

## **3.4 Department of Infrastructure**

### **3.4.1 Departmental assumptions and performance measures**

#### **3.4.1.1 Question**

Please list the key assumptions (up to five) that have been used to develop the department's budget projections for 2008-09.

#### **Response**

The key assumptions underpinning the Department's contribution to the 2008-09 State Budget are:

- Government funding based on current policy settings and approved budget initiatives;
- Motor vehicle taxation estimates based on DTF modelling of demand for car purchases and registration;
- Continuation of public transport contract arrangements including partnership agreements; and
- Continuation of strong demand for materials and skills which places pressure on prices for capital projects.

#### **3.4.1.2 Question**

What have been the key budget themes/issues that have had to be taken into account in framing the department's budget?

#### **Response**

Strong population, economic and jobs growth is resulting in more personal, freight and commercial travel.

The key priority is to reduce the effects of congestion on transport networks by maximising their capacity and improving the performance of services on those networks. In particular, core economic journeys, including getting people to work, must be further facilitated.

Key initiatives to increase road capacity and better manage road congestion include the new Congestion Plan, which includes \$46.6m over four years for the Congestion Measures Package, \$37.8m over four years for the Tram and Bus Priority Program and \$28.2m over four years for the Walking and Cycling Infrastructure Program. Other initiatives to improve road capacity and congestion include the Outer Metropolitan Roads Program \$85m TEI, and Rural Roads Program \$224m TEI.

A critical portfolio challenge is the performance of the metropolitan train system. Demand has increased significantly above expectations over recent years and is expected to continue to increase. More trains have been ordered and key capacity constraints in the rail network must be addressed to enable more services to be run. Initiatives to assist in increasing capacity in key areas include Laverton Rail Upgrade \$92m TEI, Craigieburn Station Track Upgrade \$30m TEI, Dandenong Rail Corridor Stage 2 – Westall Rail Upgrade \$151m TEI. To assist in easing pressure on the morning peak, the Early Bird Fare Initiative has been extended to the train network. To cater for increased demand on the tram network, additional trams have been leased.

\$64.3m over four years has been provided for New Metropolitan Bus contracts that assist in providing enhanced service planning and delivery of Bus Services.

While much has been done in recent years to improve safety on transport networks, the safety of people using transport networks and services remains paramount and needs to be maintained and improved where possible. A key component of improving transport safety is to reduce the number of people killed and seriously injured on Victoria's roads. A key initiative is *arrive alive II* with an additional \$50m provided over three years. Also funding has been provided for Train Station Upgrades at Windsor, Prahran and Noble Park.

Many assets, particularly on the rail network, are ageing or past the date of their most effective use. Assets no longer suitable for the task need to be replaced or improved. Key measures for Asset maintenance and renewal include the Country Passenger Rail Network \$142.3m TEI and \$112.2m over four years, Country Rail Freight \$42.7m and Tram Electrical Upgrade and Maintenance \$11.7m.

Extensions to transport networks and services are necessary in some areas to meet population growth in those corridors.

Efficient, reliable transport networks and services in the future require good planning now. The benefits of growth can only be sustained with sound planning and strong infrastructure investment. Key initiatives are Transport Connections and Corridor Planning with funding of \$4m and South Morang Rail Extension development funding of \$10.4m.

DOI must contribute to the achievement of whole of Government initiatives and objectives, including matters relating to climate change.

A further issue relates to cost pressures being experienced in capital projects, driven by strong demand for materials and skills. This is especially relevant for major infrastructure projects with long lead times as well as for road maintenance contracts.

### **3.4.1.3 Question**

What impact have developments at the Commonwealth level had on preparing the department's component of the 2008-09 state budget?

### **Response**

During the federal election the Commonwealth Government agreed to provide funding of \$2.7 billion to Victoria for 23 AusLink 2 projects between 2009- 2014.

These projects will be funded in partnership with the Victorian Government. They will enhance the efficiency of Victoria's transport network and facilitate economic development, regional growth and export activity. The Victorian Government is keen to commence delivery of these projects as quickly as possible.

Victoria has sought Commonwealth funding for Auslink 2 projects in the federal 2008-09 Budget. The Victorian and Commonwealth Governments are working in partnership to address the gaps and bottlenecks in the national transport system and generate new jobs, investment and prosperity for Victorians.

#### **3.4.1.4 Question**

Please provide the rationale for any change in performance measures presented in the budget papers for 2008-09 (including new and discontinued measures).

#### **Response**

Refer Appendix A.

#### **3.4.1.5 Question**

For any performance measures where there is a variance of over 10 per cent between the expected outcome for 2007-08 and the target for 2008-09, please provide the reasons for the variance.

#### **Response**

Refer Appendix B.

### **3.4.2 Asset funding**

#### **3.4.2.1 Question**

Please provide a list of the asset investment projects for which capital expenditure is budgeted to occur in 2008-09.

#### **Response**

Asset investment projects for which capital expenditure greater than \$1 million is budgeted to occur:

##### **DOI Asset Investment Program**

Accessible Public Transport in Victoria - DDA Compliance for Train, Tram & Bus

Clifton Hill to Westgarth Track Duplication

Coolaroo Station

Counter Terrorism and Public Transport Security Package

Country Passenger Rail Network Maintenance and Renewal

Country Rail Freight Network Renewal and Maintenance

Craigieburn Station Track Upgrade

Dandenong Rail Corridor - Stage One - Cranbourne Stabling and Station Upgrade

Dandenong Rail Corridor - Stage Two – Westall Rail Upgrade

Dynon Port Rail Link

Geelong Rail Access Improvement Program

Hallam Park and Ride

Laverton Rail Upgrade

Level Crossing Safety Package - 2007

Linking the Suburbs - Craigieburn Rail Project

Metropolitan Park and Ride Program – Stage 2

Metropolitan Train Control Reliability Systems Upgrade (METROL)

Metropolitan Train Rolling Stock Procurement

Metropolitan Train Safety Communications System

Mildura Rail Corridor - Freight Upgrade

New Ticketing Solution

Noble Park Train Station Upgrade

North Melbourne Station Interchange Upgrade

Partnership Agreement Works

Princes Pier Restoration

Public Transport Security Package

Railway Crossing Upgrade Program

Regional Train Rolling Stock Procurement

SmartBus Green Orbital - Nunawading to Airport West

SmartBus Red Orbital - Box Hill to Altona

SmartFreight – Connect Freight

South Gippsland Public Transport Service Improvement Package

South Morang Rail Extension Development Package

Stations and Modal Interchanges Upgrade Program

Tram Electrical Upgrade and Maintenance

Tram and Bus Priority Program

Transit Cities - Ballarat Second Station

Vigilance Control and Event Recording System (VICERS) on Metro Trains

Wodonga Rail Freight and Urban Redevelopment

VicRoads Capital Program

Barwon Heads Bridge Replacement (Barwon Heads)

Bass Highway Duplication - Grantville to King Rd

Bass Highway Duplication - King Rd to Woolmers Rd

Berwick-Cranbourne Rd Duplication - Pound Rd to Thompsons Rd (Cranbourne North, Clyde North)

Breakwater Rd Upgrade (Belmont, Geelong)

Calder Highway Sec 2 - Faraday to Ravenswood

Calder Highway Upgrade - Kyneton to Faraday

Congestion Improvements Program

Congestion Measures

Cranbourne Frankston Rd – Carriageway Duplication – Centre Rd to Western Port Hwy

Cranbourne-Frankston Rd Duplication - Scott St to Hall Rd (Cranbourne)

Cranbourne-Frankston Rd Duplication – Hall Road to Western Port Highway (Cranbourne)

Derrimut Road Duplication - Hogans Rd to Sayers Rd (Hoppers Crossing)

Electronic Variable Speed Limits

Ferntree Gully Road Widening – Jells Road to Stud Road

Geelong Ring Road

Goulburn Valley Highway Upgrading

Hume Highway - Donnybrook Road grade separation

Kings Road Duplication - Melton Hwy to Taylors Rd (Sydenham)

Kororoit Creek Road Duplication – Grieve Parade to Millers Road

Narre Warren – Cranbourne Road Duplication – Centre Road to Pound Road (Narre Warren)

Nepean Hwy Bridge Replacement - Mordialloc Creek (Kingston City)

Pound Road – South Gippsland Highway / South Gippsland Freeway Upgrade

Princes Highway East (Via Bruthen) - Buchan Road to Princes Hwy

Princes Highway West Duplication Stage 1 – Wurn Ponds to Winchelsea

Registration and Licensing Project – Stage 1

Road Safety Infrastructure Program 3

South Road New Road Construction - Warrigal Rd to Old Dandenong Rd (Heatherston)

Taylor's Road Bypass

Thompson Road Duplication (Carrum Downs)

Thompson Road Duplication (Cranbourne)

Tram and Bus Priority Program

Tullamarine - Calder Freeway Interchange

Vineyard Road (Obeid Drive and Mitchells Lane, Sunbury)

Wellington Road Widening - Huntingdale Station to Stud Rd (Metro Various)

Western Highway: Deer Park Bypass and Leakes Rd Interchange Upgrade (Deer Park)

Western Highway Realignment: Anthony's Cutting

Western Port Hwy Duplication – Cranbourne Frankston Road to North Road

West-Gate Monash Freeways Improvement Project

**3.4.2.2 Question**

- (a) What are the future infrastructure challenges (immediate and long-term) facing Victoria that relate to the department's responsibilities?

