

1973

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VICTORIA

MELBOURNE UNDERGROUND  
RAIL LOOP AUTHORITY

REPORT

FOR THE

YEAR ENDED JUNE 30, 1973



*PRESENTED TO BOTH HOUSES OF PARLIAMENT PURSUANT TO ACT No. 8023 SECTION 12 (4)*



*By Authority :*

C. H. RIXON, GOVERNMENT PRINTER, MELBOURNE.





# Melbourne Underground Rail Loop Authority

6th Floor  
53 Queen Street  
Melbourne  
Victoria  
Australia 3000

Postal Address  
G.P.O. Box 2280U Melbourne  
Victoria Australia 3001

*The Honorable E. R. Meagher, M.B.E., E.D., M.P.  
Minister of Transport,  
100 Exhibition Street,  
MELBOURNE 3000.*

*25th October, 1973*

Dear Minister,

Pursuant to the provisions of the Melbourne Underground Rail Loop Act, 1970 the Authority submits the following report on its operations for the year ended the 30th June, 1973, together with statements of its financial transactions for that year and of its financial position as at the 30th June, 1973, which are certified correct.

Yours sincerely,

R. B. ROSCOE	..	Chairman
T. P. SCOTT	..	Deputy Chairman
K. A. ALLEN	..	Member
I. F. BEAUREPAIRE	..	Member
G. F. W. BROWN	..	Member
W. H. B. DADDO	..	Member
W. C. S. ELLIS	..	Member
A. G. GIBBS	..	Member
K. H. VIAL	..	Member

MELBOURNE UNDERGROUND RAIL LOOP AUTHORITY

MEMBERS

R. B. ROSCOE, Chairman  
T. P. SCOTT, Deputy Chairman  
K. A. ALLEN  
I. F. BEAUREPAIRE, C.M.G.  
G. F. W. BROWN  
W. H. B. DADDO  
W. C. S. ELLIS  
A. G. GIBBS  
K. H. VIAL, C.B.E.

GENERAL MANAGER AND DIRECTOR OF ENGINEERING  
F. G. Watson, B.A., M.I.E.Aust., A.F.A.I.M., M.I.E.T., M-S.A.E.-A

SECRETARY AND ASSISTANT GENERAL MANAGER—ADMINISTRATION  
W. L. R. Daniels, F.C.I.S., F.A.S.A.

OFFICE AND REGISTRY  
53 Queen Street, MELBOURNE 3000

**REPORT OF THE  
MELBOURNE UNDERGROUND  
RAIL LOOP AUTHORITY  
FOR THE YEAR ENDED  
30th JUNE, 1973**

**PREAMBLE**

The Authority is responsible for financing and constructing an underground rail loop which will be an integral part of the suburban rail system.

The purpose of the Loop is to expand the city terminal as part of a comprehensive plan to increase substantially the overall capacity of the system.

Three additional city stations, two under La Trobe Street and one under Spring Street, will be provided. These will be linked with the existing surface system by four underground tracks in separate tunnels to form, with the existing system, four separate loops and a five station city terminal. One of the loops will serve trains passing through Burnley Station (the Burnley loop), another the trains passing through South Yarra Station (the Caulfield/Sandringham loop), another the trains passing through North Melbourne Station (the North Melbourne loop) and the other the trains passing through Jolimont Station (the Clifton Hill loop). The last mentioned loop will be closed to form a city circle.

The four loops will occupy the existing four viaduct tracks between Spencer Street and Flinders Street Stations. Two additional viaduct tracks will be provided to accommodate direct through traffic.

All suburban lines with the exception of the St Kilda and the Port Melbourne lines will have direct access to the Loop route. (Not all trains on the various lines which have access to the Loop will be routed via the Loop. Some will be routed direct to Flinders Street and Spencer Street Stations. The numbers will depend on demand.)

