

1974

VICTORIA

MELBOURNE UNDERGROUND
RAIL LOOP AUTHORITY

REPORT
FOR THE
YEAR ENDED JUNE 30, 1974



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.

24th October, 1974

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, 1974 together with statements of its financial transactions for that year and of its financial position as at the 30th June, 1974, 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

*Absent overseas.

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, C.M.G.

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, 1974

Constitution

The Authority was constituted under the Melbourne Underground Rail Loop Act 1970 which came into operation on 1st February, 1971.

Responsibility and Powers

The Authority is responsible subject to the general direction and control of the Minister of Transport for the supervision and co-ordination of the planning, financing, and construction of the Melbourne Underground Rail Loop. To fulfil its functions it has express and implied powers to acquire necessary property, to control developments adjacent to the Loop and to enter into appropriate constructional agreements and financial arrangements.

Basic Planning

In its initial 1971 planning the Authority scheduled the completion of the Loop for mid-1978 to accord with the expectation indicated by the Minister of Transport when the Authority was formed. That completion date was dependent upon the Authority's loan allocation in each year being sufficient for its planned works programme. Limitations on the Authority's loan allocation for 1972/3 and 1973/4 have resulted in the date for completion of the Loop being re-scheduled for the end of 1980 — with provision for the first trains to run through it by December, 1978.

Since the 30th June, 1974 the Authority has been notified that its loan allocation for 1974/5 is less than the amount required to meet the planned works schedule proposed for that year. Consequently, the letting of some further contracts has been deferred and the re-scheduled completion date will have to be set further back unless supplementary finance becomes available at an early date.

Forward Planning

Most of the conceptual planning for the Loop has been completed and is being supplanted by the later phases of investigation, design and construction. The final concept for the new overpass between Spencer Street Station and Flinders Street Station has been resolved in all but one particular aspect viz. whether to follow the curved route of the existing overpass or a straight, more direct route. Negotiations have been conducted with Melbourne City Council and Melbourne and Metropolitan Tramways Board to determine this matter. Other matters still to be determined are the location of entrances and access routes into the underground stations, basic track design, noise and vibration attenuation, radio communications and systems incorporating track and signal setting and operation of route and station indicator signs on concourses and platforms. The Authority and its Principal Consultants are liaising closely with the Victorian Railways Board in all these matters.

Melbourne Underground Rail Loop Authority

Station Areas

In the City of Melbourne Strategy Plan a number of areas adjacent to the Loop stations have been designated areas for special action planning. The Consultants responsible for the preparation of the Strategy Plan have stated that within these areas and "without proper guidance and planning, new building can occur in an unrelated manner that will make a minimal contribution to the environment of the city".

The Authority considers that such planning is also essential to make the best use of the transport facility which the Loop will provide.

Museum Station Area

In January 1974, the Authority and the Melbourne City Council received the "Feasibility Study and Development Plan" commissioned by them during 1972/73 from George J. Connor & Associates Pty. Ltd. for the whole of the block adjoining Museum Station and bounded by LaTrobe, Swanston, Lonsdale and Elizabeth Streets; and in February 1974, the whole of that block was declared an "Investigation Area" under the Development Areas Act.

In accordance with the requirements of the Development Areas Act and a Declaration made thereunder by the Governor-in-Council, the Town and Country Planning Board is required to report to the Minister of Planning by the 22nd February 1975, inter alia, on whether or not the area should be declared a "designated area" and development therein controlled or accelerated.

The Authority has submitted recommendations to the Town and Country Planning Board in relation to the area.

Before the area was declared an "Investigation Area" the Authority lodged an appeal against the issue of a permit to A.D.C. Properties Pty. Ltd. by the Melbourne City Council for a 26 storey office development accommodating parking for 125 cars on part of the St. Francis Church land. The Authority considers the proposed development prejudicial to the provision of proper access between Museum Station and the city's central retail and financial areas and to the orderly planning of the area. The Town Planning Appeals Tribunal has adjourned hearing the Authority's Appeal until the Town and Country Planning Board has submitted its report to the responsible Minister and the Minister has considered it.

Since the declaration of the "Investigation Area" and pending consideration of the Report to be made by the Town and Country Planning Board, the Authority has also lodged objections with the Melbourne City Council against applications for permits for proposed developments by Downtown Car Parks Limited and Ralton Holdings Pty. Ltd. and indicated its objection to an application for a permit proposed to be made by Zeus Nominees Pty. Ltd. for another proposed development within the area.

The Feasibility Study Report by George J. Connor and Associates Pty. Limited is voluminous and it would be inappropriate to incorporate it in this Report. However a summary of its conclusions and a perspective drawing of the development proposed are contained in the appendix hereto.

Parliament Station Area

When the Loop is in operation, Parliament Station will be a major factor in the provision of transport facilities for the eastern sector of the Central Business District. Private developments presently under construction will add substantially to the work force in the area. The station will also be well placed to serve the area defined in the "Strategy Plan" as the "Entertainment Area".