**Response**

Providing the transport infrastructure (and services) to cater for future transport demand arising from population, economic and jobs growth.

Catering for different transport needs arising from demographic change, climate change predictions, changes in people's travel requirements, and catering for people with particular transport needs.

- (b) Has the department undertaken (or plans to undertake) any forward looking assessment of infrastructure demand and future needs as they relate to the department's operations? If so, please provide details of the findings.

## **Response**

The Department of Infrastructure (DOI) works to deliver infrastructure and services to meet Government objectives.

The Government has in place a number of key overarching strategies with relevance for DOI's future infrastructure provision and operations. These include *Growing Victoria Together*, *Melbourne 2030*, *A Fairer Victoria*, *Building One Victoria*, *Victoria: Leading the Way*, *Moving Forward: Making Provincial Victoria the Best Place to Live, Work and Invest* and *The Greenhouse Challenge for Energy*.

The Government also has key long-term transport-specific strategies and plans of key relevance for the Department's operations. These include:

- Meeting Our Transport Challenges
- Linking Melbourne: Metropolitan Transport Plan
- Victorian Ports Strategic Framework
- arrive alive 2008-17

DOI works with other departments, agencies and external bodies such as transport operators and local government in assessing future transport needs. An example, is the work undertaken in conjunction with the Department of Planning and Community Development concerning long-term urban and transport development, which uses that Department's population projections to assess likely future transport needs.

The Department contributes to the Government consideration of recommendations and implications of key long term infrastructure reviews undertaken by Government, for example, the Fischer report on Victorian Rail Freight Network Review and Sir Rod Eddington's report on the East West Link Needs Assessment. The Department is undertaking work on a response to the Eddington report.

The Department examines transport research and undertakes traffic and transport modelling on an ongoing basis.

Key findings and implications are contained in strategies and plans and the three year departmental strategy is detailed in the Department's *Strategic Directions 2007-10*.

- (c) Please outline any asset investment projects of the department to be undertaken in 2008-09 that are linked to whole of government infrastructure initiatives.

## **Response**

Country Rail Freight Network Renewal and Maintenance

Counter Terrorism and Public Transport Security Package

Level Crossing Safety Package

Transit Cities – Ballarat Second Station

### 3.4.2.3 Question

In relation to the unapplied output and asset funding carried forward to 2008-09, please provide:

- (a) a breakdown of the carried forward funding for both output and asset initiatives;

#### Response

<b>For Output Purposes:</b>	
Local Metropolitan Bus Reviews	\$5m
Boating Safety Grants	\$4m
Local Area Access Demonstration Project	\$1m
TravelSmart Project	\$1m
<b>Total</b>	<b>\$11m</b>

<b>For Capital Purposes:</b>	
Clifton Hill to Westgarth Track	\$10m
Geelong Bypass – Stage 4A	\$12m
Metropolitan Train Control Reliability	\$28m
Monash – WestGate Upgrade	\$52m
Vigilance Control and Event Recording	\$19m
Wodonga Rail Freight	\$21m
Other	\$10m
<b>Total</b>	<b>\$152m</b>

- (b) the underlying reasons for the department’s funding carryover for each category;

#### Response

##### Output carryover

Factors include:

- Changes in project scheduling following stakeholder consultation
- Project payments rescheduled in line with project milestones of successful applicants

##### Capital carryover

Factors include:

- Project scope and design further refined
- Changes in project scheduling following stakeholder consultation
- Changes to availability of contractor



- Extended negotiation and consultation processes
- Finalisation of planning permits
- Changes to project milestones following awarding of contracts

(c) the intended revised timing for use of the carried forward funds.

### **Response**

The carryover funding is intended to be used in 2008-09.

## **3.4.3 Efficiencies and savings**

### **3.4.3.1 Question**

In relation to the estimated efficiencies to be derived in 2008-09 (including from the various measures that fall under the umbrella of the *Efficient Government* policy and the other targeted initiatives, as initially presented in the 2007-08 State Budget), please provide:

(a) a breakdown of the planned efficiency savings according to the various measures of efficiency that apply to the department's operations;

### **Response**

The *Efficient Government* policy and other targeted initiatives requires DOI to achieve savings through implementation of the following measures:

A 'Buying Smarter, Buying Less' purchasing framework which applied to all purchases of operating supplies and consumables from 1 July 2007;

Head Office savings including those delivered through Shared Services functions such as Corporate Services (Finance, HR) and ICT (Desktop, Applications, Infrastructure);

Reduction in advertising and consultancies expenditure;

Increased operational efficiencies via Best Practice Grant Administration;

Reduction in fleet management costs through better use of technology, centralised databases and facilities; and

Reduction in WorkCover and insurance premiums.

(b) an explanation of:

(i) how decisions regarding applicable savings measures are to be made;

(ii) the nature of their expected impact on programs such programs accelerated or deferred; and

(iii) the basis for estimating the savings target to be achieved for each measure; and

**Response**

All programs and activities of the Department are reviewed to identify potential savings areas. A large proportion of the Department's budget is committed to contractual public transport payments, high priority services and essential transport infrastructure projects. These areas are protected from savings measures. Exceptions to this are where efficiencies can be achieved through system, procurement and productivity improvements. Savings are generally targeted to areas of discretionary activity that will not impact on service and project delivery.

(c) particulars of any changes to the department's allocated savings for 2008-09 from the data shown in the 2007-08 Budget.

**Response**

The 2008-09 State Budget includes a new efficiencies savings requirement for the Department of \$12.5 million per annum.

**3.4.4 Economic impacts, initiatives and improvements**

**3.4.4.1 Question**

Please explain how the following economic related factors and the impact on departmental initiatives have been addressed in framing the department's budget for 2008-09:

(a) interest rates

**Response**

Not applicable.

(b) inflation

**Response**

Strong demand for materials and skills will continue to place pressure on prices for capital projects.

(c) productivity improvement

**Response**

The savings and efficiencies targets required of the Department will be achieved, in part, through productivity improvements in areas such as information technology.

(d) National Reform Agenda initiatives

### **Response**

In February 2006, the Council of Australian Governments committed to deliver a new National Reform Agenda (NRA) comprising three streams: human capital, competition and regulatory reform. COAG saw these streams as vital to lifting productivity, workforce participation, effective functioning of markets and reducing the regulatory burden on businesses. Measures taken under the three streams will raise living standards in Australia over the next decade and beyond.

Most of the transport infrastructure aspects of the NRA fall under the competition stream, where COAG agreed to:

ask the Productivity Commission to develop proposals for efficient pricing of road and rail infrastructure. The Department of Infrastructure (DOI) contributed to Victoria's submission to this inquiry.

harmonise and reform rail and road regulation within five years. DOI has taken a strong role in leading inter-jurisdictional work in this area.

strengthen transport planning and project appraisal processes by adopting the Australian Transport Council-endorsed national guidelines for evaluating road and rail infrastructure projects. DOI has prepared revised project appraisal guidelines which are consistent with the national guidelines.

reduce current and projected urban transport congestion. In September 2006, the Victorian Competition and Efficiency Commission released its report on managing transport congestion, and the Victorian Government issued its response in March 2007. Victoria participated strongly in the national review of urban congestion that COAG released in April 2007, and the Premier convened a congestion workshop in January 2008.

The NRA also required each State to prepare the first of a series of five-yearly infrastructure reports to COAG by early 2007, and DOI coordinated the preparation of Victoria's report.

All of this work in response to the NRA has been undertaken within DOI's budget.

## **3.4.5 Environmental challenges**

### **3.4.5.1 Question**

- (a) What are the key environmental issues that are predicted to have an impact on services delivered by the department's portfolios in 2008-09?
- (b) How have these issues been addressed in the department's budget estimates for 2008-09?

