



# **HOUSE OF REPRESENTATIVES**

**STANDING COMMITTEE ON COMMUNICATIONS, TRANSPORT AND  
MICROECONOMIC REFORM**

**Reference: Federal road funding**

**WODONGA**

**Tuesday, 6 May 1997**

**OFFICIAL HANSARD REPORT**

**CANBERRA**

HOUSE OF REPRESENTATIVES  
STANDING COMMITTEE ON COMMUNICATIONS, TRANSPORT AND  
MICROECONOMIC REFORM

Members:

Mr Vaile (Chair)

Mr Albanese	Mr Peter Morris
Mr Ross Cameron	Mr Neville
Mrs Crosio	Mr Randall
Mr Hardgrave	Mr Tanner
Mr Lindsay	Mr Wakelin
Mr McArthur	Mr Willis
Mr McDougall	

The Commonwealth, under its roads program, provides funds to the States and Territories for the National Highway and Roads of National Importance. The Committee is asked to:

1. Review the Commonwealth role in road funding and identify the most effective means of fulfilling that role;
2. Assess the adequacy and extent of the National Highway as currently declared in meeting the objective of providing a national road system that meets the needs of industry and the community;
3. Assess the level of funding required to adequately fulfil the Commonwealth role. This should take into account the current condition of the asset, depreciation and maintenance requirements, as well as new investment required to meet demand growth, changes in technology (especially increased weight limits for heavy vehicles) and community expectations of road standards;
4. Examine whether current administrative arrangements have an adequate performance focus, promote effective and efficient use of funds and adoption by States and Territories of best practice, and provide an effective Commonwealth/State interface; and
5. Assess the scope to supplement Government funding through innovative arrangements for private sector involvement in the provision and maintenance of roads infrastructure and the scope for pricing of road services to reflect full resource costs.

In undertaking this review the Committee is to take into account the National Commission of Audit principles of clarifying the roles and responsibilities of Governments with the overriding objective of improving the outcome to clients and achieving value for money for the taxpayer.



## WITNESSES

<b>BOYNTON, Ms Janet Elizabeth, Member, Murray River Crossings Group, 620 Macauley Street, Albury, New South Wales 2640</b> .....	<b>687</b>
<b>CORBOY, Mr John, Member, Goulburn Valley Highway Action Group, c/- Transport Workers Union, PO Box 203, Port Melbourne, Victoria 3207</b> .....	<b>705</b>
<b>GHIGGINO, Mr Ron, Member, Murray River Crossings Group, 620 Macauley Street, Albury, New South Wales 2640</b> .....	<b>687</b>
<b>HEINZ, Mr Tony, Member, Goulburn Valley Highway Action Group, c/- Transport Workers Union, PO Box 203, Port Melbourne, Victoria 3207</b> .....	<b>705</b>
<b>KIRBY, Mr Harry Dennis, Member, Murray River Crossings Group, 620 Macauley Street, Albury, New South Wales 2640</b> .....	<b>687</b>
<b>LeCOUTEUR, Mr Geoffrey Andrew, Project Officer, Murray Regional Development Board, 620 Macauley Street, Albury, New South Wales</b> .....	<b>687</b>
<b>NOONAN, Mr Bill, Spokesperson, Goulburn Valley Highway Action Group, c/- Transport Workers Union, PO Box 203, Port Melbourne, Victoria 3207</b> .....	<b>705</b>

HOUSE OF REPRESENTATIVES  
STANDING COMMITTEE ON COMMUNICATIONS, TRANSPORT AND MICROECONOMIC REFORM

*Review of federal road funding*

WODONGA

Tuesday, 6 May 1997

Present

Mr Vaile (Chair)

Mr McArthur

Mr McDougall

The committee met at 10.45 a.m.

Mr Vaile took the chair.

**CHAIR**—I declare open this public hearing of the House of Representatives Standing Committee on Communications, Transport and Microeconomic Reform in its inquiry into federal road funding. Today is part of the committee's 12-day program of hearings and inspections covering all states and territories.

The committee is pleased to be in Wodonga, an important provincial city on the Victorian-New South Wales border. The poor condition of a number of bridges across the Murray, as elsewhere in Australia, can pose a major impediment to the safe and efficient movement of traffic. Later, the committee will be inspecting the Howlong Bridge and seeing at first hand the difficulties its condition causes to cross-border traffic. As well, the committee will be able to hear the concerns of the Goulburn Valley Highway Action Group about the state of the national highway between Shepparton and Seymour.

I should emphasise at this point that, in addressing the terms of reference, the inquiry should not be seen as a forum for advocating the funding of specific road projects. The committee is investigating the underlying principles for funding Australia's national road system.

On behalf of the committee, I welcome everyone appearing before the committee today. Before proceeding, I wish to advise all witnesses that, although the committee does not require evidence to be given under oath, committee hearings are legal proceedings of the parliament and warrant the same respect as proceedings of the House itself. However, the giving of false or misleading evidence is a serious matter and may be regarded as a contempt of the parliament.

[10.47 a.m.]

**BOYNTON, Ms Janet Elizabeth, Member, Murray River Crossings Group, 620 Macauley Street, Albury, New South Wales 2640**

**GHIGGINO, Mr Ron, Member, Murray River Crossings Group, 620 Macauley Street, Albury, New South Wales 2640**

**KIRBY, Mr Harry Dennis, Member, Murray River Crossings Group, 620 Macauley Street, Albury, New South Wales 2640**

**LeCOUTEUR, Mr Geoffrey Andrew, Project Officer, Murray Regional Development Board, 620 Macauley Street, Albury, New South Wales**

**CHAIR**—Welcome. The committee has received the submission from your organisation. Would you like to make a brief opening statement?

**Mr Kirby**—I am the Chief Executive Officer of the Swan Hill Rural City Council. I am here as the team leader of the Murray River Crossings Group. We appreciate the opportunity to appear before the committee of inquiry this morning. We trust that at some time the other members of the committee will be able to acknowledge the comments that we make here this morning as well. Our presentation will be very brief. I would like Jan and Ron to support me in comments as we go through.

The submission is made because of the need for a strategic approach to the funding of Murray River crossings, because the state border issue has resulted in an ongoing jurisdictional debate which has left the Murray River crossings in the too hard basket.

The crossings are important to the national economy, regional economy and local economy, and to the environment, as the condition of a number of them could lead to a major environmental disaster. The communities depend upon them for daily access to education, health, commercial and emergency services. These views are held strongly by the communities represented along the Murray River—some 236,000 people.

The Murray River crossings are part of the national transport infrastructure. They are, therefore, an essential linkage in the movement of primary and processed goods and of people between the nation's two largest domestic economies and its biggest export facilities. I will introduce Jan at this stage.

**Ms Boynton**—The bridge crossings represent vital infrastructure for the twin towns along the Murray. This is particularly so where a small town on one side of the river is dependent on the services and facilities of its twin town on the other side. Instances such as this occur at—if I may refer you to the map—Robinvale-Euston at site 3, Barham-Koondrook at site 9, Echuca-Moama at site 10, and Corowa-Wahgunyah at site 16. In each of these twin town communities there is one high school, one hospital, one ambulance service and a sharing and coordination of the emergency services.

In view of this interdependence of services, the maintenance of the bridges is of serious concern to the residents of these river towns. For instance, if the Robinvale-Euston bridge were closed—and it is currently in bad condition—there would be a 75-kilometre drive to access services from either Mildura or Balranald and a 280-kilometre round trip from Euston to Robinvale.

The interdependence is also crucial to the economies of these towns, the region and the nation. Southern New South Wales has traditionally had strong ties to Victoria and particularly to the markets and ports in Melbourne and Geelong.

**Mr Ghiggino**—The general Murray Valley region is a significant contributor to the nation's wealth with a major focus on exports. There is considerable diversity in the region ranging from forestry in the eastern sector to other agricultural and horticultural activities along the river valley. Agriculture is large scale production of dairy, fruit, cereal grains and livestock. A feature is the large scale processing of this agricultural and horticultural production, particularly dairying, fruit and vegetables.

Agricultural production exceeds \$1.7 billion, which is over seven per cent of national production and is 14 per cent of the combined New South Wales and Victorian production. Value adding food processing in the region adds a further \$1 billion. Exports arising from this production exceed \$1.6 billion and it is predominantly processed food products directed towards Asian markets.

These exports move southward to Victorian ports and major volumes across the Murray River either as primary or processed product for exports or domestic distribution. An additional feature is the volumes of primary production which move across the Murray River crossings for processing in northern Victoria. This is an increasing trend with further development of intensive agriculture in southern New South Wales and the need for transportation to Victoria for further processing and export. The economic region is cross-border and the river crossings are the critical link.

