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Member for Mornington

Suburban Rail Loop – Oversight Committee Needed

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Mr MORRIS (Mornington) (18:03): I thought the member for Mount Waverley had actually been here long enough to appreciate that a reasoned amendment can be moved and in the event that it does not succeed, then the position can be not opposed.

That is what the member for Ripon made very clear to start with. We would prefer the reasoned amendment. We would prefer the public works committee to get up. I understand that the support of the government is of course going to happen, but in the unlikely event that the government does not support that, then we will not be opposing the bill.

The second point in the debate that I just wanted to come to before I speak on the bill itself is the member for Eltham, in opening for the government, made an interesting claim that John Cain was the man responsible for the underground rail loop in Melbourne—interesting to claim.

The trouble with that argument is that the first sod was actually turned in 1971. For those who do not have memories quite as long as mine, Henry Bolte was the Premier in 1971. Most of the construction occurred under Premier Hamer and it was pretty much finalised under Premier Thompson. I cannot remember whether John Cain opened it or not; he may well have.

Mr Pearson: Yes, Flagstaff in 1985.

Mr MORRIS: Okay, the minister at the table says he did get to open it. But he certainly did not initiate it, so let me just make that clear.

As others have said, this bill establishes the Suburban Rail Loop Authority. It is pretty stock standard, and it enables the authority to operate and to manage the operation of the line.

Where the bill gets interesting I think is, without going into the detail of the bill, and just referring to the final few words of the long title, the bill will 'manage development associated with the Suburban Rail Loop'—manage development associated with the Suburban Rail Loop.

So does this mean that the government is going to be acting as a developer? Because if that

is the case—there are some issues with the project itself, and I will certainly come to those—and if this bill is intended to facilitate turning the government of Victoria into a land development corporation through the vehicle of the Suburban Rail Loop Authority, then that is problematic.

The second point on that issue is around—it might be part 5 of the bill—the way the area affected by the project is defined. Basically it is a declared area or an area declared by the authority or the relevant minister, which effectively gives the authority planning powers.

Local councils and local communities can potentially be and are likely to be totally sidelined by this bill. We saw a media release on 2 September talking about how communities are to play a key role in the Suburban Rail Loop. The fact is nothing could be further from the truth. Local municipalities are being sidelined, and we are talking about key areas.

If we take just one example, take Box Hill. If the City of Whitehorse is excluded from having control over planning in the vicinity of this development, then the community is totally excluded. Certainly there is a need to work together. You need to have the opportunity to get that synergy, but to have council sidelined the way that is proposed in this bill is absolutely disgraceful.

The next point I want to make is: why are we being rushed? The bill was second read last Wednesday—Wednesday of last week. A bit over seven days later it is going to the guillotine at 7.30 tonight.

The house will have had, if we debate this bill until the end—and I do not know what the government's intentions are, but if we do—less than 3 hours of debate on a bill for a project of such significance that it, in the words of the government, dwarfs anything else that the state has ever done. I have got to say when you look at other major infrastructure projects—Snowy Hydro, for example—what we get in terms of bang for our buck in this bill is pretty damn limited.

Now, we know the government has form on major projects. We know they have got form on debt blowing out, and I thought the Auditor-General's recent report Integrated Transport Planning was relevant to this debate.

The report is on the Victorian integrated transport plan, and effectively the Auditor-General found there was not one. He found that there were 11 published documents plus 21 others and that the government relied on that ragtag of documentation and called it an integrated transport plan. In fact two of those documents are not yet complete. As I mentioned, 11 of them are published, the rest are held by government and not available to the community.

So the fact is in terms of integrated transport planning the state has no plan. The Auditor-General found no whole-of-system approach and zero transparency, yet the government fronts up last week with this bill and wants to wave it through in a matter of hours when the Auditor-General has clearly indicated that the government has form.

Of course we also know that there is no independent advice. Infrastructure Victoria is simply a cheer squad for the government. They are not objectively identifying priorities. They are simply putting forward the views that are being transmitted to them.

I know government members have consistently claimed that Infrastructure Victoria is independent, that it gives independent advice. But the fact is out of a board of seven, three are secretaries of departments: the Secretary of the Department of Premier and Cabinet,

the Secretary of the Department of Treasury and Finance and the Secretary of the Department of Environment, Land, Water and Planning—three men who work directly for the Premier.

Now, you cannot tell me that they are going to give independent, public advice contrary to the wishes of the government. It just does not happen. So to suggest that the priorities stack up and that somehow this project fits in because Infrastructure Victoria thinks it is okay is absolutely false.

The next point I want to make is that the project is hugely expensive. Is it justified? Is it going to be \$50 billion? Is it going to be \$100 billion? Is it going to be \$150 billion? We do not know—and, as I said, there is no independent advice, there is no prioritisation.

I have said repeatedly in this chamber I have no problem at all borrowing money to invest in infrastructure. But it has got to stack up, it has got to provide value for money. It has got to be needed, it has got to either add to the economic capacity of our state or add to the livability of the state.

It has got to be needed, and it has got to be near the top of the pipeline, which we do not know in this case. And it has got to be procured effectively. Obviously procurement is still to come, but there is absolutely no evidence that this project clears any of those other hurdles at all.

Now, we have got this massive business case. Others have referred to it. Two points I want to make just very simply on this. It says clearly in the key findings document that the Suburban Rail Loop comprises three sections, yet the advice prepared is prepared for two of the three sections.

Why is that? I think the member for Ripon referred to the issue of what stacks up and what does not. But you cannot have a complete business case which does not identify what are clearly two separate but connected projects. Does each of them stack up?

The second point I want to make on this is the discount rate. The government says quite up front in this document on page 293 that if you used the normal 7 per cent discount rate it would not stack up. So they have dropped the discount rate to 4 per cent. Wonderful—suddenly it stacks up. It does not.

Simply because you fudged the numbers does not mean it is right. It means you fudged the numbers. It is marginal at best on 4 per cent. It is going to be way out of the ballpark on 7 per cent. So there are some significant issues with this proposal.

That in fact is why the member for Ripon has proposed this reasoned amendment, why the opposition is proposing a public works committee—because we desperately need something to oversight all public works.

We are seeing enormous cost overruns. We had the capex figures withheld from the late budget last year. We saw them this year and—surprise, surprise!—some had blown out by 100 per cent, and the total of the major projects had blown out by over 100 per cent. We have got grossly inadequate business cases, and the one I have just referred to is clearly one of those. We have seen totally inadequate planning.

The Auditor-General has confirmed that. We have seen a total lack of transparency. Again, the Auditor-General has confirmed that. We need parliamentary oversight as an absolute

prerequisite for this project and we need parliamentary oversight for the other blown-out major projects the government has put forward.