### **Response**

The Victorian Government is committed to reducing the environmental impact of Victoria's transport system through implementing key strategies, including *Meeting Our Transport Challenges (MOTC)*, designed to respond to and encourage greater use of public transport, cycling and walking and better manage congestion

Public transport improvements under *Meeting Our Transport Challenges (MOTC)* that increase the choice for sustainable travel by promoting and catering for increased use of public transport include:

- metropolitan train infrastructure to address overcrowding and eliminate bottlenecks, and to provide more trains, trams and late night services;
- expanded local bus services and extended SmartBus routes;
- making public transport easier, safer and more accessible;
- focus on rail safety;
- better transport connections in regional Victoria; and
- 5,000 park-and-ride spaces so people can catch the train for part of their journey.

Under *MOTC*, the Government has committed to develop and promote smarter, healthier travel choices. This is being delivered through the TravelSmart program which encourages people to reduce their dependence on cars and choose sustainable travel alternatives like cycling, walking and public transport.

Congestion on public transport, especially trains, has become of increasing concern and, as well as increasing services, the Victorian Government has taken a number of steps to help alleviate these issues, including introducing an Early Bird Metcard giving the user free travel between any two stations on the Connex electrified network before 7am on weekdays – thus helping to spread the peak period in the mornings and encourage a mode shift away from private vehicles. Train timetables will also be reviewed and adjusted to provide a more efficient use of trains and to increase services.

The Government is committed to reducing greenhouse gas emissions and other environmental impacts from the public transport sector by:

- trialling new hybrid electric bus technology with a view to including these buses in the bus fleet into the future;
- installing coach/bus shelters capable of collecting and storing rainwater;
- use of regenerative braking by train and tram fleets;
- construction of stormwater tanks at Southern Cross Station that will save up to 20 million litres of water every year;
- fully integrated eco-efficient and sustainable operating practices at the East Preston and Malvern Tram Depots (known as the *greendepot* project – soon to be rolled out across the rest of the tram network);
- trialling up to 50 hybrid (electric/petrol) taxis through the current peak service taxi-cab licence scheme (announced February 2008). A similar scheme will be available for hire car operators; and
- trialling the use of renewable energy for electrified public transport operations through the wind powered tram.

- (c) Please list five projects or programs worth over \$1million (new and/or existing) where increased funding has been provided in the budget to address environmental issues (including responding to climate change) (please provide a comparison of funding levels for 2007-08 and 2008-09 for existing projects if applicable).

## **Response**

TravelSmart – a travel behaviour change program focussed on workplaces and educational institutions with the aim of encouraging less dependence on cars. The program budget is approximately \$3m in 2008-09.

Walking and Cycling Infrastructure Program – which provides improved facilities to support increases in walking and cycling. This year's budget includes \$28.2m over four years for this initiative.

Keeping Melbourne Moving – aimed to ease congestion in the short term while medium and longer term solutions are underway. A \$112.7m package (including the \$28.2m for walking and cycling) was approved in this year's budget.

Melbourne's bus fleet complies with the international (Euro) standards with respect to new acquisitions. An additional 75 new buses will be acquired in 2008-09.

Road construction projects undertaken by VicRoads take into consideration its Environment Strategy for 2005–15. One of the key goals of this strategy is to achieve a *Net Gain*, where overall gains in native vegetation are greater than overall losses, and where individual losses are avoided where possible. All costs of this policy are incorporated into individual project budgets.

### **3.4.5.2 Question**

What initiatives are planned to be implemented by the department in 2008-09 in order to enhance energy reporting?

## **Response**

DOI and VicRoads will be reporting under the revised Financial Reporting Directive (FRD) 24C which now requires information on energy consumption trends and targets, energy management actions undertaken, and additional explanatory text in reference to the data provided in the annual report. Furthermore, there is now a separate section in FRD 24 that specifically deals with the greenhouse emissions associated with energy use, transport activities and waste production.

This year's report from DOI will include the energy saving initiatives at the 121 Exhibition Street building i.e. light switches that are sensitive to movement and energy saving appliances, as well as DOI's rationalisation of peripheral devices such as printers and copiers on all floors. Further initiatives to reduce energy consumption of equipment through the automatic shutdown of printers, screens and computers over weekends and other appropriate times are being investigated.

VicRoads currently reports on energy consumption associated with all offices and depots and has estimated readings for street lighting. Throughout 2008-09, efforts will be focussed on reconciling some anomalies between energy billing data and the asset inventory to improve the accuracy of street and traffic lighting energy consumption.

### **3.4.6 Financial information**

#### **3.4.6.1 Question**

In relation to output costs, please explain any variations of more than 10 per cent between the expected outcome for 2007-08 and the target for 2008-09 for individual outputs.

**Response**

<b>Output</b>	<b>2008-09 Target</b> <b>(\$ million)</b>	<b>2007-08 Expected Outcome</b> <b>(\$ million)</b>	<b>Variance %</b>	<b>Explanation of variance</b>
Public Transport Safety and Regulation	23.2	29.9	(22.4)	2007-08 Expected Outcome includes additional level crossing safety initiatives announced in the Level Crossing Safety Package including advance warning signs and rumble strips.
Road Safety and Regulation	114.2	139.0	(17.8)	This output includes projects delivered under the Safer Roads Infrastructure Program. These projects can be either operating or capital depending on the nature of the works. In 2008-09 there will be a higher proportion of capital type work than in 2007-08. In addition, the Safer Roads Infrastructure Program Stage 2 will be completed in 2008-09.
Vehicle and Driver Regulation	159.7	140.8	13.4	The 2008-09 State Budget includes new initiatives for VicRoads' registration and licensing function – Customer Services and Registration and Licensing Project – Stage 1. In addition, there will be a step-up in spending on the Graduated Licensing System.
Infrastructure Security and Emergency	3.8	5.1	(25.5)	The Counter Terrorism initiative announced in the 2006-07 State Budget will finish in 2007-08.
Public Transport Infrastructure Development	114.6	79.6	44.0	Additional spending in 2008-09 primarily reflects the next stages of the Public Transport Ticketing Solution.
Freight, Logistics, Ports and Marine	56.8	69.6	(18.4)	2007-08 Expected Outcome includes spending on maintenance on the rail freight network carried over from 2006-07.
Public Construction and Land Development	10.4	24.7	(57.9)	Variation primarily reflects completion of activities in 2007-08.

**3.4.6.2 Question**

In relation to expenses from transactions that relate to 'Employee Benefits', if a variation of more than 10 per cent arises between the Estimated Actual for 2007-08 and the budget for 2008-09, please provide an explanation.

**Response**

Not applicable. The variation is less than 10 percent.

**3.4.6.3 Question**

Please provide a tabular dissection of the department's 2008-09 budget and expected expenditure for 2007-08 under the Government's key themes presented annually in the Victorian Budget Overview (see pp.5-7 of 2007-08 document) differentiating between new funding initiatives and ongoing funding.

**Response**

	<b>2007-08 Expected Outcome</b>	<b>2008-09 Budget</b>
	<b>(\$ million)</b>	<b>(\$ million)</b>
Driving jobs growth and competitive, innovative businesses	165	65
Meeting the Growing Demand for Transport	45	302
Securing a Prosperous Future for Provincial Victoria	15	112
Building Thriving, Liveable Communities	-	-
<b>Total</b>	<b>225</b>	<b>479</b>

**3.4.7 Regional and rural considerations****3.4.7.1 Question**

- (a) What are the critical issues facing regional and rural communities in 2008-09 that depend on services provided by the department (please provide comment relating to particular areas of the state where applicable)?

**Response**

A critical issue for people in regional and rural areas is access to workplaces, social and community services and facilities, including educational and health facilities.

Providing the necessary roads and public transport services is critical to enable people to have this access.

Key regional public transport services provided include Regional Fast Rail services between regional centres and Melbourne and bus services that connect with these services and provide transport within regions and regional centres.

Innovative and flexible transport services are also provided in areas where the economic provision of conventional public transport services is difficult (for example, through the Transport Connections program)

A further critical issue is the ability of regions to develop economically. This is assisted through the provision of freight and commercial transport infrastructure that connect regions to markets.

The provision of freeways, arterial roads, bridges capable of carrying freight vehicles and the upgrading of rail freight lines all assist a region's economic development.

Catering for the additional transport demands arising in regional areas from population, economic and jobs growth is also critical.