**Mr Kirby**—Twenty-four of the 27 crossings identified in the map are in the state or local funding category. Of those bridges, three are totally width deficient, four are structurally inadequate, 10 have partial or total single-lane restrictions in place, 15 have deficient safety barriers, and they have an average age of 61 years.

If we were to anticipate a normal asset management program for an economic life of 100 years, that would be satisfactory, but these bridges were first built and designed using basic technology. Eleven of the bridges were built before 1930 when loadings were those of single-axle trucks or animal drawn wagons. Another eight of the bridges were built up until the 1980s when load limits were fixed at a maximum of 38 tonnes. Today's medium combination vehicles are proposed to gross 65 tonnes. Therefore, the rate of deterioration is accelerating and many of those bridges will never reach their economic life. The bridges are also high maintenance structures and there is a commitment required to maintenance leading through to replacement.

What are the priorities for funding? If a nationally agreed and consistent set of priorities and standards are in place across government and across the nation, then priority setting would have some rational basis. This would identify roads of emerging, economic and social significance, for example, in the Murray region,



as corridors to Sydney, Melbourne, Adelaide and Brisbane, and roads of tourism significance such as to Mungo National Park and to the Walls of China.

How can they be funded? This can be done through the provision of Grants Commission funds on a proportional basis according to national priorities identified and facilitation of private sector involvement through various infrastructure funding arrangements such as special tax treatments.

This region has a substantial economic, social and tourism potential which will be put at considerable risk if the issue of river crossings is not addressed as one of both immediate and longer term strategic importance to the nation.

Mr Chairman, in concluding this presentation we wish to formally present in support of our submission a copy of a video which has been prepared regarding the issue of the crossings. That is our presentation. We are more than happy to answer any questions.

**CHAIR**—Thank you very much, Mr Kirby. In the hearing in Melbourne yesterday, VicRoads indicated to us that they had in place a bridge strategy that they were developing throughout Victoria as far as maintenance and repair and replacement of the ageing bridge infrastructure in regional Victoria was concerned. Are you aware that any of that strategy is going to be focused towards the bridges over the Murray?

**Mr Kirby**—I am not aware, Mr Chairman. In fact, I am not sure how the jurisdictional issues associate with the river crossings. Theoretically, the bridge maintenance is the responsibility of the RTA on the basis of a shared agreement regarding funding. I would assume that resources would be shared.

**CHAIR**—I presume that the three representatives here this morning are from local government bodies on the Victorian side of the border.

**Mr Kirby**—We are representing New South Wales and Victorian groups.

**CHAIR**—I realise that. I am talking about the three representatives sitting at the table. Which constituent organisations of the Murray Regional Development Board are you representing on that board?

**Mr Ghiggino**—I represent the Mid-Murray Development Organisation, which involves seven local government areas in New South Wales and four in Victoria.

**Mr Kirby**—I am representing Swan Hill specifically as part of the Murray River Crossings Group.

**Ms Boynton**—And I represent the Shire of Campaspe, which is Echuca based.

**CHAIR**—The reason I asked is that I am not clear at this stage between Victoria and New South Wales on who is claiming responsibility for the bridges over the Murray. I want to get your view on where you see the responsibility lying.

**Mr Kirby**—By way of comment, Mr Chairman, I think that has been part of the problem in identification of responsibility for the bridges. There has been a reluctance—I use the words quite openly—and they have been in the too hard basket.

**CHAIR**—Bearing in mind that this inquiry is into the adequacy of the current regime as far as Commonwealth funding is concerned, at the moment my understanding is that the national highway network crosses the Murray in three separate areas. So there are three bridges that you would allocate as being in that network that would be the responsibility of the Commonwealth. We are here to get evidence and information from your organisation about all those other ones that you identified in your presentation which are absolutely critical to the local economy, and I am interested to find out whether there is any responsibility being borne by either state government department at the moment?

**Mr Kirby**—The circumstances in relation to those bridges are that they have all been the responsibility of an agreement between the two state governments until now, and I understand that agreement is under review. That agreement, first drafted in 1936, provided for fifty-fifty sharing of maintenance on the bridges. I suggest that at the 1991 Special Premiers Conference when the other road classifications were introduced there may have been an omission as far as border crossings were concerned, because we find ourselves in a situation now where there is a suggestion that, if a local road approaches either side of the Murray River crossing, the bridge automatically becomes the responsibility of the local councils. That, again, introduces a staggering number of jurisdictional issues that we have yet to address.

**CHAIR**—Are the three crossings that are part of the national highway network in a satisfactory condition?

**Mr Kirby**—We understand they are in good condition.

**CHAIR**—And they service the requirements in a satisfactory manner?

**Mr Kirby**—We believe so, yes.

**CHAIR**—Regarding this issue then, a standard question we have been asking in all the public hearings is whether the current national highway system and the Commonwealth's involvement is satisfactory, bearing in mind there is only direct involvement by the Commonwealth in the national highway network, roads of national importance and black spots. Do you think the Commonwealth should be involved in other areas? Do you think there should be different categories?

**Mr Kirby**—If I can go back to our opening comment, we need to take a strategic approach to these Murray River crossings because they have simply been omitted in the past. I know the state road authorities have done enough to maintain the bridges in a condition, but they really are, in our opinion, in the too hard basket. What we would seek to achieve, therefore, is a recognition that the status of the bridges is raised and some form of strategy is developed that enables a long-term replacement program and enables the maintenance funding, at the requisite level, to be provided.

**CHAIR**—At the moment, as far as categorisation is concerned, it seems they are just drifting and

floating, that they do not belong in anybody's bailiwick.

**Mr Kirby**—That is right.

**CHAIR**—And it seems to revolve around the debate over where the state border is. Is there agreement where the state border is? Do the local government bodies in the area acknowledge, between themselves, where the state border is?

**Mr Kirby**—I believe we do, yes.

**CHAIR**—And where is that?

**Mr Kirby**—It is on the high water mark on the Victorian side.

**CHAIR**—On the high water mark on the Victorian side?

**Mr Kirby**—Yes. So New South Wales, theoretically, owns all of the river.

**Mr McARTHUR**—Which side is that?

**Mr Kirby**—On the Victorian side.

**Mr McARTHUR**—When was that decision made?

**Mr Kirby**—I understand it was the subject of a court case where a determination was made in legal proceedings and that has been used as the basis for determining where the border is since that date.

**Mr McARTHUR**—Historically, who has paid for the bridges if they are on the New South Wales side? Has it been a joint—

**Mr Kirby**—There is in place a 1936 agreement between Victoria and New South Wales, which provides for fifty-fifty maintenance.

**Mr McARTHUR**—That is disregarding that legal position, that commonsense and goodwill have worked out that fifty-fifty will pay for the bridge?

**Mr Kirby**—Yes. I think the legal decision came much later than the original agreement.

**CHAIR**—That is fifty-fifty on maintenance. What about replacement? Does that agreement encompass replacement?

**Mr Kirby**—I do not believe it does, Mr Chairman, because there are times when a quite substantial portion of the bridge is a flood plain crossing, for instance and, in many circumstances, the majority of that is in New South Wales. So I believe that special agreements would be required in those circumstances.

**CHAIR**—Has your organisation done any research work into how many of those 27 river crossings can be reasonably maintained and kept in the current condition and how many actually need to be replaced?

**Mr Kirby**—We could not provide a direct answer to that, Mr Chairman. I would be happy to take it on notice and provide information.

**CHAIR**—Could you take that on notice?

**Mr Kirby**—Yes.

**CHAIR**—In the overall scheme of things, it would seem a fairly important bit of information if there is. Obviously, you have done a fair bit of work right along the length of the Murray that is the concern that we are discussing today, but it would be important from a financial viewpoint to say, ‘X number of bridges need complete replacement and this is what it is going to cost.’ Maybe the state departments have some idea; maybe they do not. But if you could take that on notice, I think it would be fairly important.

To your knowledge, has there been any application from any of the local government bodies on either side of the Murray, along the area that we are talking about, for any black spot funding for these bridges?

**Mr Kirby**—I am not aware of any, Mr Chairman, but I would also be happy to take that on notice and provide a response.

**CHAIR**—Could you?

**Mr Kirby**—Yes.

**CHAIR**—It is an important element because, depending on how a particular piece of infrastructure fits into the criteria, bridges can fall into the net of getting funding under the black spots program. It would be interesting to see whether any of the constituent councils in the area have actually applied for black spot funding. But, if you could take that on notice, that would be fine.

**Mr Kirby**—We will.

**Mr McDougall**—Mr Kirby, we note that two of the bridges are privately owned. Could you explain what the circumstances are of those? How did that come about? How do they operate? Who maintains them?