During the year, with the approval of the Authority, the Authority's Principal Consultants appointed McIntyre, McIntyre & Partners Pty. Limited architectural sub-consultants for Parliament Station finishes and a preliminary study carried out by them has emphasised the importance to the area of the ultimate location of the Station entrances. Their studies are continuing.

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Flagstaff Station Area

Construction of Flagstaff Station has necessitated the acquisition of property west of William Street on the south side of LaTrobe Street through to Little Lonsdale Street. Studies related to redevelopment of the area will be undertaken in conjunction with planning for the Station finishes and entrances during 1974/75.

Consultancy

The Principal Consultants, John Connell — Mott, Hay & Anderson, Hatch, Jacobs, have continued to maintain a high standard of effort in investigation, design, specification, draughting and contract management.

In conjunction with the Authority's staff the Principal Consultants have surveyed the structural condition of buildings adjacent to the Loop to ensure that a reliable record exists for the benefit of both property owners and the Authority in the event of queries or litigation concerning any alleged damage to property resulting from the Authority's works. They have also set in train programmes to monitor the effect of vibration on buildings and to accurately measure any ground movement.

Sub-consultants of the Principal Consultants have made considerable contribution to the project during the year and notable among those not mentioned elsewhere herein are the following:

Golder Moss Pty. Limited

Site Investigations Flagstaff Station, Parliament Station southern draught relief shaft site, North Melbourne loop, Dudley Street area.

Monash University

Investigation into the corrosive effect of ground water on Loop structures.

Defence Standards Laboratory

The electrolytic action of stray traction currents on pre-stressed bridges.

Melbourne University Civil Engineering Department

Tests on models of top-and-bottom tunnel configurations.

C.S.I.R.O. Department of Applied Mechanics

Tests on two-and-three-dimensional models of tunnels and Y Junctions.

Messrs. Paterson & Wilson, Toronto and San Francisco

Report on rail fixation and track support suitable for the Loop, with special attention to minimizing the adverse effects of sound and vibration.

Perrott, Lyon, Timlock, Kesa and Associates Pty. Limited.

Architectural studies for Museum Station under street structure and finishes.

The Victorian Railways Board is currently involved in planning and design in the fields of traction power, track re-arrangement, signalling, route-setting and communications. The questions of using radio to communicate with trains and television to scan platforms and escalators are receiving due attention and the Board is liaising closely with the Authority and its Principal Consultants to ensure that the best possible application of graphics to train information on station concourses, booking halls and platforms is attained. The Board has been most co-operative in assisting with noise, vibration and lighting tests at Heidelberg Tunnel, Jolimont Station area and other locations, using rolling stock at times outside normal train operating hours.

The Railway Construction Board acts as a consultant in the design of structures such as the ramp and underpasses in the Jolimont and Spencer Street railway yards i.e. in railway operating areas.

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Land Acquisition and Other Matters Affecting Property

Agreement on the question of compensation for properties acquired for the construction of Museum Station has been reached with most of the owners and occupiers. There are a few cases in which, on present indications, a decision of the Supreme Court as to the amounts of compensation may be required.

Possession of the properties required for Flagstaff Station other than that occupied by the Cancer Institute Board has been obtained and the buildings are presently being demolished. The date of possession of the Cancer Institute Board property is dependent upon completion of new accommodation for that body.

Negotiations are in hand for the acquisition of a property near the corner of Spencer and Flinders Street and adjacent to the existing railway overpass and elsewhere for the use of work sites and areas required for tunnel ventilation shafts.

Discussions with respect to the proposed tunnels under the Commonwealth Government Centre at the corner of Spring and LaTrobe Streets and for a works site on part of that property are well advanced and finality is expected shortly.

Works sites have been made available at the junction of Nicholson and Spring Streets, in Wellington Parade and other places by the Melbourne City Council and in the south west corner of Parliament House Grounds by the State Government.

Underpinning and strengthening is necessary for certain buildings and these matters are under discussion with the owners.

Construction

The main works undertaken for the Authority during 1973/74 were:

- construction by the Victorian Railways Board of additional sections of the box tunnel for the Caulfield-Sandringham loop, including the Y-Junction, and the ramp and box tunnel for the Sandringham line at Jolimont.
- trackwork alterations and building demolition by the Victorian Railways Board, in both Jolimont and Spencer Street Railway Yards, to maintain train services during construction of ramps and box tunnels.
- additional signalling, communications and overhead electrification alterations by Victorian Railways Board in both the Jolimont and Spencer Street Railway Yards and between the Spencer Street Yards and North Melbourne Station.
- completion of structural work on a replacement signal box by Victorian Railways Board in Jolimont Railways Yards and commencement of installation in it of signalling equipment.
- resumption of work on the Emergency Exit in Jolimont Railways Yards by the Victorian Railways Board after its temporary use as a means of access for both construction work and public inspections.
- extension of the abutment of the Jolimont Road Bridge and relocation on it of two new steel girder spans by Victorian Railways Board to provide for an extra track necessary for the Clifton Hill loop connection to the Clifton Hill lines.
- alterations to the track system between Princes Bridge and Jolimont Station by Victorian Railways Board to provide for the extra track for the Clifton Hill loop, involving filling of one existing pedestrian subway under the tracks and extension of another, construction of concrete retaining walls, consolidation of earth backfill, relocation of the existing tracks, construction of the ramp and a concrete drainage sump and pump chamber.