As regional Victoria continues to grow, regional roads continues to be a focus. Rural Victoria plays a vital role in the economies of Victoria and Australia, particularly in areas of manufacturing, agriculture and tourism. Efficient movement of goods, people and information must be assured if the state is to be competitive at all levels. Victoria's rural roads carry a high proportion of the State's road freight and at the same time, these roads are heavily used by increasing numbers of tourists and for private travel.

Despite the negative effects of recent drought and bushfires, expansion in provincial Victoria is being underpinned by strong population and employment growth. Continued improvement in road network connections between Melbourne and the regional centres and also between regional centres is critical in supporting this growth trend.

By 2031, provincial Victoria is projected to grow by more than 350,000 people – more than the current combined populations of Ballarat, Bendigo and Geelong. The pattern of growth is expected to reinforce the trends of recent years, with provincial cities and areas of high natural amenity and reasonable proximity to Melbourne continuing to grow strongly.

The Victorian Government's investment in the regional arterial road network is ongoing and vital to improve overall road safety, freight efficiency, economic growth and regional development in rural Victoria. The investment supports competitive logistics chains to help achieve the government's export targets and also facilitates tourism access to Victoria's key tourist attractions. It also creates better links between regional centres and improves the liveability of regional communities.

Reducing the State's road toll is a high priority for the Government. Key departmental activities to achieve this outcome include road safety improvements which respond to Victoria's commitment identified in the *arrive alive 2008-17* strategy to reduce fatalities and serious crash injuries.

Major improvement have been made to rail services between Melbourne and regional centres with the introduction of Regional Fast Rail services and improved bus services in key regional centres.



(b) How does the department's 2008-09 budget address these issues?

**Response**

The 2008-09 State Budget includes the following specific regional and rural initiatives:

- **Country Passenger Rail Network Renewal and Maintenance**, \$254.5m, for the renewal and maintenance of all regional passenger rail lines
- **Maintenance of V/Locity Cars**, \$22.6 m
- **Rail Freight Support Package**, \$21.4m, to ensure that the agricultural industry can continue to access rail freight options
- **Regional Train Rolling Stock Procurement**, \$40m, to purchase an additional eight carriages, stabling and associated operating costs for the V/Locity regional rail fleet
- **Rural Roads Program**, \$224m, including duplication of Princes Highway West between Waurm Ponds and Winchelsea, duplication of the section of the Western Highway between Melton and Bacchus Marsh and the Yarra Glen Truck Bypass
- **South Gippsland Public Transport Service Improvement Package**, \$14.7m, which will upgrade coach services in Gippsland and Bass Coast Shire
- **Upgrade and Maintenance of Key Freight Lines**, \$68.4m, including funding announced under the Future Farming Strategy

(c) Please provide a table showing for up to ten of the department's largest projects (in terms of expenditure) the:

- (i) budget allocation for 2008-09 dissected between new and existing projects
- (ii) the purpose of each project
- (iii) how the funding is to be spent

**Response**

Project	2008-09 Budget (\$ million)	Comment
Bass Highway Duplication (King Road to Woolmer Road) (existing)	10	This is one stage of the duplication of Bass Highway to Phillip Island project. Funding is provided for capital expenditure.
Breakwater Road Duplication (existing)	10	This project will construct an elevated roadway on a new alignment to replace the existing section of Breakwater Road between Tucker Street and east of Barwon Heads Road. Funding is provided for capital expenditure.
Calder Highway Duplication (existing)	18	This project involves the construction of a four lane highway on a new alignment between Kyneton and Ravenswood. Funding is provided for capital expenditure.

Project	2008-09 Budget (\$ million)	Comment
Country Passenger Rail Network Renewal and Maintenance (new)	65	This project involves the maintenance and renewal of country passenger rail network. Funding is a mixture of capital and operating.
Country Rail Freight Network Renewal and Maintenance (new)	44	This project will upgrade Victoria's rail freight network and undertake maintenance works on the freight network during 2008-09. Funding is a mixture of capital and operating.
Geelong Ring Road Stage 4 (existing)	14	This project will connect the Geelong Ring Road to Anglesea Road. Funding is provided for capital expenditure.
Geelong Rail Access Improvement Project (existing)	19	Provision of a standard gauge rail connection into the northern part of the Port of Geelong. Funding is provided for capital expenditure.
Mildura Rail Corridor Upgrade (existing)	38	This project will upgrade the standard of the Mildura Rail Line track to allow greatly improved freight services to north-west Victoria. Funding is provided for capital expenditure.
Regional Train Rolling Stock Procurement (new and existing)	24	This project involves the purchase of additional carriages, stabling and associated operating costs for the VLocity regional rail fleet. Funding is provided for capital expenditure.

- (iv) the performance measures in place to assess performance

**Response**

Project evaluation will assess a range of performance measures including travel time, safety (accident rates etc.) and accessibility.

**3.4.8 Communication, advertising and promotion**

**3.4.8.1 Question**

- (a) What is the communication, advertising and promotion budget for 2008-09? Please also provide the expected actual expenditure for 2007-08.

**Response**

	2007-08 Expected Actual (\$ million)	2008-09 Budget (\$ million)
DOI	3.4	4.7
SEITA	0.6	0.4
VicRoads	10.0	10.4

- (b) How does the 2008-09 budget compare with the estimated expenditure to be incurred on communications, advertising and promotion during 2007-08 (due to machinery of government changes relating to the structure of departments, if applicable please break down according to like agencies where possible for comparative purposes)?

**Response**

DOI: The Department's estimated 2008-09 communication, advertising and promotion budget includes additional spending on the Rail Crossing Safety campaign and provision for advice to the public on service and infrastructure changes arising from the implementation of MOTC projects.

SEITA: There is a reduction in expenditure in the 2008-09 budget reflecting the fact EastLink will move from the construction to operating phase.

VicRoads: VicRoads' communication, advertising and promotion budget covers a diverse range of programs such as the Safer Vehicles and Think Tram programs. There is only a minor increase in spending expected in 2008-09.

**3.4.9 Non government sector**

**3.4.9.1 Question**

- (a) Please provide a summary of the funding provided through the budget that will be disseminated by the department through to the non-government sector in 2008-09

**Response**

There is very little funding provided by the Department to the non government sector. In 2008-09, the only significant allocation is for the Boating Safety and Facilities Program of approximately \$2.5 million.

- (b) Please provide a brief description of the performance monitoring framework that will be in place during 2008-09 to enable the department to monitor whether government funding is spent efficiently and effectively by non-government organisations for the intended purpose

**Response**

All applications for the Boating Safety and Facilities Program are assessed against specific criteria by expert panels. Applications must demonstrate that the proposed project will meet one or more of the objectives stated below:

- decrease in boating incidents and fatalities;
- promote increased safety, education and training;
- highlight the importance of vessel maintenance and operating knowledge;
- provide improved boating safety services and/or search and rescue services;
- involve communities – support the long-term involvement of community groups and local organisations in the planning, implementation and management of marine safety projects;
- improve boating navigation aids and signage;
- ensure safe access to waterways;

- improve boating facilities; and
- improvements to marine communications.

Successful applicants must abide by the terms and conditions of the funding approval which covers payment and acquittal processes.

### **3.4.10 Revenue initiatives/departmental income**

#### **3.4.10.1 Question**

(a) In relation to 2008-09, please outline any new revenue raising initiatives and/or major changes to existing revenue initiatives? If applicable, please provide details of these initiatives together with anticipated revenue collections.

#### **Response**

There are no new revenue raising initiatives or major changes to existing revenue initiatives in the 2008-09 State Budget for the Department.

(b) Please outline the actual and expected financial impact in 2008-09 of any revenue foregone initiatives (such as tax relief measures) falling within the responsibility of the department.

#### **Response**

There are no revenue foregone initiatives in the 2008-09 State Budget for the Department.

#### **3.4.10.2 Question**

For the department's income categories shown in its operating statement, please provide an explanation for any items that have a variance of greater than 10 per cent between the revised estimate for 2007-08 and the budget for 2008-09.

#### **Response**

	<b>2007-08 Revised</b> <b>(\$ million)</b>	<b>2008-09 Budget</b> <b>(\$ million)</b>	<b>Variance</b> <b>%</b>	<b>Explanation of variance</b>
Resources received free of charge or for nominal consideration	83.0	-	(100)	The State will receive an estimated \$83m in assets from ConnectEast associated with the EastLink project. This includes the Dandenong Bypass.
Commonwealth Grants	4.4	17.0	286	The 2008-09 figure includes an estimate for the compensation payment associated with the personal property securities reforms.

