to the west because we have got a lot going on in regional Victoria as well. I already mentioned the Barwon Heads Road upgrade. Stage 1 is underway: 4 kilometres of duplicated road between Settlement Road and Reserve Road. We are building a new bridge over the rail line at Marshall and actually removing that level crossing. That is a level crossing removal project as well as a road project, and there will be walking and cycling connections also. That is a great example of an integrated transport project right there. Also, as I said, we are funding stage 2. I have talked about that. I will not repeat that.

The realignment of South Gippsland Highway between Koonwarra and Meeniyan has been completed, which is – oh, he is not here. Oh, I was hoping he would be supporting that. It is a great project in the Member for Gippsland South's local community. I was then going to talk about the Princes Highway east. No, he is not coming back. Oh, well. I will talk about Princes Highway east anyway, because that is a great project adding 12 kilometres of consistent two-lane highway. This will also improve travel time and safety for the 15,000 people, motorists and commuters who use that highway between Sale and Traralgon every day. It also includes the installation of safety barriers and edging work, and the centrepiece of this stage 3 upgrade is a new 95-metre bridge at Kilmany, which is an important part of the project. I was also going to say I think the Member for South Gippsland and the federal Member for Gippsland had a visit to the project recently and how happy we were to welcome him to the site and how pleased we were to see his support and advocacy, but he will have to read the transcript.

Mathew HILAKARI: Thank you.

The CHAIR: Thank you, Minister. On that note, that is the end of questions for this portfolio.

Thank you very much for appearing before the committee today. The committee will follow up on any questions taken on notice in writing, and responses are required within five working days of the committee's request.

The committee is now going to take a short break before beginning its consideration of the Suburban Rail Loop portfolio.

I declare this hearing adjourned.

Witnesses withdrew.