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- construction of concrete retaining walls by Railway Construction Board.
- construction by John Holland (Constructions) Pty. Ltd. of an underpass box tunnel for the Clifton Hill loop under Wellington Parade.
- installation of electrical equipment in, and commissioning of, an electrical sub-station in Jolimont Railway Yards by Electricity Supply Department of Melbourne City Council.
- completion with primary linings only by Codelfa Constructions Pty. Ltd., of the first sections of the Burnley, Caulfield-Sandringham and North Melbourne loop tunnels under Wellington Parade South, Wellington Parade, Flinders Street and the Southern end of Spring Street. (The Burnley tunnel connected with the section of exploratory tunnel constructed previously under the Treasury Gardens by the Melbourne and Metropolitan Board of Works.)
- part construction by Codelfa-Holland Pty. Limited of the tunnels between Jolimont Yards and Museum Station together with Parliament Station tunnels.
- construction by Prentice Bros. and Minson Pty. Limited of a sewage pumping station and a 15" sewer to connect with the 15" sewer syphon along Wellington Parade South.
- the demolition of buildings by various contractors on land acquired for Museum Station on the south side of LaTrobe Street between Elizabeth and Swanston Streets.
- the diversion of LaTrobe Street, between Swanston and Elizabeth Streets, by Leighton Contractors Pty. Ltd. This work has been necessary to give the Contractor complete occupation of the full width of LaTrobe Street between Swanston and Elizabeth Streets so that the cut and cover method could be employed for the construction of Museum Station. This is the only one of the three proposed stations to be constructed in this way as it is the only one close enough to the surface to take advantage of the cut and cover method.
- installation of soldier piles by John Holland (Constructions) Pty. Limited around the site for Museum Station to support the adjacent ground during excavation and construction of the Station.
- the commencement of excavation for the construction of Museum Station by Leighton Contractors Pty. Limited.
- the demolition of buildings by various contractors on land acquired for Flagstaff Station on the south side of LaTrobe Street west of William Street.
- construction of temporary power substations adjacent to the Loop on sites at Queen Street, Flagstaff Station and Adderley Street.
- construction by Leighton Contractors Pty. Limited of extensions to the existing flyover at North Melbourne to accommodate an extra rail track and construction of the east ramp south of North Melbourne Station.
- construction by Victorian Railways Board of retaining walls and box tunnels including a splay tunnel junction on the North Melbourne loop south of North Melbourne Station to connect the ramp to the future North Melbourne loop tunnel, and restoration of the broad gauge track on the flyover.
- construction by Victorian Railways Board of the box tunnel sections in Spencer Street railway yards for the Clifton Hill, Burnley and Caulfield-Sandringham loops.

Construction Status at 30th June, 1974

- In the Jolimont area, the Burnley ramp and box section concrete tunnel are complete and the Caulfield-Sandringham box sections tunnel and ramp are complete for some distance east of the Y-Junction. Further work will proceed on completion of demolition of the sub-station building and subsequent relocation of the Sandringham tracks.

Melbourne Underground Rail Loop Authority

- Short sections of both Burnley and Caulfield-Sandringham box tunnels in Jolimont Railway Yards remain to be completed, a gap being left to provide access for the main tunnelling contractor.
- The extensions to the abutments of Jolimont Road bridge substructure are complete but the third set of girders for the Clifton Hill loop line have still to be installed.
- The work both east and west of Jolimont Road bridge, of building retaining walls, closing one pedestrian subway under the railway and extending another, raising earth-works to accommodate an extra track for the Clifton Hill loop and constructing the ramp into this loop with a drainage sump is nearly complete.
- The Clifton Hill line underpass structure beneath Wellington Parade is complete.
- The Jolimont Electrical Substation has been built and commissioned and is in use by the main tunnelling contractor. It will later be equipped for use as a permanent Victorian Railways Substation.
- The North Melbourne loop tunnel top heading has been driven from the railway boundary at Jolimont to Parliament Station and enlargement for the station platform tunnel has commenced. Pre-lining concrete to the face of steel ribs only, is being placed in a part of this tunnel which will be below the Clifton Hill loop tunnel. Both the North Melbourne and the Clifton Hill loop tunnels will be fully excavated in this area before secondary concrete lining is placed.
- The Burnley loop tunnel under Treasury Gardens is being enlarged to form a machine chamber for erection of a "Jarva" full-face tunnel boring machine.
- Excavation of a ventilation adit from the Treasury Gardens shaft towards the City Circle loop has commenced.
- A draught relief shaft at the north end of Parliament Station and an adjacent lift shaft are being sunk.
- The first stage diversion by Morando Bros. Pty. Limited of the main sewer under Wellington Parade to enable construction of the tunnels for the Burnley and Caulfield-Sandringham loops under Wellington Parade South has been completed.
- Construction of the sewer diversion pumping station is nearly complete.
- Demolition of buildings on land acquired for Museum Station on the south side of LaTrobe Street between Elizabeth and Swanston Streets is complete and all services and the roadway have been diverted.
- All soldier piles have been placed at Museum Station and excavation for the Station structure is under way.
- Demolition of the buildings on land acquired for Flagstaff Station on the south side of LaTrobe Street west of William Street is in progress.
- Buildings for temporary substations adjacent to the Loop on sites at Queen Street, Flagstaff Station and Adderley Street are in hand but equipping by the Electricity Supply Department of the Melbourne City Council has yet to be started.
- In the area south of North Melbourne Station, construction of extensions to the existing flyover to accommodate an extra rail track and a ramp for the North Melbourne loop is complete and construction southward of further retaining walls and box sections tunnels including a splay tunnel junction is under way.
- In the Spencer Street yards area the construction of the box tunnels for the Clifton Hill, Burnley and Caulfield-Sandringham loops under existing tracks is practically complete and awaiting the future extensions to link with LaTrobe Street tunnels at one end and ramp extensions towards Spencer Street Station at the other.