**Mr Kirby**—Mr Chairman, I might ask Geoff LeCouteur, who is here with us today, to respond to that. He is familiar with the circumstances, because they are at this end of the Murray Valley.

**CHAIR**—He is not at the table, so we cannot really take evidence from someone who is not at the table.

**Mr Kirby**—I am not familiar with the circumstances of that one. I know that there are two that are

privately owned, but I am happy to provide that information to the committee on notice.

**CHAIR**—I would appreciate that.

**Mr McDOUGALL**—During this inquiry, we have heard a fair bit about strategic planning. Can I say that some state departments seem to be involved in it and some states seem to think they are going to get involved in it. As an organisation, or all your organisations, have you been involved in any strategic planning processes with either of the two state governments?

**Mr Kirby**—To a very limited degree—not to any depth that enables us to make any statements at this stage.

**Mr McDOUGALL**—Do you know the timetables of those strategic plans and when they are proposed to appear on a public basis?

**Mr Kirby**—No, I am not aware of those.

**Mr McDOUGALL**—Yesterday in Melbourne we had quite a discussion with the RACV and the AAA, because it was a combined submission. They are talking about the development of a federal roads corporation rather than the current system. The federal road corporation would take over both the funding and the planning of the future of road funding. Have you any comments with regard to that or do you know of that proposal?

**Mr Kirby**—No, I am not aware of that, so I am not in a position to be able to comment, I am sorry.

**Mr McDOUGALL**—A lot of these bridges obviously carry private/public and they carry goods. Without knowing the details of them, they would carry obviously all different types of vehicles and probably some of them would be getting up into the double-Bs and maybe even bigger in transport. Where you are getting into large commercial activities where bridges were built originally for, let's say, private transport and now are being asked to carry far greater traffic, do you feel that there should be a contribution paid to either the capital upgrading or the maintenance of those bridges by those commercial operators who are requiring to use them because of the demands on their types of transports?

**Mr Ghiggino**—There is a case made in many places about user-pays, particularly fuel excise, that the road industry perhaps does pay its way. The argument is about the allocation of the funds that are raised from that industry. I think the experience to date, where higher mass limits have been introduced under different environments, is that that industry has been willing to pay some contribution towards the movement to higher mass limits. I think one of the underlying arguments is that perhaps that industry is already making a significant contribution—it is the allocation of those funds that are raised from that industry.

**Mr McDOUGALL**—One could put the argument that, if you are in an urban area and you want to develop some land, you pay for the infrastructure put into that land, whether it be roads, water, sewerage, electricity, and those costs are amortised into the block of land that is sold. If you are going to build a commercial activity in an urban area or an industrial site, you also make contributions. Why shouldn't

pursuits other than in the urban area, let's say in the country area, whether they be rural or mining, make a contribution to the infrastructure as well?

**Mr Ghiggino**—But you could argue that they do if the user charges are based on distance or usage. There is actually more revenue raised, except for the volume answer, by a single vehicle movement over a longer distance which contributes more because of the user-pays concept. But, in direct response, yes, they should make a contribution to the infrastructure.

**Mr McDougall**—Where there is an opportunity for major products to be distributed or moved across the river, are there any options where you could be using rail rather than a road which may overcome the problem of introducing heavier vehicles to some of these bridges?

**Mr Ghiggino**—One of the concerns is the existing rail environment, particularly in the central part of this Murray Valley area. It is part of V-Line. It is a broad gauge system, which is getting increasingly isolated from the standard gauge system. The actual ownership and the operation of those lines are unknown factors at this stage. The Victorian government has embarked on corporatisation and privatisation. So it is interesting to know whether those railways will still be there in three or five years time, in which case you have a significantly increased transport task. But already within the region there are significant intermodal movements. There are a number of intermodal railheads either adjacent or in close proximity to the region and significant tonnage is already moved to the ports on rail.

**CHAIR**—I just might ask Mr LeCouteur whether he would like to come to the table. I think we have fixed up a few of the technicalities. Mr LeCouteur may be able to help us with that question by Mr McDougall that initially was taken on notice.

**Mr LeCouteur**—I will need some clarification of the question.

**Mr McDougall**—Basically your submission said that three of the bridges were Commonwealth—on the Hume, Newell and Sturt Highways. There was one by the Murray-Darling Basin Commission, 24 jointly by the two governments and two privately.

**Mr LeCouteur**—I think that adds up to more than the 27 on our list. The first crossing of the Murray River is actually a ford at Tom Groggin. The next one down is known as Damms Bridge. That is actually the responsibility of the Tumbarumba Shire, but it provides access, I think, to one property only and is in effect a private bridge. There was another further bridge that was omitted from our list which is just upstream from Albury. It provides access to Bonegilla Island, which is part of Victoria, but it does cross the river to get there. Again, it provides access to three properties on that area of land that is separated by one of the outer branches of the Murray.

**Mr McDougall**—My question really was about who maintains them. Whose responsibility are they, whether they are crossings or bridges?

**Mr LeCouteur**—The people who own the property manage the one at Tom Groggin, and the other two referred to are managed by the local council.

**Mr McARTHUR**—Could I just raise three or four issues. Firstly, is the age of the structures a key problem as you see it or is it the increased loading that you mentioned in your opening remarks? I would be interested to get some comments on the type of construction that you are concerned about, be it timber, steel or a newer type of construction. You might add some comments on the particular problem of the size of the Murray in making the crossing compared with other rivers in Victoria and New South Wales. I would be interested to get some comments from each of the witnesses on those matters.

**Mr Kirby**—The majority of bridges constructed in the pre-1930 time frame are timber and steel with some limited use of concrete. What we are finding is corrosion in the steel and deterioration in the timber. The movement generated in the timber provides for a large amount of flexing. Timber is a wonderfully forgiving material. However, it can only go so far. The Robinvale bridge, for instance, requires quite substantial repiling because the foundations are in a reasonably dilapidated condition at this stage.

The majority of materials we are talking about are timber and steel. In many instances, the bridges have a single width lift span, and that was perfectly suitable for the circumstances of the day and it is still suitable in most circumstances today. In fact, some replacement bridges might adopt that standard, albeit they would perhaps be double lane rather than single lane. That is the category we are talking about.

The load factor you refer to: they were designed very conservatively initially, but they are bridges which now are limited to one B-double at a time or one triaxle semitrailer at a time. That imposes some restriction on the efficiency of the structure and obviously over time that will also increase.

**Mr McARTHUR**—When you move from 42 tonnes to 45 tonnes with a B-double, does that provide considerable difficulties for the bridge in terms of engineering impact compared to impact on the pavement?

**Mr Kirby**—Yes, I believe it does. The factor is that you have a static load which is spread over one or two spans, depending on the configuration of the bridge. We are talking about increased loads at the relevant points on the bridge that add to the complexity of the configuration, whether it be from a single triaxle trailer at 45 tonnes or a medium combination vehicle at 65 tonnes which has another set of axles with a load factor associated with it at a different part of the span. All in all, you have increased loads on certain parts of the structure and then the combination of loads over the various spans.

**CHAIR**—Mr McArthur, the point is that the research of VicRoads has found that the increase in mass limits on a truck with six axles is going to be more damaging to a bridge than pavement. So going from 42 tons to 45½ tons on six axles is going to be more damaging than a B-double.

**Mr Kirby**—That is correct. I was actually part of the Mass Limits Review Steering Committee, and I am aware of the research that was done to try to do that. Probably the most significant point to be made there is the fact that there was not enough information to be able to make subjective decisions on those issues, so they are limited to a number of trial situations.

**CHAIR**—With the increase in mass limits, the impact on the bridges that we are discussing here this morning is going to be greater because of the increased load limits. As was found in their research, that increase in mass limits is going to impact more on bridge infrastructure than it is on pavement.

**Mr Kirby**—Because you have the spread of loads over the pavement. With the axle loads, you do not have the concentrated loads.

**Mr McARTHUR**—Do you have a comment on the size of the Murray, or is that just obvious?

**Mr Kirby**—I hope that it is reasonably obvious, Mr Chairman. But it does vary depending on the location, as does the clearance.

**Mr McARTHUR**—And the impact of flooding on the construction?

**Mr Kirby**—To the best of my knowledge, it is reasonably limited. It certainly would be in an awkward situation, depending on materials being borne down by floods. But the majority of cases where that is a problem are under flood plain bridges more so than the actual river crossings.

**Mr McARTHUR**—Just continuing the line of discussion, given an ideal world and that the Commonwealth provided a whole lot of funds, what sort of bridge construction would the group envisage replacing or upgrading these 27 structures you have identified here?