### 3.4.11 Fees, fines, concessions and subsidies

#### 3.4.11.1 Question

Please provide a list of fees, fines, charges etc. administered by the department and the expected revenue from each of these in 2008/09. What is the expected increase for each of these (eg. in dollars and percentage terms), if any?

#### Response

##### Controlled Operating Statement Items

	2007-08 Revised (\$ million)	2008-09 Budget (\$ million)	Variance	
			(\$ million)	%
<b>Fines and fees</b>				
<i>Administrative charges associated with vehicle and driver registration and licensing</i>	71.3	69.7	(1.6)	(2)
<b>Total</b>	<b>71.3</b>	<b>69.7</b>	<b>(1.6)</b>	<b>(2)</b>

##### Administered Items

These items relate primarily to taxation and fees associated with VicRoads' vehicle and driver registration and licensing function.

	2007-08 Revised (\$ million)	2008-09 Budget (\$ million)	Variance	
			(\$ million)	%
<b>Taxes</b>				
<i>Motor Vehicle Registrations, Transfers etc.</i>	789.2	837.0	47.8	6
<i>Stamp Duty</i>	556.8	575.4	18.6	3
<i>Concession Notes Revenue</i>	20.1	7.2	(12.9)	(64)
<b>Taxes sub-total</b>	<b>1,366.1</b>	<b>1,419.6</b>	<b>53.5</b>	<b>4</b>
<b>Fines</b>				
<i>Transport Infringements</i>	14.4	15.8	1.4	10
<i>Transport Infringements Accounting Adjustment</i>	8.0	-	(8.0)	(100)
<b>Fines sub-total</b>	<b>22.4</b>	<b>15.8</b>	<b>(6.6)</b>	<b>(29)</b>
<b>Fees</b>				
<i>Driver Licences</i>	35.4	39.2	3.8	11
<i>Regulatory Fees</i>	16.7	16.6	(0.1)	(1)
<b>Fees sub-total</b>	<b>52.1</b>	<b>55.8</b>	<b>3.7</b>	<b>7</b>
<b>Total</b>	<b>1,440.6</b>	<b>1,491.2</b>	<b>50.6</b>	<b>4</b>

### 3.4.11.2 Question

Please provide a detailed list of subsidies and concessions (both direct and indirect) to be provided by the department in 2008/09 (including, for example, estimated number, average subsidy or concession, estimated cost).

### Response

#### Public Transport

Concessions on metropolitan and regional public transport are available for children under the age of 15, students, senior citizens, health care card holders and war veterans/widows.

The revenue foregone in 2008-09 is estimated to be \$123 million.

#### VicRoads

VicRoads administers the collection of certain fees, licences and duties on behalf of the Victorian Government and Transport Accident Commission. Pensioner, health care and Department of Veteran's Affairs gold cardholders receive a 50 per cent concession on their motor registration fee. Pensioner concession cardholders also receive a 50 per cent discount on compulsory third party insurance. From 1 January 2006, drivers who have not received any demerit points in the previous years receive a 25 per cent discount when they renew their driver's licence.

During 2008–09, net revenue foregone from collections on behalf of the Victorian Government is estimated to be \$61.7 million and the number of transactions is expected to be 836,422 – a 3 per cent increase compared to the previous year.

The following table lists the concessions to be provided in 2008-09.

Concessions Issued		
Registration Type	Concession Type	Frequency
New	Health Care Card	12 Monthly
Second Hand	Health Care Card	12 Monthly
Renewal	Health Care Card	12 Monthly
New	Health Care Card	6 Monthly
Second Hand	Health Care Card	6 Monthly
Renewal	Health Care Card	6 Monthly
Renewal	Pensioner Concession	6 Monthly
Second Hand	Health Care Card	6 Monthly
Renewal	Health Care Card	6 Monthly
Renewal	Recreational Use Health Care Card	12 Monthly
Renewal	Private or Business Use – French Island	6 Monthly
Second Hand	Pensioner Concession	12 Monthly
Renewal	Pensioner Concession	12 Monthly
New	Pensioner Concession	6 Monthly
Second Hand	Pensioner Concession	6 Monthly
Renewal	Pensioner Concession	6 Monthly
New	Department of Veterans' Affairs	12 Monthly
Second Hand	Department of Veterans' Affairs	12 Monthly
Renewal	Department of Veterans' Affairs	12 Monthly
Car	25% Driver Licence Discount Scheme	10 Monthly
Car	25% Driver Licence Discount Scheme	3 Monthly
Cycle	25% Driver Licence Discount Scheme	10 Monthly
Cycle	25% Driver Licence Discount Scheme	3 Monthly

Concessions Issued		
Registration Type	Concession Type	Frequency
Dual	25% Driver Licence Discount Scheme	10 Monthly
Dual	25% Driver Licence Discount Scheme	3 Monthly

Excludes regulatory exemptions relating to Government/Consular groups, charitable organisations, special purpose vehicles, French Islanders, farmers.

### 3.4.12 Staffing matters

#### 3.4.12.1 Question

Using the format below, please provide actual EFT staff numbers at 30 June 2007 and estimates of EFT staff numbers (non-executive officers, executive officers and departmental secretary classifications) at 30 June 2008 and 30 June 2009 for the department and its major budget funded agencies.

#### Response

#### Employment — Equivalent full-time staff

#### DOI

Classification	30 June 2007 (Actual) (EFT)					30 June 2008 (Estimate) (EFT)					30 June 2009 (Estimate) (EFT)				
	On-going	Fixed term	Casual	Funded vacancy	Total	On-going	Fixed term	Casual	Funded vacancy	Total	On-going	Fixed term	Casual	Funded vacancy	Total
EO		55.7		4.3	60.0		54.0		6.0	60.0		60.0			60.0
VPS STS	8.0	1.0			9.0	10.0	1.0		2.0	13.0	13.0				13.0
VPS PS		8.0			8.0	11.8				11.8	18.8				18.8
VPS GR6	250.1	31.6		4.0	285.7	286.5	28.7		4.0	319.2	298.6	30.7		2.0	331.3
VPS GR5	183.3	38.2		5.0	226.5	212.9	20.5		8.0	241.4	221.5	22.5		3.0	247.0
VPS GR4	138.7	20.5		3.0	162.2	160.9	28.7		2.0	191.6	169.4	26.7		3.0	199.1
VPS GR3	186.9	34.1		15.6	236.6	245.2	19.2		3.0	267.4	248.7	23.2		1.0	272.9
VPS GR2	52.4	13.4			65.8	69.1	7.0			76.1	71.5	8.0		1.0	80.5
VPS GR1	2.0	4.0			6.0	5.0	3.0			8.0	5.0	3.0			8.0
<b>Total</b>	<b>821.4</b>	<b>206.5</b>	<b>0.0</b>	<b>31.9</b>	<b>1,059.8</b>	<b>1,001.4</b>	<b>162.1</b>	<b>0.0</b>	<b>25.0</b>	<b>1,188.5</b>	<b>1,046.5</b>	<b>174.1</b>	<b>0.0</b>	<b>10.0</b>	<b>1,230.6</b>



## SEITA

Classification	30 June 2007 (Actual) (EFT)					30 June 2008 (Estimate) (EFT)					30 June 2009* (Estimate) (EFT)				
	On-going	Fixed term	Casual	Funded vacancy	Total	On-going	Fixed term	Casual	Funded vacancy	Total	On-going	Fixed term	Casual	Funded vacancy	Total
EO		8.0			8.0		9.0			9.0		8.0			8.0
STS	2.0				2.0	2.0				2.0	2.0				2.0
VPS 6	10.4				10.4	9.4				9.4	9.4				9.4
VPS 5	3.0				3.0	3.0				3.0	3.0				3.0
VPS 4	1.0				1.0	2.0				2.0	2.0				2.0
VPS 3	5.0				5.0	4.0				4.0	4.0				4.0
VPS 2	2.4		0.5		2.9	2.4		0.5		2.9	2.4				2.4
<b>Total</b>	<b>23.8</b>	<b>8.0</b>	<b>0.5</b>	<b>0.0</b>	<b>32.3</b>	<b>22.8</b>	<b>9.0</b>	<b>0.5</b>	<b>0.0</b>	<b>32.3</b>	<b>22.8</b>	<b>8.0</b>	<b>0.0</b>	<b>0.0</b>	<b>30.8</b>

\* Eastlink is expected to be operational during 2008-09, however most staff will return to DOT/VicRoads.