The Authority is financing the Loop by the issue of Inscribed Stock and Debentures which are guaranteed by the Government of Victoria. Interest and redemption payments and those administrative costs not proposed to be met from the Authority's borrowings are met by contributions required to be made by the City of Melbourne, the Melbourne and Metropolitan Board of Works, the Victorian Railways Board (previously The Victorian Railways Commissioners) and from the Consolidated Fund.

**MINISTER**

The Authority is subject to the general direction and control of the Minister of Transport.

The reallocation of portfolios which followed the State Parliamentary Elections in May 1973 resulted in the appointment of the Honorable E. R. Meagher, M.B.E., E.D. as Minister of Transport in place of the Honorable V. F. Wilcox, Q.C., who became Attorney-General.

# MELBOURNE UNDERGROUND RAIL LOOP AUTHORITY

## CONSULTANCY

The terms of an Agreement were settled with the engineering consortium of John Connell – Mott, Hay & Anderson, Hatch Associates Inc., and Jacobs Associates for the provision by them of continuing design, pre-tendering, site supervision and project management services for specified sections of the Loop mainly outside existing railway boundaries.

The Consulting Agreement is comprehensive. It sets clear divisions of responsibility and lines of authority as between all parties affected by the relationship and provides for the Consultants to be fully responsible to the Authority for the adequacy of the services but reserves to the Authority such rights of approval and direction as will enable it to control the project overall.

With the concurrence of the Authority the Consultants have appointed Mr A. A. Cairncross, B.Sc., F.I.C.E. as Project Manager. Mr Cairncross who was resident engineer for the construction of the Mersey tunnel in Liverpool took up residence in Melbourne in September 1971. He has since been appointed a partner in Mott, Hay & Anderson, one of the members of the consortium.

The Authority has utilised the Railway Construction Board as its consulting engineers for civil engineering services required for the Loop within existing railway boundaries and the services of the Victorian Railways in the planning of signalling and communications, traction electrification and track details at the junctions of the underground and surface tracks. It has also utilised the services of other professional advisers as required.

## MANAGEMENT

Over the year the Authority continued to develop its management structure to provide a sound balance of technical and commercial competence in the divisional functions of engineering, corporate, finance, property and information.

## INSURANCE

Through its insurance brokers, Price Forbes Leslie Sedgwick (Vic.) Pty Ltd, the Authority has concluded a most comprehensive insurance programme for the protection of the Authority, its consulting engineers and contractors. The programme embraces a broad spectrum of risks including loss or damage to the Contract or Temporary Works, Death, Injury or Property Damage to Third Parties and injury to employees of the Authority, its consultants and contractors. Several unique features of insurance, some of which are without precedent in the class of insurance are incorporated. Also the programme negates the need for the various parties to arrange separate insurances and ensures uniform comprehensive cover, responsible underwriters, the most favorable premium terms and full control over insurance by the Authority.

## WORKS

The main works undertaken for the Authority during 1972/73 were—

- the construction by the Victorian Railways Board of further sections of ramps and underpass tunnels at Jolimont for the Burnley loop and the

## MELBOURNE UNDERGROUND RAIL LOOP AUTHORITY

Caulfield/Sandringham loop. With the exception of a short section of underpass tunnel in an area required for use by the main tunnelling contractors, the Burnley ramp and underpass tunnel within the Jolimont Railway Yards have been completed.