**Mr Kirby**—Some of them do not require replacement at this stage, Mr Chairman. Each bridge is determined by its own circumstances. If I can quote the example of Swan Hill, many years ago planning was done for a new bridge. The new alignment was set and the land was acquired. That provided for an arch bridge, which gave clearance for river traffic as well. Subsequent to that, more work was done and it was determined that it may have been more economical to put in a lift span for the not so regular occasions when clearance was required for river traffic.

A lot of planning needs to be done for the individual circumstances. In many circumstances I believe lift spans would still be an acceptable method because of the very long approaches that would be required to cater for clearance bridges if they were constructed over the river in some instances.

So a quick response to your question is that it would need a lot of detailed planning. The state road authorities are the best qualified to respond to that question in detail.

**CHAIR**—Do you consider that the private sector could have any role to play in developing new bridge infrastructure, particularly if you look at the key bridges that were mentioned before where you have traffic volumes that are getting up a bit—3,000, 1,500, 5,000, 570? Do you think there is any role that the private sector could play in that?

**Mr Kirby**—If I can just correct one of those figures, Mr Chairman. The 1,500 you mentioned should in fact be 15,000. That is the Echuca-Moama bridge.

**CHAIR**—It is a fairly significant typo, isn't it?

**Mr Kirby**—It becomes more significant on that basis.



**CHAIR**—Yes.

**Mr Kirby**—This is a matter that the crossings group has examined, not in considerable detail, because we are relatively new to that concept, but we believe that there would be an opportunity to introduce that. That is why we briefly commented on it in the early part of the submission, whether it would require some form of special tax treatment, for instance, because we do not have the same types of vehicle counts as in a metropolitan area but we do have very high heavy vehicle counts, which would be significant in terms of return of investment on infrastructure. Again, we would like to think that is an option.

**CHAIR**—With daily vehicle movements of that capacity, it certainly is. Going back to the categorisation of roads that the Commonwealth participates in financing, you obviously believe that there is a role that the Commonwealth should play in the upgrading or replacement of some of the bridges along the Murray. I will ask you a bit of a leading question: are you suggesting that the Commonwealth should have the category of roads and bridges of national importance?

**Mr Kirby**—I think that is a very worthwhile suggestion, Mr Chair.

**CHAIR**—It was a nice full toss, I know. Further to that, on the map that you have given us you have identified 27 bridges but you have highlighted three in particular. Is that the priority you put on them?

**Mr Kirby**—Very much so. It is a matter of identification of emerging industries as well. Mineral sands is now an emerging industry in northern Victoria, around the Robinvale area. All of that material is being taken to Tomago, near Newcastle, for processing. Ultimately, we are going to see quite high tonnages, starting at 50,000 tonnes a year across the Robinvale-Euston Bridge. Whilst Ron went through quite a comprehensive list of what we are doing now, there are emerging industries associated with that. That is why we have identified those three major crossings.

**Mr McDougall**—It was put to us yesterday that, rather than the Commonwealth sticking to the national highway and roads of national importance, these two categories should be changed to roads of economic importance which would then expand. The proposal obviously was to expand the catchment of the Commonwealth responsibility. If that were the case, what other roads and obviously bridges in this area would you nominate to come under roads of economic importance?

**Mr Ghiggino**—There would be a number. Part of the question we might have to take on notice. Some of them are obvious. The Echuca-Moama corridor, from an economic perspective, is a developing area with increasing volumes. I would take the rest on notice. There would be three or four which would emerge as economic corridors, and other bridges would be community corridors. I will take that on notice and give you a response.

**Mr McDougall**—I would appreciate that because, if we are going to look at that question that was put to us, it would be helpful to get a better understanding of it.

**Mr LeCouteur**—The vehicle counts give a fair indication of the roads that are getting the most traffic; they also get the most commercial traffic. There would be particular crossings of the river. I would

suggest that ones such as Corowa, Echuca-Moama, certainly the Robinvale-Euston one and also probably the Cobram-Barooga Bridge are increasingly carrying large volumes of freight. That freight is very important for the national economy.

The supermarket to Asia initiative is a great idea, but the transport of those goods to that Asian supermarket actually starts at a farm. Whilst it is very easy to identify major freight on the national highways, that freight starts off in a milk tanker going from a farm to a cheese factory at Cobram or somewhere like that. So I think the direction you are going is very important to us. But it would take quite in-depth analysis to really pick out individual roads and crossings that did deserve a very much higher priority.

**Mr McDOUGALL**—It will be interesting to see that. I will throw it completely to the opposite end of the economic question. The Victorian Farmers Federation put to us yesterday that we ought to get out of roads altogether and give it to the states—just give them the money. What do you have to say about us saying bye bye, giving them the excise that we collect and—

**CHAIR**—Part of the excise.

**Mr McDOUGALL**—And the states taking it from there?

**CHAIR**—Given the current circumstances, it would be interesting.

**Mr McDOUGALL**—On such an important issue that you are raising, I would be interested in your comments of what the Victorian Farmers Federation said.

**Mr Kirby**—I will refer to our opening remarks: unless we have a strategic approach to this, unless it is agreed that it is of national importance, then I think we are going to stay where we are.

**Mr McARTHUR**—I want to ascertain the attitude of the user groups. If they had to put a priority on better roads up to the bridges, or a replacement or improvement of the bridge, what would their attitude be? Along with that, what is the attitude of the two state governments to the border crossing? They are based in Melbourne and Sydney, some distance from the Murray.

**Mr Kirby**—I think it is appropriate to take that on notice because I would not like to go too far with our comments. Whilst we have an opinion, I think it would be better if we provide a qualified comment on that.

**Mr McARTHUR**—I am just getting a feel for what people are saying. Do they want the bridge fixed up or do they want the road up to the bridge improved?

**Mr Kirby**—I would suggest that in the majority of circumstances the road approaches to the bridges are in reasonable condition and suitable for the task at hand. Once we get to the crossing—

**Mr McARTHUR**—There is public and political pressure to repair the bridges and upgrade them?

**Mr Kirby**—Yes.

**Mr McARTHUR**—You can identify that, or it is hearsay? I am not asking for specific evidence, but that is what people are telling you, or the formation of this group indicates that attitude of mind?

**Mr Kirby**—That is correct, Mr Chairman. The reason behind the formation of the group was the concern from the respective local government bodies and then through the regional development corporations to find a mechanism to enable us to do something about these bridges, because of the frustration we have shared in the past.

**Mr McARTHUR**—Have you got an instant response from Spring Street and Pitt Street to these problems?

**Mr Kirby**—Not a direct response.

**Mr McARTHUR**—You might as well have a go; you have got a chance of putting it on the record.

**Mr Kirby**—I go back to my words ‘too hard basket’.

**Mr McARTHUR**—Thank you.

**CHAIR**—I might just wrap up this part of the hearing as we have gone a little bit over time and we want to leave ourselves enough time this afternoon for the inspection. I am sure there will be opportunities for more informal discussion as we do that. We need to have incorporated the map of the 27 Murray River crossings. Is it the wish of the committee that the document be incorporated in the transcript of evidence? There being no objection, it is so ordered.

*The document read as follows—*

**CHAIR**—We accept the video also. There were a number of questions taken on notice; and I think you have got a record of all of those. If you could respond to the committee secretariat as soon as you can put some answers together, that would be very helpful. If there are any further questions that the committee may like to ask as we go through the process of developing the report, which we will be tabling in November, we will put those in writing to your organisation and you might be able to respond. Thank you for the quality of the submission and also the presentation of the evidence this morning.

**Mr Kirby**—Thank you very much for the opportunity, Mr Chairman.

[11.29 a.m.]

**CORBOY, Mr John, Member, Goulburn Valley Highway Action Group, c/- Transport Workers Union, PO Box 203, Port Melbourne, Victoria 3207**

**HEINZ, Mr Tony, Member, Goulburn Valley Highway Action Group, c/- Transport Workers Union, PO Box 203, Port Melbourne, Victoria 3207**

**NOONAN, Mr Bill, Spokesperson, Goulburn Valley Highway Action Group, c/- Transport Workers Union, PO Box 203, Port Melbourne, Victoria 3207**

**CHAIR**—Welcome to this morning's hearing. Gentlemen, we have received your submission to this inquiry. Would you like to make an opening statement?

**Mr Noonan**—Yes, thank you, Mr Chairman. We appreciate the opportunity to come this morning and talk to you about the Goulburn Valley Highway. As Tony Heinz and John Corboy have said, we represent the Goulburn Highway Action Group and the union, after the convening of the general meeting, which was held in Shepparton in November of last year, took over the secretarial role of the group. The action group contains representatives of the business council, transport operators, representatives of the fruit industry, the Shepparton Chamber of Commerce and Industry, local politicians, local transport workers, the City of Greater Shepparton, bus operators, the medical profession and, of course, the union movement generally.