## VicRoads

Classification	30 June 2007 (Actual) (EFT)					30 June 2008 (Estimate) (EFT)					30 June 2009 (Estimate) (EFT)				
	On-going	Fixed term	Casual	Funded vacancy	Total	On-going	Fixed term	Casual	Funded vacancy	Total	On-going	Fixed term	Casual	Funded vacancy	Total
EO		67.6		0.4	68	0	64.0			64	0	65.0			65
VRO6	125.3	1.0			126.3	139	2.0			141	152	2.0		5.0	159
VRO5	340.4	3.0		0.6	344	363	3.0			366	386	2.0		5.0	393
VRO4	771.3	1.0		21.7	794	804	2.0		18.0	824	849	5.0		5.0	859

Classification	30 June 2007 (Actual) (EFT)					30 June 2008 (Estimate) (EFT)					30 June 2009 (Estimate) (EFT)				
	On-going	Fixed term	Casual	Funded vacancy	Total	On-going	Fixed term	Casual	Funded vacancy	Total	On-going	Fixed term	Casual	Funded vacancy	Total
VRO3	676.9	1.0		35.1	713	652	6.0			658	644	5.0		10.0	659
VRO2	492.3			26.7	519	554	3.0		29.0	586	688	5.0		15.0	708
VRO1	128.6			36.4	165	125	3.0		5.0	133	55	5.0			60
<b>Total</b>	<b>2,534.8</b>	<b>73.6</b>	<b>0.0</b>	<b>120.9</b>	<b>2,729.3</b>	<b>2,637</b>	<b>83.0</b>	<b>0.0</b>	<b>52.0</b>	<b>2,772</b>	<b>2,774</b>	<b>89.0</b>	<b>0.0</b>	<b>40.0</b>	<b>2,903</b>

The proposed EFT increase of 131 staff predominately relates to better staffing of the Call Centre and Customer Service Centres where service functions are currently under significant pressure as the business seeks to deal with the increasing volume and complexity of enquiries and transactions, address the Ombudsman’s own motion study into VicRoads licensing arrangements that noted a number of deficiencies in the customer service delivery environment and ramping up various major road projects (e.g. Monash Westgate Freeway upgrade). This increase also reflects the increase in project activity associated with the WoVG Registration & Licensing Project.

### 3.4.13 Appendix A

The 2008-09 departmental output statements are detailed in Chapter 3 of the 2008-09 Budget Paper No. 3.

The department made a change to its output structure in 2008-09 by restructuring the previous Road System Management and Traffic and Transport Management outputs to the new Road Network Improvements and Road Asset Management outputs. This was done to provide an improved focus on managing congestion, long term planning and asset management of Victoria's road network.

Other changes to the Department's performance measures can be broadly categorised into:

new performance measures to reflect new or changed activities, or the next phases of multi-year projects;

improvement in the description of performance measures to better reflect activities undertaken; and

discontinued measures to reflect the actual completion of the activity, activities no longer applicable (such as regulatory change), or where the measure has been replaced with a new/improved performance measure.

Further details of these changes can be found in Chapter 3 and Appendix C of the 2008-09 Budget Paper No. 3. A summary from this document of discontinued and new performance measures is provided below.

#### Discontinued performance measures

The following table is an extract from the 2008-09 Budget Paper No.3, Appendix C – Discontinued Outputs and/or Measures.

In addition to the discontinued performance measures outlined below, there were four measures relating to Transit Cities in the Public Construction and Land Development output that have been transferred to the Department of Planning and Community Development following the Machinery of Government changes in August 2007.

<b>Major Outputs/Deliverables</b> Performance Measures	<b>Existing Unit Of Measure</b>	<b>2006-07 Actual</b>	<b>2007-08 Target</b>	<b>2007-08 Expected Outcome</b>
<b>Public Safety and Security</b>				
<b>Public Transport Safety and Regulation</b>				
<i>Quantity</i>				
Train and tram safety compliance inspections (unannounced audits) undertaken where an Improvement Notice or non conformance/compliance is issued at an audit <sup>(a)</sup>	per cent	99	100	n/a
<i>Quality</i>				
Train and tram safety: audit non conformance/compliance addressed within agreed timeframes <sup>(b)</sup>	per cent	74	100	n/a

<b>Major Outputs/Deliverables</b> Performance Measures	<b>Existing Unit Of Measure</b>	<b>2006-07 Actual</b>	<b>2007-08 Target</b>	<b>2007-08 Expected Outcome</b>
Train and tram safety: application for a material change (to a safety management system of an accredited rail organisation) reviewed within 30 days <sup>(c)</sup>	per cent	100	100	n/a
<i>Timeliness</i>				
Train and tram safety: all accredited organisations audited annually <sup>(d)</sup>	per cent	100	100	n/a
Bus safety: all accredited organisations audited every two years <sup>(e)</sup>	per cent	52.2	50	50
<b>Transport and Marine Safety Investigations</b>				
<i>Timeliness</i>				
Investigation of accidents/incidents completed within agreed timeframes <sup>(f)</sup>	per cent	nm	80	40
<b>Marine Safety and Regulation</b>				
<i>Quantity</i>				
Safety audits performed on vessels: recreational vessels <sup>(g)</sup>	per cent	5	5	1.3
<b>Public Transport Services</b>				
<b>Specialist Transport Services</b>				
<i>Quantity</i>				
Disability Discrimination Act (DDA) compliance for public transport infrastructure: V/Line stations upgraded to meet DDA requirements <sup>(h)</sup>	number	3	5	7
<b>Infrastructure Planning, Delivery and Management</b>				
<b>Integrated Transport Policy and Planning</b>				
<i>Quantity</i>				
Local Area Access Program evaluation framework developed <sup>(h)</sup>	per cent	nm	100	100
Completion of Auslink corridor strategies involving Victoria <sup>(h)</sup>	number	nm	8	8
<i>Timeliness</i>				
East-West Link Needs Assessment - Final report to Government <sup>(h)</sup>	date	nm	qtr 3	qtr 3
<b>Public Transport Infrastructure Development</b>				
<i>Quantity</i>				
Craigieburn Rail Project construction projects – contract completion: major works packages <sup>(i)</sup>	per cent	95	100	100
Dandenong Rail Corridor: project scoped and costed for funding decisions <sup>(h)</sup>	per cent	75	100	100

<b>Major Outputs/Deliverables</b> Performance Measures	<b>Existing Unit Of Measure</b>	<b>2006-07 Actual</b>	<b>2007-08 Target</b>	<b>2007-08 Expected Outcome</b>
Projects continuing: Country rail services: Mildura and Leongatha <sup>(i)</sup>	number	2	2	2
<i>Timeliness</i>				
Craigieburn rail project: Craigieburn and Roxburgh Park stations complete <sup>(h)</sup>	date	qtr 4	qtr 1	qtr 1
Track duplication - Clifton Hill to Westgarth • main works contract awarded <sup>(h)</sup>	date	nm	qtr 2	qtr 3
Track duplication - Clifton Hill to Westgarth • signalling contract awarded <sup>(k)</sup>	date	nm	qtr 3	qtr 3
Development of new integrated public transport ticketing solution • commence customer education program <sup>(h)</sup>	date	nm	qtr 1	qtr 1
Development of new integrated public transport ticketing solution • commence metropolitan installation <sup>(h)</sup>	date	nm	qtr 2	qtr 2
Metropolitan Train Communications System replacement • request for tender issued <sup>(h)</sup>	date	nm	qtr 1	qtr 2
Metropolitan Train Communications System replacement • tender awarded <sup>(h)</sup>	date	nm	qtr 3	qtr 4
Metrol Replacement • design completed for core Metrol systems <sup>(h)</sup>	date	nm	qtr 4	qtr 4
North Melbourne Station Interchange Upgrade • commence works on concourse <sup>(h)</sup>	date	nm	qtr 2	qtr 2
Vigilance Control and Event Recording System (VICERS) • complete wiring on Comeng fleet for installation of VICERS units <sup>(h)</sup>	date	nm	qtr 1	qtr 3
Vigilance Control and Event Recording System (VICERS) • complete VICERS unit installation on Comeng fleet <sup>(h)</sup>	date	nm	qtr 2	qtr 4
Vigilance Control and Event Recording System (VICERS) • commence installation on Siemens/Xtrapolis fleet <sup>(h)</sup>	date	nm	qtr 2	qtr 4
Smartbus: Red Orbital - Box Hill to Altona • construction works commence on road priority treatments <sup>(h)</sup>	date	nm	qtr 2	qtr 1