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Construction Programme

In 1974/75 the Authority proposes to:

- complete the ramp and eastern end of the Caulfield-Sandringham box tunnel at Jolimont. Sections of this and the Burnley box tunnel have been left open at the Wellington Parade South ends to provide underground access for the tunnelling contractor.
- carry out trackwork and signalling alterations in the Jolimont and Spencer Street Railway Yards to maintain train operations during the construction of ramps and box section tunnels.
- complete construction of the Emergency Exit structure at Jolimont.
- continue the construction of the ramp for the Clifton Hill loop, the new bridge superstructure over Jolimont Road and associated trackwork.
- complete the approaches to the underpass under Wellington Parade for the Clifton Hill loop.
- complete and commission the sewage pumping station for the main sewer under Wellington Parade South and Flinders Street.
- continue construction of the tunnels between Jolimont Railway Yards and Museum Station, together with Parliament Station tunnels and of the lift shaft and escalation inclines and the draught relief shafts at the northern and southern ends of Parliament Station.
- continue construction of Museum Station. This involves the excavation of about 100,000 cubic metres of soft ground and rock, with progressive temporary support of the ground by large struts across the excavation. This will be followed by the construction of a reinforced concrete structure to support the railway tracks, platforms, escalators, under-street concourse and the re-instated tramway and surface roadway in LaTrobe Street.
- divert public utility services and underpin buildings as required by construction work at various locations along the route of the Loop.
- commence construction of the tunnels between Museum and Flagstaff Stations.
- continue the demolition of buildings at Flagstaff Station site.
- commence construction of Flagstaff Station and its associated draught relief shafts.
- commence construction of the tunnels between Flagstaff Station and Adderley Street.
- continue track alteration between North Melbourne and Spencer Street Stations and the construction of retaining walls and of the box section and splay junction to connect into the proposed North Melbourne loop tunnel south of North Melbourne Station.
- continue the construction of box sections and ramps in the Spencer Street Station Yard for the Clifton Hill, Burnley and Caulfield-Sandringham tunnels, together with the necessary temporary trackwork associated with this work.
- continue site investigation, planning, design and preparation of tender documents for the additional double-track overpass between Spencer Street and Flinders Street Stations.
- construct a sewer diversion in the Railway Yards near Princes Bridge Station to clear the North Melbourne loop box tunnels.
- rearrange trackwork and commence the construction of the ramp and box tunnel for the City Circle and Clifton Hill loop east of Princes Bridge Station.

Melbourne Underground Rail Loop Authority

Finance

1973/74

Loans

For 1973/74 the Authority was authorised to borrow \$17.37 million and loans totalling this amount were raised against the security of the Authority's Inscribed Stock. The largest subscribers were the Savings Banks and Life Offices. Substantial subscriptions were also received from the superannuation funds of leading companies.

Because of the fairly predictable nature of their income flows, institutional investors generally plan and enter into investment arrangements in advance relying on accruing funds to provide planned subscriptions. As the year progressed and liquidity conditions deteriorated all such institutions came under increasing pressure from various sources resulting in substantial modification to existing programmes. Towards the close of the year applications were received for \$100,000 of Inscribed Stock to be issued within the Authority's anticipated loan allocation for 1974/75.