- the piling and excavation by the Victorian Railways Board in the Spencer Street area in preparation for the construction of underpass tunnels and ramps for the Clifton Hill loop, the Burnley loop and the Caulfield/Sandringham loop to link proposed underground tunnels under La Trobe Street with Spencer Street Station. (In this area the Clifton Hill loop and Burnley loop will be accommodated in a double ramp.)
- the first stage diversion by Morando Bros Pty Ltd of the main sewer under Wellington Parade to enable construction of the tunnels for the Burnley and Caulfield/Sandringham loops under Wellington Parade South.
- the construction by Leighton Contractors Pty Ltd of a retaining wall and the first section of a ramp required near North Melbourne Station for the North Melbourne loop connection and the underpinning of the standard gauge flyover at North Melbourne to permit the construction of the ramp.
- the construction by the Railway Construction Board of sections of the retaining wall between Jolimont and Princes Bridge Stations for the Clifton Hill loop connection.
- the extension by the Victorian Railways Board of the bridge abutments at Jolimont Road for the Clifton Hill loop connection.
- the construction by the Melbourne and Metropolitan Board of Works under the Treasury Gardens adjacent to Spring Street of a short section of full-size tunnel for exploratory purposes and an access shaft thereto. An Alpine “part face” tunnelling machine was acquired and used in this exploratory work.
- the construction by Codelfa Constructions Pty Ltd of the first sections of full-size tunnels for the Burnley, Caulfield/Sandringham and North Melbourne loops under Wellington Parade, Wellington Parade South and Spring Street. (This contract is valued at over \$1 million and was the first major contract entered into by the Authority with a private contractor. The section of the Burnley loop tunnel being constructed under this contract terminates at the exploratory tunnel excavated by the Melbourne and Metropolitan Board of Works.)
- the demolition of buildings on land acquired for “Museum” Station on the south side of La Trobe Street between Elizabeth and Swanston Streets.
- the diversion by the responsible Authorities of electricity, gas, water, sewerage and telephone services in “Museum” Station area.

## MELBOURNE UNDERGROUND RAIL LOOP AUTHORITY

### LAND ACQUISITION FOR STATIONS AND CONSTRUCTION PURPOSES

Possession was taken during the year of most of the property required for "Museum" Station and the buildings thereon were demolished. Notices to Treat have been served for the acquisition of Strata Titles for some of the sections of the Loop which will pass under privately owned property. Negotiations are well in hand for the acquisition of property required for "Flagstaff" Station, and have commenced with the responsible Australian Government department for the acquisition of a Strata Title for the tunnels and ventilation shafts proposed to be located within the block bounded by Spring, Exhibition, La Trobe and Lonsdale Streets now owned by the Australian Government.

### "MUSEUM" STATION — PLANNING FEASIBILITY STUDY

It has been predicted by the Metropolitan Transportation Committee that during peak periods "Museum" Station will be the busiest of all the city stations when the Loop is operating. Because of this and the importance of that station in the future development of the Central Business District, the Authority, in collaboration with the Melbourne City Council commissioned George J. Connor and Associates Pty Ltd, Economic Planning and Development Consultants, to undertake a planning feasibility study of the city block bounded by La Trobe, Lonsdale, Elizabeth and Swanston Streets.

From the Authority's viewpoint, the purpose of the study is to plan, consistent with the best town planning practices—

- the redevelopment of the area acquired by the Authority for "Museum" Station having full regard to railway operating requirements, the requirements of rail travellers, the ultimate redevelopment potential of the whole block and the impetus to redevelopment which will be provided by the existence of the new railway facility.
- an attractive and functional pedestrian route between the station and the city's main retail area for the very large number of people expected to use the "Museum" Station.

The study is supplementary to the City of Melbourne Strategy Plan.

## FINANCE

### Loans

The Authority was authorised to borrow \$12,500,000 during 1972/73 and loans totalling this amount were raised against the security of the Authority's Inscribed Stock. The largest subscribers were the savings banks, life offices and superannuation funds but substantial subscriptions were also made by a number of other leading Australian companies. In addition, applications for \$70,000 of Inscribed Stock to be issued within the Authority's anticipated loan allocation for 1973/74 were received shortly before the end of the 1972/73 year.



## MELBOURNE UNDERGROUND RAIL LOOP AUTHORITY

The interest rates on the Inscribed Stock issued since the Authority implemented its borrowing programme and the amounts in respect to which each interest rate applied are shown in the following table:—

RATE % P.A.	AMOUNT
7.4	\$4,285,000
7.3	458,100
7.15	25,000
7.1	170,000
7.0	41,900
6.9	510,000
6.7	10,000
6.4	7,250,000
6.3	1,000,000
6.2	3,150,000
6.0	1,000,000
5.7	100,000
	<hr/>
	\$18,000,000

The balance of Inscribed Stock on issue at 30/6/73 was \$17,986,250.