It would be fair to say that few issues could generate such a strong agreement and commitment from the local area in all of our dealings with the local people in respect of this issue—the meetings, the petitions that have been forwarded, et cetera—and I think you have had a few letters from a number of people—

**CHAIR**—A few hundred!

**Mr Noonan**—I think it is a very important issue to us all and I am glad that they were forthcoming. We have also had support, as I indicated, from Bill Baxter, Ken Jasper, Don Kilgour and Noel Maughan from the Victorian parliament, and Sharman Stone and Fran Bailey from the federal parliament. Sharman Stone came and addressed the public meeting. We have also had the active support from the Minister for Roads and Ports, Mr Craige. He has indicated to us that, in his view, the duplication of the Goulburn Valley Highway is a key priority for the Victorian government—and that has also been conveyed to your inquiry.

Our task as an action group is to simply transform the widespread support into action. We see there is a clear need for the government to take responsibility for the appalling condition of the Goulburn Valley Highway. The condition of the road has been condemned by a lot of people and representatives of all governments—federal, state and local. It is simply now a question of us all doing something about it.

Quite simply, this highway, which has been determined as a national highway, falls in the bailiwick of the Commonwealth government and we feel that there have been insufficient funds forthcoming relevant to that declaration. There is no value in declaring something a national highway if we do not move to recognise that in our funding program.

On page 5 of our submission, we note the human toll stands in pretty stark reality to it all. We have a road of 90 kilometres in length. In the period 1994-96 we had 147 accidents and 485 people were involved in those accidents. Of the 485 people, 236 were injured and there were 18 deaths over four years. The report says 17 but there was a subsequent one.

It has been indicated to us that the duplication of the Goulburn Valley Highway would see those numbers reduced by 85 per cent. We are hopeful that the committee will come to Shepparton. If there is time for the committee to come to Shepparton, we would welcome that opportunity for you to be there. We would like you to have a look at it first hand if you have the opportunity. What you will see will be narrow sections of road, uneven surfaces, poorly maintained bridges, crossroads, turn-offs and unsealed roadsides. I think it would be fair to say that a number of the fatal accidents can quite clearly be contributed to the circumstances of the road. We have seen minor improvements made to some sections of the road, but the benefits are only marginal and they do not deal with the increasing demands made on the road.

In respect of the economic links—and we refer to this in our submission in some depth—the Goulburn Valley Highway is really a major artery and a linkage for central Victoria and Brisbane and interstate. Shepparton is a transport hub for eastern Australia. Trucks constitute 25 per cent of the traffic along the Goulburn Valley Highway. That is a big number—25 per cent. This percentage increases at peak times, day and night. The road is subject to fog and bad weather conditions from time to time. Indeed, 25 per cent of the heavy commercial vehicle registrations are actually in the Goulburn Valley-Shepparton region. We say that the Goulburn Valley Highway is a missing link in the national highway system. It is relevant to a connection with the Hume Highway, the vital corridor to Tullamarine, and a connection with the Western Ring Road and Foxerco.

Mr Chairman, there is a letter in the mail to you from the Managing Director of Linfox, Michael Brockhoff, to support our attendance here today and our concerns regarding the Goulburn Valley Highway. What they are recognising is that Shepparton really is the nation's fruit bowl and southern transport hub. It is very important for us to recognise the medium- and long-term benefits and not just dwell on short-term benefit cost ratios regarding, for instance, taking out the right-hand turn at the Murchison turn-off. We see it as very much more of a strategic issue.

The transport industry is worth \$300 million per annum to Shepparton and \$1.8 billion worth of goods and services are produced per annum in the Shepparton area. The opportunity exists to increase that by threefold by the year 2000 and beyond, but it is reliant on the development of road infrastructure to cope with the additional transport needs. Mr Corboy can talk about the multiplier effect of those numbers.

The Goulburn Valley Highway is also a vital tourist link from Melbourne to Shepparton and for travellers to Queensland linking with the Newell Highway. Yesterday we were talking about the Geelong Road linking to the Great Ocean Road. The Goulburn Valley Highway is a link to the north for Melbourne people. The result, of course, of this is heavy bus and coach traffic at holiday times and a large number of caravans. That is another addition to the cocktail.

Therefore, in simple summary, we say that the challenge is to motivate activities so as to ensure that full responsibility is taken for this missing link in the national highway system. It requires a recognition; we

are looking for the Commonwealth to clearly look at the Goulburn Valley Highway and recognise its inadequacies and develop a vision regarding the Goulburn Valley Highway for the future. It requires an appreciation of the road trauma which exists and which will grow and the need to recognise the developing economic trends and the contribution to Victoria and Australia by the Goulburn Valley region. To pick up a point we made yesterday, we see it clearly as a road of economic importance.

The other witnesses can elaborate on their individual areas. It would be fair to say that I am sorry about all of the earlier letters, but I think there is another raft of them coming your way from local business people and others who have picked up the issue relevant to the work of the action group. I applaud that because it is an issue that I think is necessary for the local people to say to the government, 'It's time to come to terms with this national highway and let's all do something about it.' Thanks very much.

**CHAIR**—Thank you, Mr Noonan. Would your colleagues like to make a comment or are they just happy to answer questions?

**Mr Corboy**—I am happy to answer questions.

**CHAIR**—Okay. The first point is that the Goulburn Valley Highway is a part of the national highway system, as you have pointed out. Are you aware of where the Victorian government has that on its priority list as far as Commonwealth funding that comes through for the national highway network in Victoria is concerned? Where does it have this section of road placed on that priority list?

**Mr Noonan**—I think the answer to that question is that there are probably three priorities. I think they see the completion of the Western Ring Road, the development of the Geelong Road, the Princes Highway and the Goulburn Valley Highway being on their priority list. Where the Calder Highway fits into that, I am not sure; but I think it would be reasonable to say that it is probably getting adequate funding as it is going along. Certainly the Western Ring Road, the Geelong Road, the Princes Highway—

**CHAIR**—Are they parts of the national highway network, though?

**Mr Noonan**—I don't think the Geelong Road is part of it at this stage. The question, I think, was what does the Victorian government see as their urgent areas. I think they are probably the important areas that they see.

**CHAIR**—But as far as the direct Commonwealth funding that comes to Victoria for the national highway network—

**Mr Noonan**—I think, in terms of that, we are probably talking about the Western Ring Road, the Calder Highway, the Scoresby bypass and the Goulburn Valley Highway all being in it. Although Mr Heinz has a document which refers to the Goulburn Valley Highway as being high on their priorities. We had a meeting with the Minister for Roads and Ports and we tried to pin him down to the extent of him saying to us quite clearly that the Goulburn Valley Highway was the No. 1 priority. Unfortunately, all we could reach was that it is a priority rather than being the No. 1 priority.

**CHAIR**—A priority, not the priority.

**Mr Noonan**—Absolutely.

**CHAIR**—What sort of length of road are you talking about, this section of the Goulburn Valley Highway that needs—

**Mr Noonan**—As I indicated in my submission, the bit from where you come off the Hume Highway at Seymour to Shepparton is about 90 kilometres. We see it starting at the Seymour end and pushing north.

**CHAIR**—So it is about a 90-kilometre—

**Mr Noonan**—A 90-kilometre bit. It goes through Nagambie and through one other little town.

**CHAIR**—What planning has taken place so far?

**Mr Noonan**—My understanding is that VicRoads are right to go. All of the road reservations are protected—if that is the right word. The plans have been drawn for the duplication and it is simply a matter of someone just ticking the money off.

**CHAIR**—It is a duplication within the existing corridor?

**Mr Noonan**—Yes.

**CHAIR**—For the entirety of that 90 kilometres along that corridor?

**Mr Noonan**—Yes.

**Mr Heinz**—Not necessarily. At the present time, VicRoads have determined the corridor between Seymour and a 20-kilometre stretch to south of Nagambie. What they would aim to do, if the funds became available, is have a continuous process whereby they would start there and then, as that particular area became duplicated, they would move up the highway. At present they have plans and planning seminars, et cetera. The route around a couple of the areas have not been determined as yet, but the process is certainly in hand.

**CHAIR**—Have any costings been done on that 90-kilometre section?

**Mr Heinz**—There have been costings. VicRoads have told us that it would cost between \$35 million and \$40 million a year, for seven or eight years, to duplicate from Seymour to Shepparton. That is without bypassing Shepparton; that is a complete different issue.

**CHAIR**—That is a separate issue. The section of road that your group is talking about is the Seymour to Shepparton section?