<b>Major Outputs/Deliverables</b> Performance Measures	<b>Existing Unit Of Measure</b>	<b>2006-07 Actual</b>	<b>2007-08 Target</b>	<b>2007-08 Expected Outcome</b>
Smartbus: Red Orbital - Box Hill to Altona • construction works commence on bus stop upgrade works <sup>(h)</sup>	date	nm	qtr 4	qtr 4
<b>Road Network Improvements (formerly Road System Management)</b>				
<i>Quantity</i>				
Eastlink Project: Community Advisory Group (including concessionaire) meets to address community issues <sup>(l)</sup>	number of meetings	11	10	11
Eastlink Project: land acquisitions completed <sup>(h)</sup>	per cent	100	100	100
<b>Road Asset Management (formerly Traffic and Transport Management)</b>				
<i>Quantity</i>				
Road user facilities improvement projects <sup>(m)</sup>	number	53	48	35
Length of cycling paths and lanes completed <sup>(n)</sup>	km	nm	18.35	20.5
Travel time improvement projects for high occupancy vehicles <sup>(m)</sup>	number	26	30	15
<i>Quality</i>				
Projects delivered in accordance with agreed scope and standards <sup>(o)</sup>	per cent	100	100	100
<i>Timeliness</i>				
Program works completed within agreed timeframes <sup>(p)</sup>	per cent	100	100	100
<b>Freight, Logistics, Ports and Marine Development</b>				
<i>Timeliness</i>				
Channel Deepening: project approval <sup>(h)</sup>	date	nm	qtr 2	qtr 2
Mildura Rail Corridor Freight Upgrade project • Sleeper contract commenced <sup>(h)</sup>	date	nm	qtr 1	qtr 1
Mildura Rail Corridor Freight Upgrade project • construction commenced <sup>(h)</sup>	date	nm	qtr 2	qtr 2
<b>Public Construction and Land Development</b>				
<i>Timeliness</i>				
Flinders Street West Precinct Urban Redevelopment: finalising remaining scope of project works with VicRoads and Public Transport Division <sup>(h)</sup>	date	n/a	qtr 2	qtr 2
Princes Pier: commencement of deck demolition <sup>(h)</sup>	date	nm	qtr 2	qtr 2
Parkville Gardens: completion of retrofit works <sup>(h)</sup>	date	nm	qtr 1	qtr 1

Notes:

- (a) Replaced by new measure entitled "Train and tram safety compliance audits/inspections conducted in accordance with legislative requirements". This measure uses "number" as the unit rather than "per cent". The change in unit of measure allows for a more efficient reporting mechanism as required by the Rail Safety Act 2006.

- (b) *This measure is discontinued as the current legislation, the Rail Safety Act 2006, does not require non conformance or compliance audits to be undertaken.*
- (c) *This measure is discontinued as under the current legislation, the Rail Safety Act 2006, the Director Public Transport Safety Victoria now approves "Variations" to operators' existing terms and conditions of accreditation.*
- (d) *This measure is discontinued and replaced with a new measure entitled "Train and tram accreditations processed on time" as under the current legislation, the Rail Safety Act 2006, timeframes can often be extended periods and therefore could outlast the duration of a year.*
- (e) *This measure is discontinued as with the National Model Bill soon to be implemented, Public Transport Safety Victoria will no longer be required to undertake at least one annual safety audit of accredited organisations. It will be replaced with the requirement to undertake compliance inspections instead of audits.*
- (f) *This measure is discontinued and replaced with an improved measure entitled "Completion of investigations measured against benchmark timeframes".*
- (g) *This percentage performance measure is discontinued and replaced by a number measure of same name. The unit of measure has been changed due to fluctuations in the size of the recreational vessel fleet.*
- (h) *This measure was/is expected to be completed in 2007-08.*
- (i) *This measure is discontinued as the Craigieburn Rail Project achieved Practical Completion on 30 September 2007 with the commencement of electrified services.*
- (j) *This measure is discontinued as services for Leongatha will be provided by coach services, and are reflected in the 2008-09 target for "Total kilometres scheduled: V/Line train and coach", under the Rural and Regional Public Transport Services output.*
- (k) *A signalling contract was not awarded for the Clifton Hill to Westgarth track duplication project. In its place, pursuant to the powers in the Infrastructure Lease, a written Project Agreement was executed in December 2007 between the Director of Public Transport and Connex Melbourne Pty Ltd for Connex to provide signalling, service relocation works and overhead traction design and construction for this project.*
- (l) *This measure is discontinued as the meetings will not be held in 2008-09 with the Eastlink project nearing completion.*
- (m) *This measure is discontinued and replaced with new measures entitled "Congestion projects completed" and "Bus/tram route and other high occupancy vehicle improvements".*
- (n) *This measure has been superseded with improved measures for the Road Networks Improvement output.*
- (o) *This measure is discontinued as another similar measure exists from the restructure of previous 'Road System Management' and 'Traffic and Transport Management Outputs'.*
- (p) *This measure is discontinued as it overlaps with the existing measure "Annual maintenance program completed within agreed timeframes".*

## New performance measures

The following table is an extract from the 2008-09 Budget Paper No.3, Chapter 3 – Departmental Output Statements.

Major outputs/Deliverables Performance Measures	Unit of Measure	2008-09 Target	2007-08 Expected Outcome	2007-08 Target	2006-07 Actual
<b>Public Transport Safety and Regulation</b>					
<i>Quantity</i>					
Train and tram safety compliance audits/inspections conducted in accordance with legislative requirements <sup>(a)</sup>	number	40	nm	nm	nm
Bus safety accreditation compliance audits/inspections conducted in accordance with regulatory policy <sup>(b)</sup>	per cent	100	nm	nm	nm
<i>Timeliness</i>					
Train and tram accreditations processed on time <sup>(c)</sup>	per cent	100	nm	nm	nm
Bus safety accreditations processed on time <sup>(d)</sup>	per cent	100	nm	nm	nm
<b>Marine Safety and Regulation</b>					
<i>Quantity</i>					
Safety audits performed on vessels:					
• recreational vessels <sup>(e)</sup>	number	1000	nm	nm	nm
<b>Transport and Marine Safety Investigations</b>					
<i>Timeliness</i>					
Completion of investigations measured against benchmark timeframes <sup>(f)</sup>	index	1	nm	nm	nm
<b>Public Transport Infrastructure Development</b>					
<i>Quantity</i>					
Projects continuing:					
• Country rail services: Mildura <sup>(g)</sup>	number	1	nm	nm	nm
<i>Timeliness</i>					
Laverton Rail Upgrade: award contract <sup>(b)</sup>	date	qtr 3	nm	nm	nm
Craigieburn crossovers and signalling: concept design completed <sup>(b)</sup>	date	qtr 4	nm	nm	nm
Dandenong Rail Corridor Stage 2 – Westall Rail Upgrade: award contract <sup>(b)</sup>	date	qtr 4	nm	nm	nm
Development of new integrated public transport ticketing solution <sup>(h)</sup> :					
• Customer involvement in regional bus pilot	date	qtr 2	nm	nm	nm
Metropolitan Train Communications System replacement <sup>(h)</sup> :					
• detailed system design completed	date	qtr 4	nm	nm	nm
Metrol Replacement <sup>(h)</sup> :					
• interface demonstrations completed for core Metrol systems	date	qtr 3	nm	nm	nm



<b>Major outputs/Deliverables</b> Performance Measures	<b>Unit of Measure</b>	<b>2008-09 Target</b>	<b>2007-08 Expected Outcome</b>	<b>2007-08 Target</b>	<b>2006-07 Actual</b>
North Melbourne Station Interchange Upgrade <sup>(h)</sup> :					
• completion of works on concourse	date	qtr 4	nm	nm	nm
Vigilance Control and Event Recording System (VICERS) <sup>(h)</sup> :					
• Completion of commissioning of VICERS on Comeng fleet	date	qtr 2	nm	nm	nm
SmartBus: Red Orbital - Box Hill to Altona <sup>(h)</sup>					
• construction works completed for bus stop upgrade works	date	qtr 3	nm	nm	nm
• services commence	date	qtr 3	nm	nm	nm
• construction works completed for on road priority treatments	date	qtr 4	nm	nm	nm
SmartBus: Green Orbital Stage 2 – Nunawading to Airport West <sup>(h)</sup>					
• construction works commence on road priority treatments	date	qtr 2	nm	nm	nm
• construction works commence on bus stop upgrade works	date	qtr 4	nm	nm	nm
<b>Road Network Improvements</b>					
<i>Quantity</i>					
Congestion projects completed <sup>(i)</sup>	number	18	nm	nm	nm
Bus/tram route improvements and other high occupancy vehicle improvements <sup>(i)</sup>	number	10	nm	nm	nm
<i>Quality</i>					
Operating and Service delivery issues for Eastlink progressively identified with Concessionaire <sup>(h)</sup>	per cent	100	nm	nm	nm
<b>Freight, Logistics, Ports and Marine Development</b>					
<i>Quantity</i>					
Channel Deepening: Project Implementation <sup>(h)</sup>	per cent	70	nm	nm	nm
<i>Timeliness</i>					
Planned infrastructure asset renewal activities are delivered within project timelines <sup>(b)</sup> :					
• country freight rail network	per cent cumulative	90	nm	nm	nm
Mildura Rail Corridor Upgrade project <sup>(h)</sup>					
• construction completed	per cent	90	nm	nm	nm
<b>Public Construction and Land Development</b>					
<i>Timeliness</i>					
Princes Pier: commence reinstatement of deckworks <sup>(h)</sup>	date	qtr 1	nm	nm	nm
Parkville Gardens: commence Stage one construction of 650 apartments <sup>(h)</sup>	date	qtr 2	nm	nm	nm