The Inscribed Stock issued during the year and to the 30th June 1974 and outstanding as at that date at the various interest rates applicable thereto are shown in the following table:

Rate % P.A.	During 1973/4	Issued \$ To 30/6/1974	Outstanding at 30/6/74 \$
8.9	1,020,000	1,020,000	1,020,000
8.7	4,990,000	4,990,000	4,990,000
7.4	7,020,000	11,305,000	11,284,260
7.3	1,230,000	1,688,100	1,681,850
7.15		25,000	25,000
7.1	3,000,000	3,170,000	3,170,000
7.0		41,900	41,900
6.9	60,000	570,000	570,000
6.7		10,000	10,000
6.6	50,000	50,000	50,000
6.4		7,250,000	7,206,000
6.3		1,000,000	997,500
6.2		3,150,000	3,140,000
6.0		1,000,000	995,000
5.7		100,000	100,000
	<u>\$17,370,000</u>	<u>\$35,370,000</u>	<u>\$35,281,510</u>

Redemptions and contributions to sinking fund during the year amounted to \$124,740.

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	\$305,420
Melbourne & Metropolitan Board of Works	305,420
Victorian Railways Board	610,839

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 \$284,238 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 \$21,007,868. Total expenditure to date for the same items is \$35,294,251.

Investment of Unused Funds

Working balances temporarily carried during the year continued to be invested, where appropriate, with subscribers to the Authority's loan issues or their affiliated "official market" companies.

Interest receivable for the year amounted to \$873,177.

Melbourne Underground Rail Loop Authority

1974/75

Proposed Borrowings

For 1974/75 the Authority has been authorised to borrow \$20 million by way of Inscribed Stock and/or Debentures and it has been advanced \$2 million from the State Treasury Works and Services Account. Terms now current for the Authority's issues of Inscribed Stock and Debentures are 4-6 years 10.3%, 7-9 years 9.9% and 10 years or longer 9.85%.

Initial indications are that it will be more difficult for the Authority to fill its 1974/75 loan allocation from private subscriptions than in previous years. This expectation reflects the very tight liquidity situation in the economy which has created intense competition for funds. The problem has been further aggravated by the July issue of Commonwealth Securities at 11% for two years maturity and the availability of high yields on public issues of short term Commonwealth and Semi-Government securities listed on the Stock Exchanges.

If the above factors persist it will be necessary in 1974/75 for the Authority to consider broadening the base of its borrowing capacity and to develop alternative means of finance. The introduction of deferred payment terms for certain types of contracts may be necessary to ensure continuity of construction.

Proposed Expenditure

The total expenditure proposed by the Authority in 1974/75 is \$29.65 million.

Revised Construction Cost

In the Authority's Annual Report for 1971-72, the construction cost estimate of the basic plan adopted by the Authority based on prices current in the last quarter of 1971 was given as \$117.23 million excluding land acquisition, signalling and communications (which will largely be Victorian Railways' matters), and administrative and service costs including consultancy fees and interest on monies borrowed. Due largely to the increases in price of materials and labour that figure has now increased to \$162.78 million based on April 1974 prices.

Information Services

Inspections

Groups with special interests have been conducted on tours of the working areas and regret is expressed for the occasions when it has not been practical to meet all requests. Approximately 100 tours were arranged.

The visiting groups included many from overseas and interstate, Parliamentary members, Government officials, directors of financial and commercial institutions and senior tertiary students in engineering and similar disciplines. Professional and technical institutions and societies have shown particular interest in the concept of integration of the Loop into the whole railway system as well as the wide range of engineering investigation, design and construction activities.

The box tunnels in the Jolimont area were opened for public inspection during the afternoons of the Sundays in March and "Labour Day" public holiday. During the 18 hours of public viewing a total of 34,200 people attended.

Media

The amount and content of reported information about the Loop in all sections of the news media has been gratifying. Reporting has been factual and supported by photographic features.

The Victorian Year Book, 1974, devoted four pages to information about the Loop. In addition to Victorian Publications, national and overseas services have shown interest. Articles have appeared in South East Asian and national newspapers and popular and technical magazines, photographs have appeared in reports of organizations financially supporting the Authority and broadcasts have been made from overseas as well as local radio stations.

Melbourne Underground Rail Loop Authority

Talks and Presentations

Speakers to address professional, technical and other interested groups were in continuous demand throughout the year.

Special presentations were given to University and Technological Institute students, to residents of areas directly affected by construction activity, and to groups interstate. Displays of information were prepared for interested organizations.

Information was supplied to students at various levels and it was evident that the Loop was a popular school study and project topic.

Publications produced to meet the demand for information included an 8 page colour folder, an illustrated summary of construction works, and an aerial photograph of the city area with a super-imposition of the Loop route.

Film

The Authority's 14 minute documentary colour film "Loop" was released in February 1974 after preview by government and business leaders at a series of functions at the State Film Centre. Commercial release was effected through 20th Century Fox, commencing at Melbourne drive-in theatres with simultaneous New South Wales release during March. The anticipated audience is two million people during 1974/75. At the request of the Australian National Film Library a 35 mm. print was made available for Commonwealth archives.

Acknowledgements

Acknowledgement is made of the valuable guidance and assistance received from the Hon. E. R. Meagher, M.B.E., E.D., as Minister of Transport.

The Authority wishes to thank all those who have continued to give financial support towards its requirements during 1973/74 and especially those who have already indicated participation for 1974/75 during a period of restricted liquidity in the whole community.