Redemptions and contributions to sinking funds during the year amounted to \$33,750.

### TREASURER'S DETERMINATION

As required by the Act and in accordance with the determination made by the Treasurer, the Authority duly received the following contributions to "Annual Redemption Payments".

City of Melbourne	\$173,912
Melbourne and Metropolitan Board of Works	\$173,912
Victorian Railways Board	\$347,824

The Treasurer also determined that no amount was required to be paid in the year to the Authority for the purpose of defraying "Administrative Costs" and that additional sums totalling \$551,198 be paid to the Authority by the Victorian Railways Board. This amount was also duly received.

### EXPENDITURE

The Authority's expenditure for the year on fixed assets, administrative costs, interest and redemption payments amounted to \$10,468,453 compared with the estimated total expenditure for the year (as approved by the Governor in Council) of \$20,932,644. Total expenditure to date for the same items is \$14,286,383.

The principal disparity between the estimated and actual expenditure for the year is in the amount of over \$8 million provided for, but not expended on land acquisition. As was stated in last year's report it is necessary for the Authority to have sufficient funds available to enable it to meet obligations arising from the services of Notices to Treat when they are served on those having interests in property which is to be acquired.

### INVESTMENT OF UNUSED FUNDS

Funds unused from time to time were invested at short call.

In the management of its liquid resources it is the Authority's practice, where practicable, to invest its unused funds with subscribers to its loan issues or their affiliated "official market" companies.

# MELBOURNE UNDERGROUND RAIL LOOP AUTHORITY

## CONTINUITY OF FINANCE

The Authority has negotiated, with a consortium of Australian banks, a standby overdraft arrangement which will operate in the event of a shortfall in loan raisings. The arrangement is subject to an amendment to the Melbourne Underground Rail Loop Act which has been proposed to the Minister. Whilst resort to the arrangement is not expected, it is necessary to ensure that the Authority is always in a position to meet its financial commitments under contracts, some of which will extend over several years.

## INFORMATION SERVICES

Public inspections were held at the Jolimont work site each Sunday in March 1973 and on the "Labour Day" holiday in that month. It was gratifying that approximately 27,000 members of the public took the opportunity to inspect the underpass tunnels.

Other visits to the works were made by Members of Parliament, Councillors of the City of Melbourne and professional, educational and financial groups from within Australia and overseas.

Information about the project continued to be distributed direct to the public, particularly to students, and through the media.

Production was commenced of a film, which will shortly be released for general viewing, showing the concept of the Loop and early construction progress.

Speakers were made available to professional, social and service associations throughout the metropolitan area.

## CONSTRUCTION PROGRAMME

Planning for the construction of the Loop continued throughout 1972/73. In 1973/74 the Authority proposes to:

- divert the La Trobe Street roadway and tramway between Swanston and Elizabeth Streets on to the area on the south side of La Trobe Street acquired by the Authority for construction purposes and for subsequent excavation and construction of the concourse and booking hall of "Museum" Station.
- commence drilling for and the placing of soldier piles required for the construction by open cut of "Museum" Station. (The piles consist of steel I beams of 30in. by 10½in. section up to 120ft long supplied by the Broken Hill Proprietary Co. Ltd.)
- commence construction of the main structure for "Museum" Station under La Trobe Street.
- construct an underpass tunnel under Wellington Parade for the Clifton Hill loop.
- complete the preparatory tunnelling already commenced under Wellington Parade South, Wellington Parade and the south end of Spring Street for the Burnley, Caulfield/Sandringham and North Melbourne loops.
- commence the main tunnelling between the south end of Spring Street and the Swanston Street end of "Museum" Station.
- commence the construction of escalator shafts and draught relief shafts for "Parliament" Station.