**Mr Heinz**—Exactly.

**CHAIR**—What are we looking at—\$250-odd million?

**Mr Heinz**—Yes.

**Mr Noonan**—Mr Chairman, I do not know whether you have a copy of this document—the Goulburn Valley Highway strategy document of VicRoads, dated July 1993.

**CHAIR**—No, I do not think that the committee has a copy of that.

**Mr Noonan**—May we tender that to you?

**CHAIR**—Yes. I am sorry to labour points along the way, but we just need to get some of this information on the public record because of the current structure. I suppose it leads me to the question: is your group satisfied with the current structure as far as the Commonwealth is concerned, whereby the Commonwealth participates in national highways, roads of national importance and black spots? They are the three areas of direct funding that the Commonwealth participates in. This piece of road that you are talking about does fall within the category of national highway. Is your group satisfied with the Commonwealth's involvement in that area—in that framework?

**Mr Noonan**—We have not discussed strategic issues like that in depth. I guess we ought to. But, quite clearly, it is a road of economic importance. I think Mr McDougall asked a question regarding the National Farmers Federation believing the Commonwealth should move completely away. That would be completely out of step, I believe, with our view. National highways do not stop at state borders. You could have bits and pieces and you would be back putting railway lines and different gauges all over the country.

**CHAIR**—That is what we suggested to the Victorian farmers yesterday.

**Mr Noonan**—I did not hear that, but I can understand that. I think, quite clearly, this issue stands up on its strategic feet in terms of the road trauma, the economic development and the tourism, so we would see this very much as a Commonwealth issue.

**CHAIR**—And, of course, from there, it is a matter of the way the structure is at the moment and the dollars that are being allocated to each state for work on the national highway and then the allocation from there and the negotiations between. As far as the strategic planning is concerned, the process that has taken place, the road reservation that has been organised and the plan to predominantly duplicate the existing alignment within the corridor, your group is quite satisfied with that. You just want to see the work completed?

**Mr Noonan**—Yes, quite clearly, that is the position.

**Mr McDougall**—I have a map here that does not show Nagambie. Can you just tell me where it is? I have one that shows Murchison East.

**Mr Heinz**—It is about half-way between Murchison East and Seymour.

**Mr McDOUGALL**—So Nagambie would be the road coming in from Heathcote?

**Mr Heinz**—Yes. That is a road coming into Nagambie. That is not the highway, of course.

**Mr McDOUGALL**—No, but I am saying that is where Nagambie is. I was just trying to get some idea of these figures in relation to traffic volumes. I see that the highest traffic volume that you have produced is between Nagambie and Seymour. So you are suggesting it starts from Seymour and goes north, trying to pick up those volumes?

**Mr Noonan**—Yes.

**Mr McDOUGALL**—The percentage of commercial vehicles is around the 20 per cent mark?

**Mr Noonan**—Yes. I do not want to belabour the point, but at various times of the day that percentage would rise relative to the—

**Mr McDOUGALL**—That is an average; I appreciate that. Of those commercial vehicles, what is the majority type of vehicles? Are they single semitrailer or are they double-Bs? What are they?

**Mr Noonan**—If you look at page 10 of our submission, I think you will find that the greatest majority are semitrailers. Page 9 tells us there are a lot of rigid trucks, but the trucks actually doing the transshipment would be currently semitrailers and grow into B-doubles. That is the trend, as I think we were talking about yesterday.

**Mr McDOUGALL**—You have also mentioned that you were looking for a duplication. So you are looking for two carriageways, one north, one south—a divided road. In your submission, I notice that you are talking about an existing road having narrow pavements and being narrow now. Does the \$250 million—or somewhere around that—which the Victorian government says it will cost to build include fixing up the existing road or is it simply just to build the second road? If the pavement is narrow, I would read that even on a two-lane road that would still be narrow.

**Mr Heinz**—It involves both. It involves fixing the current road but it also involves another carriageway.

**CHAIR**—I understand it was in the early 1990s that the Goulburn Valley Highway was adopted as part of the national highway. So from whenever that was in the early 1990s up to now, has there been any work done on this section of road as part of the national highway network?

**Mr Heinz**—There has been some improvement with shouldering. There have been some grants from the federal government. There has been a \$6 million grant for another bridge entering Shepparton, which is not really the highway—well, it is the highway, but it is urban rather than rural—and that work has commenced. The rest of the work I think is just normal maintenance on a road that really needs a lot of

maintenance because it goes through a lot of flood-prone country and it just was not built for the type of traffic that it is carrying now.

**CHAIR**—Would you say the current maintenance project that is conducted by VicRoads on this particular piece of highway is satisfactory?

**Mr Heinz**—Look, the highway is not satisfactory. I do not think you can say that the maintenance is satisfactory because you are dealing with a flawed product at the start.

**CHAIR**—The point I am getting at is that, in some instances around Australia we have found that, where a particular piece of road is part of the national highway system, the relevant state governments and state departments ignore it and do not do any work. It is only when they might get some Commonwealth money coming through, bearing in mind that the national highway money coming through from the Commonwealth comes through as a lump sum, that they organise the priorities as to where it is spent. Is there any maintenance carried out by the state department?

**Mr Heinz**—Certainly, yes. They are not huge potholes on the road—that is not the problem. The problem is the width of the road and the fact that it is a single highway carrying trucks.

**CHAIR**—Yes, I understand that.

**Mr Noonan**—And the shoulders are soft, rolled blue metal. It is a bit like painting the Sydney Harbour Bridge—you get to one end and you have got to start again. Now, in that situation some of it always is going to be a bit unsatisfactory.

**Mr McARTHUR**—Mr Noonan, you have been advocating that the upgrade of the Geelong Highway may be \$200 million and we are saying \$250 million here. Given there is a limit of funds, how would you see the priorities? I just mention that, for the Barkly Highway at Mount Isa we received very strong submissions to spend considerable funds on that. The difficulty facing all governments is how we might run the priorities. How would you see the priorities?

**Mr Noonan**—The situation is that, yes, certainly we are advocating an upgraded Geelong Highway. I am very attracted to the argument that Victoria pays 25 per cent in fuel excise and gets 16 per cent back. I think we have been a bit of a poor relation in respect of road funding from the Commonwealth government. I am not laying any blame at the current government; I am talking about governments generally. As long as I have been an official in this organisation, I seem to have been in arguments with federal governments about road funding. But if you take the Geelong Road and you take where Linfox are going to establish at Avalon, and you take where the ring-road is and Tullamarine Airport is, and you take the opportunity for produce from the Shepparton area, for the life of me I cannot understand why we are not trying to capitalise on that as Australians. That is going to be an enormous opportunity for us to be able to grow and pick in Shepparton, put it on an aeroplane and virtually have it somewhere in Asia on the same day. It seems to me to be logical.

**Mr McARTHUR**—So you would be looking at \$450 million for upgrading the Geelong Road and the Murray-Goulburn?

**Mr Noonan**—I think we are talking about—and Mr Corboy is certainly across the numbers better than me because he represents the Bonlacs, Murray Goulburns and people like that—the possibility of \$5 billion worth of exports from this area. It seems to me that is something we should try to capitalise on. If the infrastructure is developed, it will be developed forever. It is not as though you put the road in and it goes away. It will be there forever for us all to capitalise on.

**Mr McARTHUR**—So you would be running the argument of making the Goulburn Valley Highway connect into the Western Ring Road? Having spent that amount of capital, you would see it as an adjunct to and an improvement on that already existing infrastructure?

**Mr Noonan**—Absolutely. I might have made the comment yesterday that that is absolutely right. I think we are denying ourselves a great opportunity if we do not.

**CHAIR**—Mr Noonan, your submission notes that the use of a cost-benefit analysis may not reveal the true worth of upgrading roads such as the Goulburn Valley Highway. To reach that point and that conclusion in your submission you must have done a cost-benefit analysis on this piece of road—or someone must have. Can you give us an indication of what that was?

**Mr Noonan**—I think what we were referring to was that the strict cost benefit analysis performed by organisations like VicRoads tend to be reliant on things like travel time. In doing a benefit-cost analysis for the area between Shepparton and Seymour, given that the proposed duplication follows the existing road fairly closely and has a bit of a deviation at only that hard right-hand bend at Murchison, what you do with that duplication is you iron out that turn. So with a benefit-cost ratio, we say using the principle of travel time and distance might not stand up to scrutiny but, if you add to it the social costs of the 18 deaths in four years and the 430 people involved in accidents, and the possibility of the threefold expansion in business as a result of it, I think it stands up very well. That is what we mean.

**CHAIR**—Thank you. I know this is a separate issue, but are there any indications of the cost of the Shepparton bypass, or has any planning been done on that?