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

Particular appreciation is expressed to the Melbourne City Council for its co-operation in traffic arrangements in the vicinity of work sites and in long term planning aspects as well as in regular administrative matters.

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 planning and design detail. Appreciation is expressed for the manner in which all of the Authority's contractors have participated in positive progress through times of material shortages and industrial unrest.

Melbourne Underground Rail Loop Authority

Statement of Financial Position

As at 30th June 1973		As at 30th June 1974
\$	\$	\$
	Fixed Assets—See Note 1	
10,634,118	Loop Development Account	23,303,538
252,565	Plant	165,802
58,454	Office Furniture, Fittings & Equipment	65,532
3,286	Motor Vehicle	3,286
2,233,339	Land Acquisitions & Expenses—See Note 4	8,695,229
<hr/>		<hr/>
13,181,762		32,233,387
<hr/>		
22,004	Investments—Sinking Fund	73,814
<hr/>		
	Current Assets	
131,076	Cash at Bank and on Hand	55,754
6,857,637	Investments—Short Term	6,677,183
200,555	Accrued Interest Receivable	121,551
99,729	Prepayments	70,478
2,705	Debtors	—
<hr/>		<hr/>
7,291,702		6,924,966
<hr/>		
	Intangibles—Capitalised Costs	
	Administrative Costs—See Note 2	
512,325	To 30th June 1973	512,325
—	For 1973/74	498,771
		<hr/>
		1,011,096
	Interest (Net)—See Note 3	
556,796	To 30th June 1973	556,796
—	For 1973/74	1,332,732
		<hr/>
		1,889,528
21,750	Contributions to Sinking Fund	71,750
<hr/>		<hr/>
1,090,871		2,972,374
<hr/>		
21,586,339		42,204,541
<hr/>		
	Less Current Liabilities	
70,000	Inscribed Stock Applications	100,000
513,332	Sundry Creditors	1,952,804
285,004	Accrued Interest Payable	594,432
24,243	Contractors' Deposits	10,558
<hr/>		<hr/>
892,579		2,657,794
<hr/>		
22,004	Reserves	
	Sinking Fund Reserve	73,814
<hr/>		<hr/>
914,583		2,731,608
<hr/>		
\$20,671,756		\$39,472,933
<hr/>		<hr/>
	SOURCES OF FUNDS	
	Contributions—Pursuant to Sections 25 & 26	
	To Annual Redemption Payments	
387,824	Victorian Railways Board	998,663
193,912	City of Melbourne	499,332
193,912	Melbourne & Metropolitan Board of Works	499,332
<hr/>		<hr/>
775,648		1,997,327
	To Administrative Costs	
56,975	Victorian Railways Board	56,975
	For Capital Works	
1,852,883	Victorian Railways Board	2,137,121
<hr/>		<hr/>
2,685,506		4,191,423
17,986,250	Loans—Secured by Inscribed Stock	35,281,510
<hr/>		<hr/>
\$20,671,756		\$39,472,933
<hr/>		<hr/>

Melbourne Underground Rail Loop Authority

Notes on Statement of Financial Position

Year Ended 30/6/73 \$		Year Ended 30/6/74 \$
	<i>Note 1</i>	
	Fixed Assets	
	Fixed Assets are shown at Cost	
	No provision is made for depreciation	
	<i>Note 2</i>	
	Administrative Costs	
175,900	Salaries and Allowances	240,690
134,522	Other Administrative Costs	258,081
<hr/>		<hr/>
\$310,422		\$498,771
	<i>Note 3</i>	
	Interest (Net)	
911,704	Paid and Payable	2,205,909
439,260	Less Received and Receivable	873,177
<hr/>		<hr/>
\$472,444		\$1,332,732

Note 4

The Authority has taken possession of certain land for which it has not reached agreement as to the amount of compensation payable. The value of that land and provision for such compensation are not included in the Statement of Financial Position.

W. L. R. Daniels
Secretary.

Audit Certificate

The books and account of the Melbourne Underground Rail Loop Authority for the year ended 30th June, 1974, 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, 1974.

Note A:

Interest on Investments—\$873,177

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
24th October, 1974

Melbourne Underground Rail Loop Authority

Appendix

Museum Station Area

Feasibility Study and Development Plan

by George J. Connor & Associates Pty. Ltd.

Latrobe, Swanston, Lonsdale, Elizabeth Streets Block

Summary of Conclusions

The studies undertaken in the course of preparing a development plan for the Latrobe, Swanston, Lonsdale, Elizabeth Streets block have confirmed the strategic location and considerable development potential of this area in relation to both the pattern of commercial and civic development within the City of Melbourne and also in respect to ensuring the maximum public use of the Underground Rail Loop in general and Museum Station in particular. There is no central city block in Melbourne or in any other major Australian city that has greater scope and need for planned redevelopment over the next 5-10 years.

The site is located between the retail core area of Melbourne and the new Museum Station, which will become Melbourne's busiest city railway station and is centrally located in respect to the City's expanding office world, retail core, main civic features and transport terminals.