## MELBOURNE UNDERGROUND RAIL LOOP AUTHORITY

- complete the construction of the retaining walls and the Jolimont Road railway bridge abutments to allow for an additional track and bridge extensions for the Clifton Hill loop connection.
- complete the Caulfield/Sandringham loop underpass tunnel at Jolimont (except for a section required to be left open for tunnelling contractor access).
- construct part of the Sandringham line ramp near the existing electrical sub-station in the Jolimont Railway Yards.
- commence construction of underpass tunnels under the Spencer Street Railway Yards as part of the connections from Spencer Street Station to the tunnels under La Trobe Street.
- complete the extension of the interstate and standard gauge flyover and associated retaining walls near North Melbourne Station to provide the necessary space for and complete construction of one ramp into the tunnel for the North Melbourne loop.
- carry out trackwork alterations in the Jolimont Railway Yards to facilitate the rearrangement of train operations during construction of ramps and tunnels.
- commence construction of the main tunnels from the Elizabeth Street end of "Museum" Station to Spencer Street Railway Yards, including the "Flagstaff" Station understreet structure.
- demolish buildings for the "Flagstaff" Station works area and subsequent booking hall construction.
- commence construction of underpass tunnels and the Y-junction for the two North Melbourne loop ramps under the railway lines north of Dudley Street, West Melbourne.
- carry out signalling, communications and overhead electrification alterations and continue the construction of a new signal box and relay room in the Jolimont Railway Yards.
- construct a sewerage pumping station and sewer tunnel to complete the diversion of the main sewer under Wellington Parade South and Flinders Street.
- continue its programme of land acquisition.

The total expenditure proposed by the Authority in 1973/74 is \$30.36 million.

Since 30th June, 1973, the Authority has received approval to borrow \$17 million in 1973/74 by the issue of its Inscribed Stock and/or Debentures and, pursuant to a determination by the Treasurer, the Melbourne and Metropolitan Board of Works and the City of Melbourne are each required to provide \$305,420 and the Victorian Railways Board is required to provide \$610,839 towards annual redemption payments as defined by the Act. The balance of the Authority's estimated expenditure for 1973/74 is proposed to be met from funds on hand as at the 30th June, 1973, contributions to capital works by the Victorian Railways Board and bank overdraft accommodation (subject to appropriate approval under proposed amendments to the Melbourne Underground Rail Loop Act).

# MELBOURNE UNDERGROUND RAIL LOOP AUTHORITY

## ACKNOWLEDGEMENTS

Acknowledgement is made of the valuable guidance and assistance received from the Hon. V. F. Wilcox, Q.C., and the Hon. E. R. Meagher, M.B.E., E.D. as successive Ministers of Transport.

The Authority wishes to thank all those who have given financial support towards its requirements for 1972/73 and those who have already indicated similar participation for 1973/74.

The Authority acknowledges the co-operation of the Director of Transport, the staff of the Ministry of Transport, the Railway Construction Board, the Victorian Railways Board and the previous Commissioners, the Melbourne City Council, the Melbourne and Metropolitan Board of Works, the Mines Department and other Government departments and statutory bodies.

The Authority has been greatly aided by the work of its management and staff, its principal engineering consultants, its legal and other professional advisers, and research groups who have participated in the immense amount of preparatory work for the design and construction of the Loop.