**Mr Noonan**—There has certainly been planning done on it. Mr Corboy might like to speak on that.

**Mr Corboy**—I could not tell you the figures. At the moment they are going through the consultation phase. They have three corridors identified. The one to the west looks like the one that is going to be it at the end of the day. Off the top of my head, I cannot give you those figures but they are available.

**CHAIR**—Obviously, because it is part of this road network, it is also part of the national highway system and it is going to require Commonwealth funding. I cannot remember whether you got a direct question, but I will give it to you now. You are aware of the comment that was made by the Victorian Farmers Federation yesterday. What would your attitude be to the Commonwealth divesting themselves of all responsibility in the decision making process and just handing a lump sum of money over to each individual state for them to spend on roads regardless of whether they are national highways, RONIs, state arterial roads or local roads?

**Mr Noonan**—From my own point of view—and I believe I speak on behalf of the committee—the position quite simply is that would be foolish. We see ourselves as one country. It is a national highway system and you just need simple strategic planning to come to terms with where the money should be best spent. The Goulburn Valley Highway basically is a bit of the road between Melbourne and Brisbane, when all is said and done—the same as the Hume Highway is. The Hume Highway does not stop at the Wodonga-Albury border, does it? It goes on to Sydney. I think that would be a crazy thing for us to be contemplating.

**Mr McARTHUR**—Can you give us some relativities on the Victorian section of that highway and the section in New South Wales?

**Mr Noonan**—In respect of the Hume?

**Mr McARTHUR**—No, in respect of the Newell.

**Mr Noonan**—With respect to its condition?

**Mr McARTHUR**—The Murray-Goulburn section compared with the other section in New South Wales. Do you think it is a long way behind, fair or—

**Mr Noonan**—I think that, in terms of the traffic that it carries, it is a long way behind where it ought to be. A study was conducted with respect to the bit of the Goulburn Valley Highway above Shepparton—and I might be able to give you the reference. It was performed by Nelson English Loxton Andrews. They have done a study on the whole section of the road between Melbourne and Brisbane, and I think that might be useful for the committee to have a look at.

**Mr McARTHUR**—So what were they saying, that this is the worst section?

**Mr Noonan**—I think it would be extreme for me to say that, but they were saying quite clearly that, given the pressure on the road between Shepparton and Melbourne, this was the section that needed a high priority in funding.

I think we are looking at it from two perspectives. Shepparton generates a lot of traffic and receives a lot of traffic, because of the fruit growing, the SPCs, the Bonlacs, the Murray Goulburns. But it also has a huge degree of through traffic in that a lot of the road transport operators actually stage and change drivers in Shepparton. So it is Brisbane to Shepparton, change drivers, Shepparton to Melbourne, back to Shepparton, so there is a twofold operation in Shepparton. And this is the bit that the greatest pressure is on, Shepparton to Melbourne.

**Mr McARTHUR**—Would you care to make a comment on the relativity of the Hume to that highway, in terms of interstate movements?

**Mr Noonan**—In terms of numbers, quite clearly the Hume would carry more, but we have got a duplicated highway from Melbourne to Wodonga, which is how we see the Goulburn Valley Highway ought to be.

**Mr McARTHUR**—Just to finish off, if you did improve the Goulburn Valley Highway, would that then take a bit of the traffic off the Hume Highway, say, going to Brisbane?

**Mr Noonan**—No, I do not believe so. I believe that they are separate traffic streams.

**Mr Heinz**—It certainly would take traffic off the other roads in the area. The accidents that occur that are documented here are the accidents that have occurred on the Goulburn Valley Highway. Other accidents occur on surrounding roads and highways—you have got to remember that the Midland Highway comes into Shepparton, and there are a number of other roads—because the cars and the trucks are driven to these supplementary roads, because of the standard of the Goulburn Valley Highway.

So there is this effect that cannot be documented, but it occurs. People are using secondary roads because of the problem with the highway. And accidents happen; people are killed, people are injured and so on.

**Mr McDOUGALL**—Could I just follow up with a question in regard to the impact north of the river? What I am trying to do is find what is the economic growth potential that you are talking about in the valley in terms of possible exports is going to do in terms of volumes on the road. On the figures that you have given us here, what percentage of those figures in truck terms are simply related to goods coming out of the Goulburn Valley area? Obviously a lot of those 5,000 to 6,000 movements of vehicles come from north of the river. And what sort of volume increase are you looking forward to in the economic growth of the area which will add further traffic to the road within the Goulburn Valley area?

**Mr Corboy**—First off, in an export sense the whole lot of it goes south. It goes to Seymour, the section of the road we are talking about. But to understand the Goulburn Valley and the potential, you have to go back a few steps and understand the make-up of the Goulburn Valley. At the moment, we have six of the eight major food processors located in the Goulburn Valley, so it is primarily driven by agriculture as such.

We are very unique in Australia in the sense that we have abundant water, and in the driest continent on this earth that is starting to make a big play. We are finding that, as agriculture is being developed, we are growing at a faster rate than anywhere else because of the issues we had. Some pure statistics are that we produce 25 per cent of Australia's milk, for example; we produce 95 per cent of Australia's canned fruit; 100 per cent of Australia's fresh export pears. So the potential growth there is very much relative to what sort of infrastructure you have in place.

We have got the players there. The people I represent—such as the chairman of SPC, who is on our executive, the chairman of Bonlac, the manager of Campbells Kraft, Ardmona Foods—have spent, between them, \$320 million in the last four years on capital expenditure. But it gets to a stage where there is no use spending it if you cannot get it in a competitive manner to where it has to go. There is no doubt that the growth is there, the business is in place, they put the infrastructure in place, and, to be frank, as business people we are starting to wait for you to do your part in it. It is, as I would understand it, a partnership and, with the highway the way it is at the moment, your side of the partnership is not being held up. We have got our infrastructure, we have spent our money and we have got the growth potential, but we have to be able to move it in an economical and safe fashion, which we cannot with the highway the way it is at the moment.

**Mr McDOUGALL**—You do not know what the volume of transport is coming out of that area as opposed to what is coming through the area? That is what I am trying to find out.

**Mr Corboy**—The study has not been done. If you want an estimate, it will be well in excess of 80 per cent, because bear in mind those transport companies are located in the valley. Knowing the transport companies personally, most of them access the big players, the SPCs, the Bonlacs, et cetera. They are their clients.

**Mr McDOUGALL**—We are talking about the Newell Highway, coming down from New South Wales, are we not?

**Mr Corboy**—If you have a continuation from Shepparton heading north you are.

**Mr McDOUGALL**—That is right. What you are saying to me is that 80 per cent of that 6,000 is originating in the Goulburn Valley and only 20 per cent is coming from New South Wales, in heavy transport terms. Are you saying that that is all the traffic that is on the Newell Highway from Melbourne through north? It does not sound right to me. When I drive the Newell Highway there seems to be a lot more traffic than that.

**Mr Corboy**—Whereabouts are you, though? That is all relative to where you take your position from. There is certainly a lot of traffic on the Newell Highway and a lot of it goes off via Wagga, the highway goes to Melbourne from there. You have got a lot that switches off, goes to Bendigo, goes to Echuca, goes to Adelaide. Where we are coming from is very specifically in our backyard, and as an operator I can tell you there is not much comes in to Shepparton, from north, as what goes out and comes in from the south.

**Mr McDOUGALL**—What I am trying to do is help you. I am trying to find out some facts, because if we are going to argue with the Victorian government as to why they have not got it on a higher priority list you have got to fight with some facts. It is just that these facts seem to indicate to me, and you are telling me, that there is very little heavy transport traffic coming into Victoria via the Newell Highway using the Goulburn Valley. What I am trying to say is, if that is a fact, is that one of the reasons the Victorian government has not got it on a high priority list, because it does not have enough traffic on it under their warrant system to enable the upgrade to be put on a higher priority list?

**Mr Noonan**—I think if you take the argument through you are probably right in terms of numbers and balance. I think what it would be useful for the committee, and we could arrange this for you if you wish, we could give you general freight tonnages which emanate from the various capital cities. I think you will find that Melbourne is the biggest generator, followed by Sydney. Brisbane is about one-third of what Melbourne generates, South Australia is about half of what Melbourne generates and Western Australia is about one-fifth. So it all starts in Melbourne. I think you were saying yesterday about Melbourne being the transport hub.

If you line up the various places you go from Melbourne with that freight, certainly the Hume Highway would be the busiest. It is duplicated. Melbourne-Adelaide is a very heavily populated run, so that is obviously being subject to some work, and the Bendigo road, the Calder Highway, is getting quite a deal

of work. We say that the Goulburn Valley Highway is being neglected, and I guess for the reasons that Mr Corboy says; I suppose it has been neglected for the wrong reasons. I think probably a lot of the freight is coming from the other end and coming in, rather than going the other way. In terms of balance, certainly you would be right. There would be much less coming from Brisbane through Shepparton, simply because the amount of freight that is generated in Brisbane is different.