As a result of this strategic location, a unique opportunity exists to undertake a comprehensive development project which will maximise the future usage and benefit of the underground rail, will materially enhance and improve the whole environment of the commercial district and civic heart of Melbourne, and will, at the same time, provide a commercially viable development maximising the value of the substantial area of publicly owned land that already exists within the site. This development opportunity is further stimulated by the fact that most of the privately owned properties within the block are small individual holdings comprising old buildings now ready for redevelopment. In addition, the site is located opposite one of Melbourne's most distinguished public buildings, the State Library and Museum, which presents considerable scope for incorporating a complementary spacious new open plaza and civic features on part of the site fronting Swanston Street.

As a result of a combination of three factors, namely the implementation of the Underground Loop and Museum Station, the strategic location of the site, and the opportunity for comprehensive site consolidation, property values within the block can be expected to increase substantially, perhaps more than double, over the next 5 years, and if the entire site is co-ordinated by public authorities, substantial capital appreciation can be anticipated. Such capital appreciation would enable some of the costs of the Underground Loop to be defrayed and at the same time enable an attractive civic project to be provided.

By reason of necessary circumstances, the land already acquired by the Melbourne Underground Rail Loop Authority follows the route of the underground railway along Latrobe Street between Swanston and Elizabeth Streets. In actual fact, from the viewpoint of city planning, stimulating the use of the underground and maximising the economic viability of any development plan, the main implications of Museum Station will be in a north-south rather than an east-west direction.

A substantial proportion of the patrons using Museum Station will be shoppers and visitors as well as commuters wishing to move directly from Museum Station to the commercial and retail core area of Melbourne across Lonsdale Street, and there is therefore a need from a planning point of view, to provide for this traffic flow. In addition, the pedestrian and shopper traffic will in turn create an opportunity for small shop retailing developments with a maximum rental capacity.

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From all viewpoints therefore, it is critical that the Authority's land be planned in co-ordination with the minimum strip of land necessary to provide scope for retail arcades located in a direct line from Museum Station to the Lonsdale Street area opposite the Myer Emporium. It is equally important for the additional properties through to Elizabeth Street to be incorporated to provide scope for the provision of an additional department store for Melbourne. This department store will be necessary to consolidate the retail potential of the block, and a leading interstate retailer has already expressed keen interest in the opportunity.

Regardless therefore of the desirability of co-ordinating the properties in the entire Latrobe-Lonsdale Street block, it is critical that a minimum area providing the necessary land for this retail development linking Museum Station with the retail core area of Melbourne, is consolidated. Within this minimum area, 64% of the land is already owned by public authorities.

The overall development plan prepared for the total site features an integrated viable civic and commercial complex capable of development in stages over the next 10-13 years with the 1st stage planned for completion when the city underground railway is completed in 1978. The main elements include:

1. A retail component incorporating a new department store and a 3-level arcade system linking Museum Station with the retail core of Melbourne and maximising the separation of vehicle and pedestrian traffic within this link.
2. Two high rise office buildings and one medium rise office building.
3. An international hotel and convention centre.
4. A low profile civic development opposite to, and complementing the existing State Library and Museum featuring a spacious open plaza with scope for other desirable civic features such as a new city library and information centre, theatres, an exhibition and display area, and incorporating the historically classified Shot Tower.

A basic principle of the plan has been that high rise commercial development be concentrated in the north-west and south-east sectors of the site with low level civic development located in the north-east sector opposite the State Library-Museum building and in the south-west sector around St. Francis Church.

The plan incorporates the historically classified and recorded buildings in the block including St. Francis Church, the Shot Tower and Church of Christ and features a garden plaza area on land adjoining St. Francis Church now used as a commercial car park, which could be maintained as a park by an appropriate authority.

It is proposed that the overall development plan be undertaken in a number of flexible stages with the initial emphasis being placed on the retail development which has more favourable market conditions, and could also be completed as close as possible to the opening of the underground rail system. The other stages would follow at a later date, depending on the rate of improvement in the current difficult market condition for office space and international hotel developments.

Once an overall plan has been approved by the authorities and the necessary site areas consolidated, it is envisaged that leading developers would be invited to tender to undertake and finance the development in various stages in accordance with the overall plan, with the respective land areas being made available on a leasehold or possibly freehold basis.

The whole block development involves some 3,500,000 sq. ft. of building area staged over a 10-13 year period depending on market considerations. The economics of the development enable commercial development to be concentrated into the north-west and south-east sectors of the block, thus allowing the north-east sector opposite the State Library-Museum building to be made available for civic development by responsible authorities on a minimum land value basis.