MELBOURNE UNDERGROUND RAIL LOOP AUTHORITY  
STATEMENT OF FINANCIAL POSITION

As at 30th June 1972 \$		As at 30th June, 1973 \$	\$
	<b>Fixed Assets—See Note 1</b>		
3,395,520	Loop Development Account	10,634,118	
101,365	Plant	252,565	
29,754	Office Furniture, Fittings & Equipment	58,454	
3,286	Motor Vehicle	3,286	
—	Land Acquisitions and Expenses	2,233,339	
3,529,925			13,181,762
500	<b>Investments—Sinking Fund</b>		22,004
	<b>Current Assets</b>		
293,354	Cash at Bank and on Hand	131,076	
3,305,000	Investments—Short Term	6,857,637	
39,150	Accrued Interest Receivable	200,555	
3,820	Prepayments	99,729	
75,626	Debtors	2,705	
3,716,950			7,291,702
	<b>Intangibles—Capitalised Costs</b>		
	Administrative Costs—See Note 2		
201,903	To 30th June 1972	201,903	
—	For 1972/73	310,422	
		512,325	
	Interest (Net)—See Note 3		
84,352	To 30th June 1972	84,352	
—	For 1972/73	472,444	
500	Contributions to Sinking Fund	556,796	
286,755		21,750	
7,534,130			1,090,871
			21,586,339
	<b>Less Current Liabilities</b>		
—	Inscribed Stock Applications	70,000	
492,789	Sundry Creditors	513,332	
103,431	Accrued Interest Payable	285,004	
—	Contractors' Deposits	24,243	
		892,579	
	<b>Reserves</b>		
500	Sinking Fund Reserve	22,004	
596,720			914,583
\$6,937,410			\$20,671,756
	<b>SOURCES OF FUNDS</b>		
	<b>Contributions—Pursuant to Sections 25 &amp; 26</b>		
	To Annual Redemption Payments		
40,000	Victorian Railways Board	387,824	
20,000	City of Melbourne	193,912	
20,000	Melbourne & Metropolitan Board of Works	193,912	
80,000			775,648
56,975	To Administrative Costs		
	Victorian Railways Board		56,975
1,301,685	For Capital Works		
	Victorian Railways Board		1,852,883
1,438,660			2,685,506
5,498,750	<b>Loans—Secured by Inscribed Stock</b>		17,986,250
\$6,937,410			\$20,671,756

MELBOURNE UNDERGROUND RAIL LOOP AUTHORITY

NOTES ON STATEMENT OF FINANCIAL POSITION

Year Ended 30/6/72 \$		Year Ended 30/6/73 \$
	<i>Note 1</i>	
	<b>Fixed Assets</b>	
	Fixed Assets are shown at Cost	
	No provision is made for depreciation	
	<i>Note 2</i>	
	<b>Administrative Costs</b>	
104,080	Salaries and Allowances	175,900
64,844	Other Administrative Costs	134,522
<hr/> \$168,924		<hr/> \$310,422
	<i>Note 3</i>	
	<b>Interest (Net)</b>	
280,638	Paid and Payable	911,704
194,740	Less Received and Receivable	439,260
<hr/> \$85,898		<hr/> \$472,444

W. L. R. DANIELS,  
Secretary.

AUDIT CERTIFICATE

The books and accounts of the Melbourne Underground Rail Loop Authority for the year ended 30th June, 1973, have been audited.

