



# Transport dilemma has city in a spin

Trying to solve Melbourne's transport problems could prove politically difficult for Premier John Brumby and the state Labor government write **Mark Phillips** and **Duncan Hughes**.

**T**he nation's biggest construction companies and bankers are eagerly awaiting the Victorian government's report on a multibillion-dollar tunnel across Melbourne as traditional Labor party voters dig in for a fight to stop its construction.

The long-awaited recommendations of the review of Melbourne's transport needs – the *East West Link Needs Assessment* – by businessman Rod Eddington, are due to be handed down next week.

The inquiry, which has taken 130 submissions, is expected to recommend the construction of an underground toll road linking the Eastern Freeway to the western suburbs.

But there are growing expectations that it could also propose a north-south rail tunnel connecting to the City Loop.

Premier John Brumby claims it will be a blueprint for the state's transport needs for the next 20 to 30 years that will demand the involvement of the state and federal governments, and the private sector through public private partnerships (PPPs).

"Whatever the final outcome of this process, the cost implications will be substantial," he says.

But critics, which include Labor politicians whose electorates are expected to be along the route, claim Brumby has already made up his mind on a massively disruptive east-west tunnel and an unnecessary rail extension.

The importance of the Eddington inquiry for Melbourne's choked roads and overloaded train and tram system has been highlighted by population projections, which show that at current growth rates of more than 1000 people a week, the Victorian capital could outstrip Sydney by 2028.

Despite the opening of two major road connections in the last decade – CityLink, which connects the West Gate and Monash freeways,

and the Western/Metropolitan Ring Road – inner-city traffic congestion from commuters and freight has worsened.

The West Gate Bridge, which opened in 1978, carries 160,000 cars a day – a four-fold increase in 30 years.

The City Loop underground rail system is also close to capacity and it is feared the opening of the EastLink toll road later this year will increase peak-hour gridlock at freeway exits and entrances.

Most of the nation's largest civil contractors and specialist infrastructure financiers are already jockeying for a slice of the action.

Leighton Contractors, the ConnectEast Group – the builder and operator of the 45km EastLink – and Transurban, which operates CityLink, along with bankers ABN Amro and Macquarie Bank – have all made submissions to the Eddington inquiry.

Other groups expected to tender for projects include Thiess John Holland, Babcock & Brown and Baulderstone Hornibrook.

ConnectEast managing director John Gardiner says it is keen on a tunnel construction role. He says the recommendations should provide for better public transport, particularly in the north and north-west, to take pressure off existing road networks.

Rough costings prepared by ConnectEast suggest that a combination of 17 kilometres of surface-level and underground roadways connecting the Eastern Freeway and the Western Ring Road will cost about \$5 billion.

Gardiner says building the tunnels will be challenging, but doable.

"We think that a tolled solution would be one way to fund the project," he says.

"We haven't done enough studies to work out whether it's totally viable simply as an independent PPP, but we think it could go very close to that, particularly as a staged project."

The general manager of Leighton Contractors' infrastructure division, Peter Hicks, agrees that a toll road is the best option to attract private funding.

"We're comfortable under any model, but we find one of the most successful ways to do it for the government and ourselves is

through a toll road, because it takes the reliance on government funding away and as we own the asset, we can build it and specify it for the traffic projections," he says.

Business groups such as the Victorian Employers' Chamber of Commerce and Industry are urging Eddington and the government not to ignore public transport.

The chief executive of public transport peak organisation Metlink, Bernie Carolan, says the inquiry presented a once in a generation opportunity to create a 10km to 12km underground rail link connecting southern suburbs, such as St Kilda and Caulfield, to the university and hospitals hub in Parkville and North Melbourne.

He says the Eddington report also needs to propose public transport systems for fast-growing areas in the north and west that avoids mistakes made in the east.

"It's important that when those opportunities are there, that the city grasps them and does something far-reaching, because otherwise we can tinker with existing things, but sometimes we do need to have a step change," he says.

"Obviously, somebody has to do some cost-benefit analysis, but I think it can be justified."

Federal Finance Minister Lindsay Tanner and former state parliamentary secretary for infrastructure Carlo Carli are among the prominent Labor MPs claiming Melbourne's commuting needs have been hijacked by merchant bankers' profits.

"The issue has been kept alive by Macquarie Bank and what works for them does not work for the transport needs of Victoria," says Carli, whose inner-suburban Brunswick electorate could face more congestion.

Tanner, whose federal electorate of Melbourne lost ground to the Greens in last year's federal election, has slammed the cost of the road link as being "disproportionate to any potential benefit".

Greens MP Greg Barber claims any tunnel will put three traditional inner-metropolitan Labor seats – Brunswick, Richmond and Brunswick – within the party's reach at the 2010 state election. "Constituencies within these electorates would be in uproar," he says.



The government has said there will be 12 to 14 weeks public consultation and debate on the recommendations, with a decision expected by the end of the year.

But Nick Economou, a Monash

University politics lecturer, believes the odds are stacked in favour of the government pushing ahead, even if there is some loud local opposition.

“He [Brumby] is literally burying the problem,” he says.

“Most voters are not thinking of the delightful inner-city climes but the nightmare of waiting in traffic jams trying to get onto those free-ways.”



A review is likely to back an underground east-west toll road, but residents are ready for a fight.

Photos: HEATH MISSON, JASON SOUTH