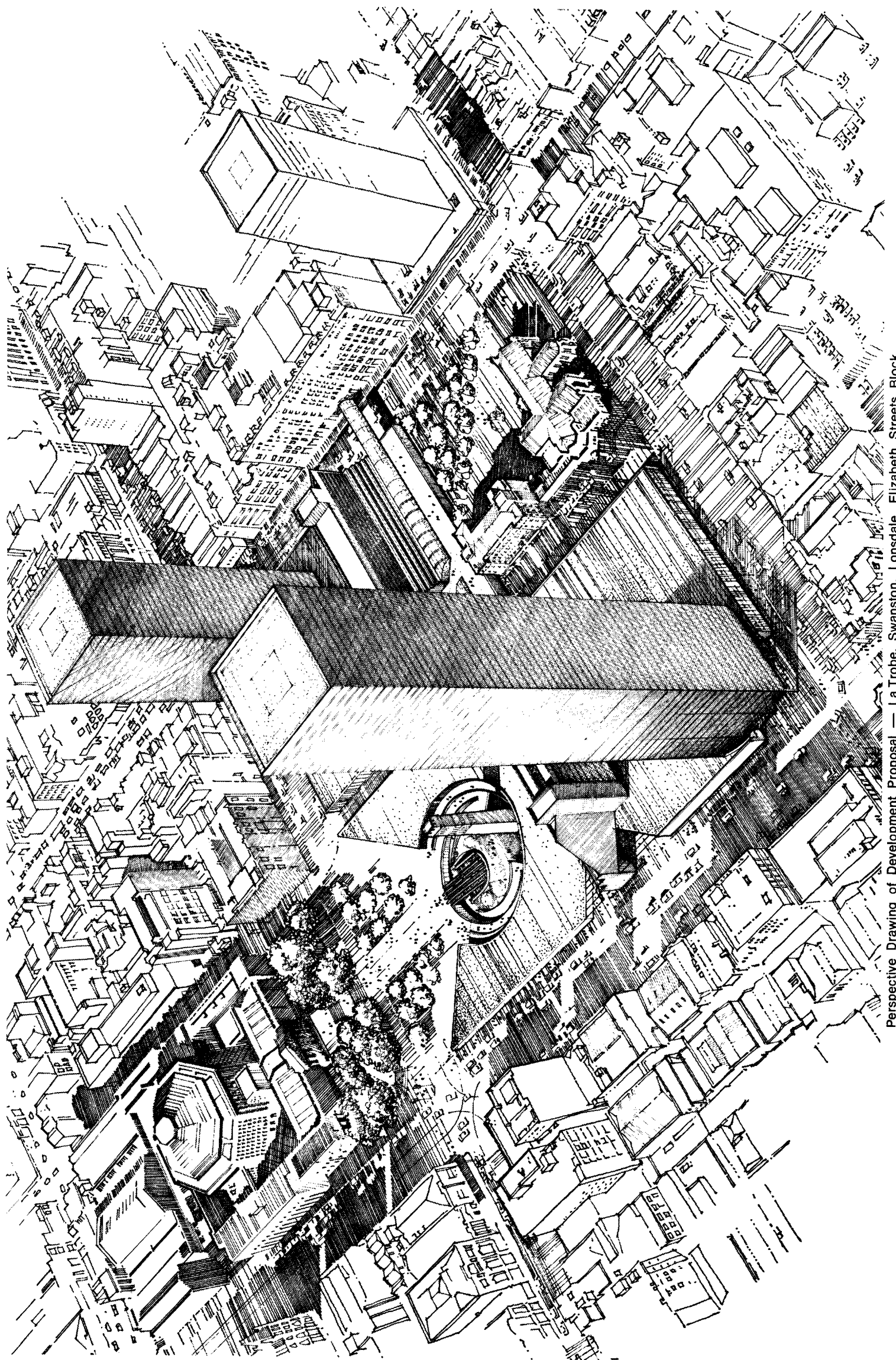
In determining the staging programme for the whole block, consideration has been given at all times to maintaining a flexible policy with regard to the use of the Authority's 2 acre site. The aim has been to formulate a sound policy with regard to the potential development of this area in the event that an overall plan for the whole block was

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not approved or did not proceed in time to enable the first stage of development to be completed in line with the opening of the underground railway in 1978. However, studies clearly show that the Authority's land should not be developed in isolation, but that it should be developed in association with the minimum group of adjoining properties, as outlined in this report, necessary to ensure access through to Lonsdale Street and to enable a sound and viable development programme to proceed. To develop the Authority's land in isolation without this adjoining land and access through to Lonsdale Street would not only be a less attractive commercial venture, but it would forgo the outstanding civic and commercial redevelopment opportunity that the building of the Underground Rail Loop and Museum Station presents to the people of Melbourne in this area at this stage.

In conclusion therefore, these studies clearly emphasise:

- 1. the outstanding civic and commercial opportunity that now exists to redevelop this whole block as a result of a combination of favourable factors arising mainly from the building of the Underground Railway, and**
- 2. the importance of early decision making by the Authority, the Melbourne City Council and State Government in order to ensure that an effective programme of implementation is able to proceed in time to take full public advantage of the completion of the Underground Railway in 1978.**



Perspective Drawing of Development Proposal — La Trobe, Swanston, Lansdale, Elizabeth Streets, Block