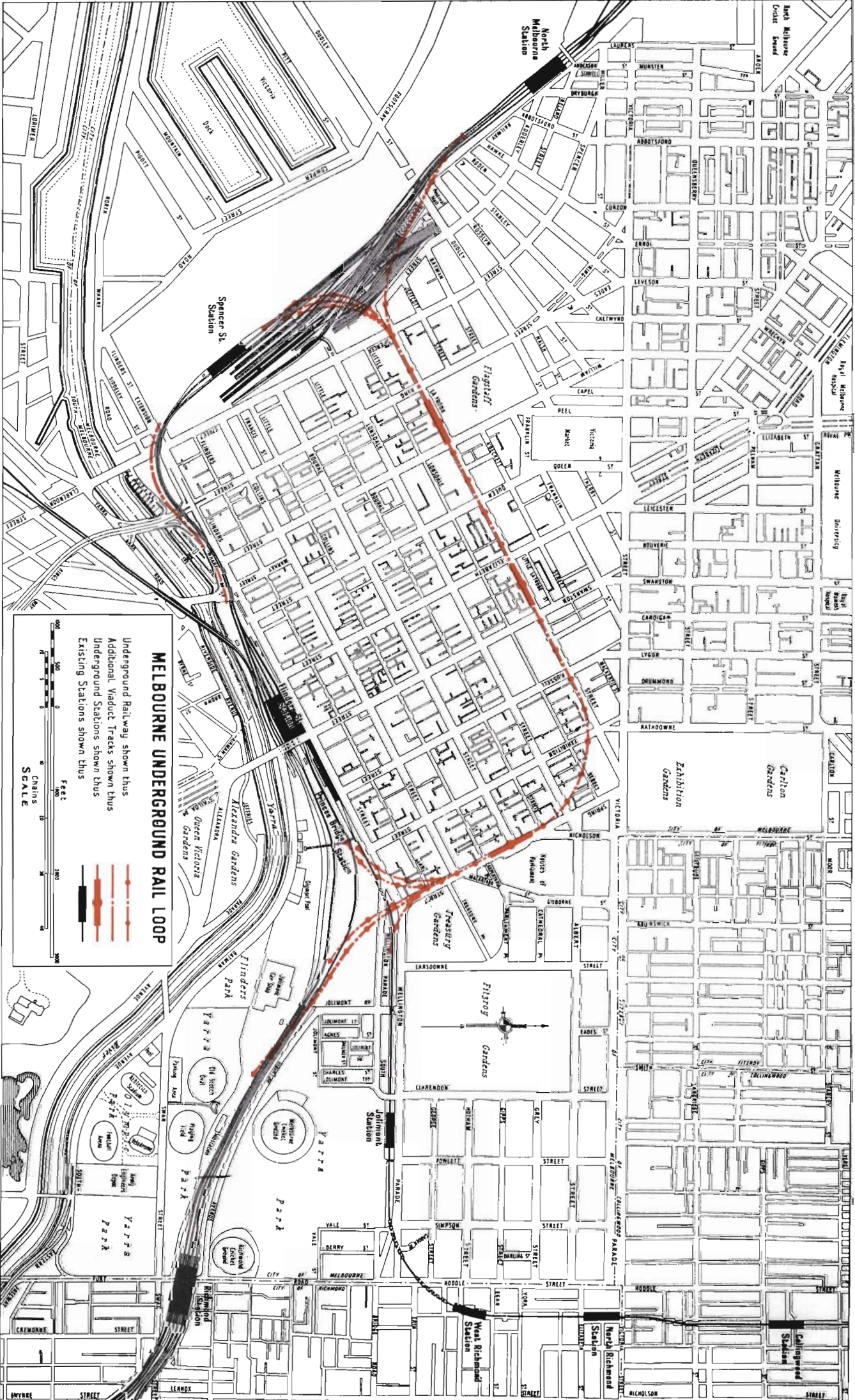
Subject to my comments contained in *Note A* hereunder, the foregoing statement of balances, read in conjunction with the explanatory notes, is in my opinion, properly drawn up so as to exhibit a true and fair view of the financial position of the Authority as at 30th June, 1973.

**Note A: Interest on Investments—\$439,260**

The Authority does not appear to have specific power under the Act to invest its funds other than in sinking funds for loan redemption purposes.

B. HAMILTON,  
Auditor General  
26th October, 1973





### MELBOURNE UNDERGROUND RAIL LOOP

Underground Railway shown thus  
 Additional Viaduct Tracks shown thus  
 Underground Stations shown thus  
 Existing Stations shown thus



Feet

Chains

SCALE

0 500 1000 1500 2000

0 1 2 3 4 5

0 1 2 3 4 5

0 1 2 3 4 5

0 1 2 3 4 5

0 1 2 3 4 5

0 1 2 3 4 5

0 1 2 3 4 5

0 1 2 3 4 5

0 1 2 3 4 5



NORTH