

## Victorian Government announce Suburban Rail Loop

#### August 2018

On 28 August 2018 the Victorian Premier Daniel Andrews announced that a re-elected Labor Government will invest \$300 million in a full business case for the Suburban Rail Loop.

The 90-kilometre project will connect every major train line from Frankston in the State's south-east to Werribee in its west via Melbourne Airport.

The Loop will allow commuters from the suburbs and regional areas to reach other suburban or regional areas without having to travel into the CBD to change lines. Instead, the Loop will establish a polycentric rail network in which major suburban and regional employment centres, universities and hospitals will be accessible by a single train line.

Over the past 12 months Development Victoria, PricewaterhouseCoopers, and the Office of the Coordinator General have conducted a Strategic Assessment of the project, including identification of the project corridor.

Funding for the project will require State, Commonwealth and private sector contributions, as well as value capture opportunities.

The new line is expected to become Victoria's busiest by 2051, accommodating 400,000 daily trips and taking 200,000 vehicle trips off major roads.

An estimated 20,000 jobs will be created in the construction phase of the project, including 2,000 apprentices, trainees and cadets employed through the Victorian Labor Government's Major Projects Skills Guarantee.

#### Timeline

Development of the full business case will commence in 2019. The business case will investigate exact station locations, route alignment, rolling stock, staging, and environmental assessments.

Community consultation and industry engagement will commence in 2019.

The procurement stage will commence in 2020.

Work on the south-eastern and Airport-Sunshine sections is expected to begin by the end of 2022.

The remainder of the project is expected to be built in stages over multiple decades, with the first sections expected to be constructed in 10 years.

#### Route

The south-east section will run underground between Cheltenham and Box Hill, with new rail tunnels connecting the Frankston, Cranbourne-Pakenham, Glen Waverley and Belgrave-Lilydale lines.

The south-east section may include six new underground stations: four underground interchanges with existing lines and two potential new stations at Monash University Clayton Campus and Deakin University Burwood Campus.

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A new super hub at Clayton will connect the towns of Bairnsdale and Traralgon to the south-eastern section of the Loop.

The north-east section will run underground from the Belgrave-Lilydale line to the Craigieburn, Hurstbridge, Mernda and Upfield lines before connecting with Melbourne Airport.

The north-east section may include six new underground stations: four underground interchanges with existing lines and two potential new stations at Doncaster and Latrobe University Bundoora Campus.

A new super hub at Broadmeadows will connect Albury-Wodonga to the northern section of the Loop.

The new Melbourne Airport Rail Link will form the north-west section of the Loop. Construction is scheduled to begin on the Rail Link in 2022.

The western section will connect the Airport to the Werribee line. This section may include both underground and surface rail.

A new super hub at Broadmeadows will connect the towns of Geelong, Ballarat and Bendigo to the western section of the Loop.



Source: https://bigbuild.vic.gov.au/projects/suburban-rail-loop

## Cost

Further technical work is required to determine the cost of the Loop.



The combined south-east and north-east sections are expected to cost between \$30-50 billion, while the Melbourne Airport Rail Link section is expected to cost between \$8-13 billion.

Opportunities to offset capital costs and capture value will be explored, including through direct commercial arrangements or broader value capture mechanisms.

# **Further information**

Further information on the Suburban Rail Loop, including the Strategic Assessment, is available here.

For further information please contact your Victorian Hawker Britton consultants <u>Phil Reed</u> on +61 419 319 362, or <u>Claire March</u> on +61 403 937 849.