Notes:

- (a) *New performance measure that replaces the previous performance measure entitled "Train and tram safety compliance inspections (unannounced audits) undertaken where an Improvement Notice or non conformance/compliance is issued at an audit" to align with the requirements of the Rail Safety Act 2006.*
- (b) *New performance measure, reflecting the activities to be undertaken in 2008-09.*
- (c) *New performance measure that replaces the previous performance measure entitled "Train and tram safety: all accredited organisations audited annually". Train and tram accreditations are required to be processed within six months or the period extended in accordance with Section 44 of the Rail Safety Act 2006.*
- (d) *New performance measure that replaces the previous performance measure entitled "Bus safety: all accredited organisations audited every two years". Bus safety accreditations are required to be processed within six weeks from receipt of required documentation and fee.*
- (e) *The 2008-09 target unit measure has been changed from percentage to number as there is a high seasonal variation in the number of recreational vessels registered in Victoria. The target has also been revised in 2008-09 to no longer include audits undertaken and reported separately by Victoria Police.*
- (f) *New performance measure that replaces the previous performance measure "Investigation of accidents/incidents completed within agreed timeframes". The new measure is a more effective measurement of performance against benchmark timeframes, and is based on a weighted average index across all investigations undertaken.*
- (g) *New performance measure that replaces the previous performance measure entitled "Projects continuing: Country Rail Services: Mildura and Leongatha". Services for Leongatha will be provided by coach services, and are reflected in the 2008-09 target for "Total kilometres scheduled: V/Line train and coach", under the Rural and Regional Public Transport Services output.*
- (h) *New performance measure reflects the next phase of the project.*
- (i) *New performance measures that replace the previous performance measures entitled "Road user facilities improvement projects" and "Travel time improvement projects for high occupancy vehicles". The new measures better reflect the tasks undertaken.*

### 3.4.14 Appendix B

For any performance measures where there is a variance of over 10 per cent between the expected outcome for 2007-08 and the target for 2008-09, please provide the reasons for the variance.

<i>Major outputs/Deliverables</i> Performance Measures	Unit of Measure	2008-09 Target	2007-08 Expected Outcome	Reason for variance
<b>Road Safety and Regulation</b>				
Road Safety projects/initiatives completed:				
• safe roads	number	258	152	The 2008-09 Target includes projects under the Commonwealth Accident Blackspot Program which were previously not reported.
• safe road users	number	48	34	A larger number of lower complexity projects than previous years.
<b>Vehicle and Driver Regulation</b>				
Driver licences renewed	number ('000)	352	294	Due to the steady growth of the 3 year licence renewals and the gradual effect of 10 year licence renewals becoming due.
Vehicle and driver information requests processed	number ('000)	3 091	2 502	Due to the opening of Eastlink.
Commercial passenger vehicles inspected – taxis, hire cars etc	number	10 000	8 500	In 2007-08, all Transport Safety Officers participated in extensive and enhanced training to enable them to undertake more detailed compliance and safety inspections as well as checks relevant to the Taxi Industry Accreditation regime. This impacted on the time available to undertake inspections.
Customers served within 10 minutes in VicRoads licensing and registration offices	per cent	80	70	The increased target primarily reflects the impact of the 2008-09 budget initiative for VicRoads customer services.
Calls answered within 30 seconds in VicRoads call centres	per cent	80	53	The increased target primarily reflects the impact of the 2008-09 budget initiative for VicRoads customer services.
Taxi services complaints investigated and closed within 30 days of receipt	per cent	>60	50	The Victorian Taxi Directorate has provided additional resources for the complaints handling team.

<i>Major outputs/Deliverables</i> Performance Measures	Unit of Measure	2008-09 Target	2007-08 Expected Outcome	Reason for variance
<b>Transport and Marine Safety Investigations</b>				
Proportion of accident/incidents involving identified multiple safety system failures investigated	per cent	90	100	In 2007-08, 100 per cent of multiple safety system failures are expected to be investigated, due to the fact that the failures differed in nature. Where a number of accidents have the same multiple safety system failures, a proportion of those accidents are investigated.
<b>Integrated Metropolitan Public Transport Services</b>				
Payments made for:				
• bus services	\$ million	441	380	The higher target reflects the full year impact of improvements to bus services introduced in 2007-08 and improvements to be introduced in 2008-09.
<b>Rural and Regional Public Transport Services</b>				
Payments made for:				
• country bus services	\$ million	89	80	The higher target reflects the full year impact of improvements to bus services introduced in 2007-08 and improvements to be introduced in 2008-09.
<b>Specialist Transport Services</b>				
<i>Disability Discrimination Act (DDA) compliance for public transport infrastructure:</i>				
• level access tram stops built	number	52	40	The increased target reflects the close co-operation between DOI, the operator, VicRoads, councils and contractors to secure the timely approval for and delivery of accessible tram stops.
• number of accessible bus stops built	number	1 500	3 000	The lower target in 2008-09 is due to the increased complexity of works at bus stops.
Multi Purpose Taxi Program applications assessed and completed within ten working days	per cent	80	50	New practices and increased resources expected to increase performance in 2008-09.
<b>Public Transport Infrastructure Development</b>				
Track duplication – Clifton Hill to Westgarth: main works packages	per cent	80	20	Reflecting next stage in the project.

<i>Major outputs/Deliverables</i> Performance Measures	Unit of Measure	2008-09 Target	2007-08 Expected Outcome	Reason for variance
Projects progressed to agreed plans and timeframes	per cent	100	75	Minor delays have been experienced with the Clifton Hill – Westgarth track duplication, Metropolitan train communications system replacement and the Vigilance Control and Event Recording System.
<b>Road Network Improvements</b>				
Major road improvement projects completed:				
• regional	number	2	1	An additional project to be completed in regional Victoria.
Other road improvement projects completed:				
• metropolitan	number	6	11	Targets are lower, as the projects within this measure are likely to span multiple years due to size and complexity.
• regional	number	6	15	Targets are lower, as the projects within this measure are likely to span multiple years due to size and complexity.
Bridge strengthening and replacement projects completed:				
• metropolitan	number	4	2	Increased to reflect the current needs assessment across the network.
• regional	number	11	3	Increased to reflect the current needs assessment across the network.
Local road projects completed:				
• regional	number	18	15	Increased to reflect the current needs assessment across the network.
Cycling projects completed	number	12	15	The lower target in 2008-09 is due to the increased complexity of projects commencing in 2008-09.
<b>Road Asset Management</b>				
Pavement resurfaced:				
• metropolitan	m <sup>2</sup> (‘000)	1 583	2 218	Lower target as a result of a reprioritisation of works due to a higher identified need in rural Victoria compared to the metropolitan area.

<i>Major outputs/Deliverables</i> Performance Measures	Unit of Measure	2008-09 Target	2007-08 Expected Outcome	Reason for variance
<b>Freight, Logistics, Ports and Marine Development</b>				
<i>Quantity</i>				
Dynon Port Rail Link: design and construction of bridge, road and rail works (excluding signalling)	per cent	90	40	Reflecting next stage in the project.
Geelong Port Rail Access: planning and construction	per cent	100	40	Reflecting next stage in the project. The contract has now been awarded and is scheduled for completion in 2009.
Road-based freight accessibility and reliability improvement projects completed	number	13	9	The 2007-08 expected outcome has been reduced due to the number of complex, higher cost projects commencing in 2007-08.