**Mr McDougall**—What you are also saying is that the reverse is the same, too—that the freight going to Brisbane from Melbourne, which would be of considerable volume, is not going through Shepparton?

**Mr Noonan**—Yes. What I was trying to say before was that a lot of trucks change in Shepparton, but there is an enormous amount of freight that actually has an origin and destination in Shepparton.

**Mr McDougall**—That is what I was trying to get at. You are saying it is as high as 80 per cent of this total volume?

**Mr Noonan**—Yes. And because of the capacity of the Melbourne port to handle it, and the Melbourne airport not having a curfew and Foxerco at Avalon not having a curfew, it will simply rise.

**CHAIR**—What is the travelling time for transport running down to Avalon from Shepparton?

**Mr Noonan**—In round terms, about two hours.

**CHAIR**—That is a one-way trip?

**Mr Noonan**—This is Shepparton to Avalon?

**CHAIR**—To the airport.

**Mr Noonan**—Right down to Avalon. It is an hour and a half to Melbourne.

**Mr Heinz**—It is two hours from Shepparton to Melbourne and then you would be looking at another hour. Are you talking about heavy transport?

**CHAIR**—I am talking about taking fresh produce out of the Shepparton area to be airfreighted out of Avalon.

**Mr Heinz**—John could probably answer this, but I would estimate 3½ to four hours.

**Mr Corboy**—It would be a minimum of three hours.

**CHAIR**—That is what Avalon is being set up for, isn't it?

**Mr Noonan**—That is right.



**CHAIR**—At the moment, a lot of your fresh produce going out of that region would be going out of Tullamarine, wouldn't it?

**Mr Corboy**—Yes, but a significant proportion will continue to go out of Tullamarine because that is where you can get your charter on your commercial flights. So Tullamarine—

**CHAIR**—So what you are saying is that there is a lot more flexibility by going to Tullamarine?

**Mr Corboy**—Tullamarine is always one where the smaller parcels can go, and a lot of airfreight going out of the valley is in reefers in sea containers because of the pure economics and pure volume. The other part is being built. Avalon is going to increase the ability to do that because of the shortage. We come a second best to Sydney. Some stuff that comes out of Shepparton has to go to Sydney to pick up airfreight at the moment. There is just not enough on the commercial liners.

**Mr Noonan**—There is a plan at the moment to build a large cool store at Tullamarine to complement the Melbourne airport and take advantage of the 24-hour operation.

**Mr Corboy**—The Victorian government has been very proactive in the export of fresh produce to the extent that they are putting money into infrastructure and encouraging money in those areas.

**CHAIR**—We are running shy on time because we have an inspection this afternoon and everybody wants to have a cup of coffee and lunch, but I have one final question. Given the current structure of things—and you seem to agree that we should be staying with the national highway system and the Commonwealth's involvement that way—if you had the opportunity to suggest that the Goulburn Valley Highway should be upgraded at the cost of \$250 million, which other project that VicRoads might have higher on the priority list would you suggest they knock off? Would it be the Eastern Ring Road?

**Mr Noonan**—No, but I think that is a reasonable sort of leg break. I would have to say from my perspective that I would not be looking for them to knock off anything at all. I am a Victorian through and through, and I see an expansion of my state and the need to build that ring-road, which ought to have been built about 20 years ago.

**Mr McARTHUR**—And knock off Queensland, do you think?

**Mr Noonan**—I think Queensland or Western Australia. But we should not make light of it because there is an enormous road trauma situation involved in this. I really worry that the longer the Goulburn Valley Highway stays in its current state, in particular with winter coming on, the more we could find ourselves having serious accidents and injuries. I would simply say to the committee that they are all as equally important for all sorts of different reasons. We just need a proper addressing of the issue.

**CHAIR**—There are different ways and means by which the Commonwealth deals with these things. With the change of government last year, there was the establishment of the roads of national importance. It seems that the community generally is still tussling with the idea that roads of national importance are also parts of the national highway system—and this seems to be one of them.

In our inquiries around Australia we have found probably half a dozen links of national highway—around 100 kilometres long—that need attention. But it is a partnership arrangement, and the states are saying to us in this inquiry that the Commonwealth should give them the money for the national highway system and then get lost—get out of the planning of it, don't interfere, don't prolong the planning process by three months by having Commonwealth engineers and experts involved as well as the states.

But what is also coming out is that, if we do that, projects like the Goulburn Valley Highway might not see the light of day. If the Commonwealth goes to the Victorian government and says, 'Okay, we're prepared to do this project over a five-year period on a fifty-fifty basis,' there is going to have to be a decision made somewhere down the line as to what else gets shuffled back down the list a bit, what goes off the agenda. At that point, organisations such as yours are going to have to make a decision and say, 'We're backing this for the top priority.'

It really is a matter of finding more innovative ways of providing infrastructure, and that is the difficulty. We are not sticking up for the government because this is a parliamentary committee, but we have to recommend to the parliament the direction we think governments of the future should be taking in funding some of these projects.

If there was not such an enormous call on revenue in other areas, it would be great to hypothecate every cent of fuel excise to roads. We would have the best roads in the world with the amount of money that road users pay. But previous governments have not set up the taxing regime in that manner.

But that is the point. It seems, on the indications that have come forward, as though there needs to be a bit more commitment from the state as well. So what you are suggesting by not pushing the state government to push it up that priority list any further is that there should be a bigger piece of cake coming to Victoria on national highways?

**Mr Heinz**—I don't think there is any doubt about that, Mr Chairman. The *Herald Sun* published a report last week from Austrade in which they claim in that report—and I have no reason to doubt their claim—that country people are overpaying their road use by \$2 billion and city people are underpaying their road use by \$3 billion—this is per year. I think your question to Bill Noonan is a reasonable question, but we would say to you, 'Look, all these projects need attention. We feel the Goulburn Valley Highway is certainly our top priority. We understand that it is a key priority to the state government.'

We have spoken about the economic situation—fine. I am a general surgeon. I have to look after the people that come in from these smashes that need not occur. I have statistics from the office of the Minister of Transport that states that a duplicated highway will reduce fatalities by 85 per cent.

That means that, of the people that have been killed, probably eight or nine would have survived in the last 12 months. We have lost one per month—not recently, but certainly up until January—and that is just tragic. It is tragic because a lot of these people are local people and the impact on the local community is devastating—particularly the accident before last where two little kids were killed. Their father was left with spinal injuries, the daughter was left with head injuries.

That impact on the small community that they were part of is just something that, unless you actually know the people and know the community, you cannot appreciate. That is why we feel that the Goulburn Valley Highway should be, as far as we are concerned, a high priority. We need the money, we need the duplication to avoid the accidents and to advantage from the economic benefits that have been explained, I think, fairly well to you.

**CHAIR**—I appreciate that, and I am fully empathetic with that point of view because I come from the Pacific Highway and we have experienced over a lot of years similar sorts of trauma. But the point is, and I put it to you again—and I am not sure whether Mr Noonan was there yesterday—that in the evidence that was given by the Business Council of Australia, if they had their way in organising priority road funding in Australia, it would be done purely on cost-benefit analysis. It is in the evidence that they told us yesterday, you would not spend money on regional roads. My personal view on that is that it is an outrageous point of view, but that is what was put to us yesterday.

**Mr Heinz**—I suggest they come and spend a weekend in the casualty department of the Goulburn Valley Base Hospital.

**CHAIR**—Yes, maybe a few of their economists should.

**Mr Corboy**—I have another point. They are undervaluing the benefit to their employees. You cannot run a business without people, and everything Tony is talking about reflects on business. I have been involved in companies that have lost people in road accidents and there is an effect on the bottom line anyhow—taking the emotion out of it. So if the Business Council is saying that, they had better get back out in their factories and understand what it is all about, because it is not that way.

**CHAIR**—We are going to have to wrap up, because we have gone a bit over time. Were there any questions taken on notice?

**Mr Noonan**—No.

**CHAIR**—We will check to see whether we have already received that as an exhibit. Otherwise, it will be taken as an exhibit. If that is done, then it is a public document, so it can be taken—

**Mr Noonan**—It is a public document.

**CHAIR**—I would like to thank all the witnesses who have appeared this morning.

Resolved (on motion by Mr McDougall):

That, pursuant to the power conferred by section 2(2) of the Parliamentary Papers Act 1908, this committee authorises the broadcasting of this public hearing and the publication of the evidence given before it at public hearing this day.

**Committee adjourned at 12.17 p.m.**