

TRANSCRIPT

STANDING COMMITTEE ON THE ECONOMY AND INFRASTRUCTURE

Inquiry into infrastructure projects

Melbourne — 20 April 2017

Members

Mr Bernie Finn — Chair

Mr Khalil Eideh — Deputy Chair

Mr Jeff Bourman

Mr Nazih Elasmr

Ms Colleen Hartland

Mr Shaun Leane

Mr Craig Ondarchie

Mr Luke O'Sullivan

Participating members

Mr Greg Barber

Ms Samantha Dunn

Mr Cesar Melhem

Mr Gordon Rich-Phillips

Witnesses

Mr James Pinder, Chief Executive Officer, V/Line; and

Mr Jeroen Weimar, Chief Executive Officer, Public Transport Victoria.

The CHAIR — We will begin this public hearing. I welcome members of the public and of course our friends in the media who are with us today. The committee today is hearing evidence in relation to the inquiry into infrastructure projects, and the evidence is being recorded. I welcome the witnesses, Mr Weimar and Mr Pinder. This is Mr Pinder's first appearance, from my recollection, before this committee. For your information, all evidence at this hearing is protected by parliamentary privilege. Therefore you are protected against any action for what you say here today, but if you go outside and repeat the same things, those comments may not be protected by that privilege. So if you feel inclined, now is your opportunity. I would invite the witnesses to address the committee. We have allowed up to 90 minutes for this session, so I suggest you begin with maybe a 10 or 15-minute introduction and we can then move on to questions.

Mr WEIMAR — Thank you, Mr Finn, and thank you to the committee for an opportunity to discuss again the work we are doing on the public transport network. What we thought we would do was give a short opening presentation, which I think you have copies of in front of you, of an overview of the performance and some of the major projects of the network over the last six to 12 months or so as a starting point to continue your scrutiny and investigation.

I turn to my first slide around overall performance of the network. You will recall, of course, the last time that I was before this committee was with Mr Pinder's predecessor and we were just in the aftermath of the wheel-wear challenges on the V/Line network. We saw significant reduction in the availability and reliability of V/Line services to the front end of 2016. What you will see from the charts is that since quarter 2 of 2016 we were able to restore the delivery of rail services on the V/Line network, and we have maintained a consistent level of reliability of around the 97 per cent, 97.5 per cent or 98 per cent mark over the course of that year. That has been a very solid and steady performance, which compares consistently with the metropolitan railway, tram and bus services, which again have been running at fairly consistent levels of reliability over the past 12 months or so.

I have not included the charts, but if you look at the punctuality performance figures for the metropolitan networks over the course of last year we have seen a fairly consistent level of punctuality performance on the metropolitan railway network, running at around the 92 per cent mark. Trams have been running at around the 85 per cent mark. Then we see our traditional summer pattern: we see an improvement in punctuality, particularly on our tram and bus networks during the quiet summer months of January and February, and a bit of a reduction as we get into the more difficult month of March.

I think on the V/Line services we go into almost an inverse pattern in the summer period because of the heat speed restrictions. We have had a significant number of challenges over the December to February period around heat speed restrictions across outer parts of the regional V/Line network as well as some specific issues around the Warrnambool services, which James and I will return to later on.

Overall for this committee I think what I am pleased to report is that we have managed to maintain the reliability and delivery of services since we last had this conversation, and we will continue to do our best to run a punctual and reliable service.

In terms of patronage growth I think it is worth just a brief conversation around the ongoing ridership levels that we are seeing across the public transport network in Victoria. We are holding steady on our metropolitan train patronage despite the very big investment program that is going on around the wider Melbourne area, particularly with the level crossings removal program. There are occasionally some fairly significant shuts, but we are holding steady on our metropolitan train passenger numbers.

We continue to see a rise in tram patronage numbers — around 8 per cent year on year — and a solid performance on buses. As we improve our bus networks and as we introduce a number of bus network changes, we are seeing some encouraging signs around bus ridership in the wider metropolitan area.

If you turn the page to the next slide, you will see that all of that is really outstripped by the ongoing growth of patronage on the regional V/Line network. In February just gone we saw around a 4.3 per cent growth in patronage between July 2016 and February 2017. That is remarkable enough over that eight-month period, but that is on top of a 17.5 per cent patronage growth in 2015–16 on the opening of the regional rail network. For example, on the Geelong line in March we had over 750 000 passenger trips. We are seeing a level of ridership on the network that we have not seen before on our regional services.

Similarly if I look at the south-west corridor in 2015–16, there were 6.7 million trips, and there has been a 60 per cent increase in ridership since the introduction of the regional rail link. Even in the Ballarat corridor around 3.8 million trips were taken on the Ballarat line in 2015–16 — a 12 per cent increase, year on year, for that period.

Those are just some examples around the levels of sustained growth we are now seeing on the regional rail network as more of our regional passengers choose to use the railway. Of course what this increase brings are some challenges in passenger levels that we have to cope with on our regional services, and that is what James and I are there to deliver on.

I think slide 5 outlines one of the additional challenges we manage, which is special events, particularly with the start of the AFL season again. We are able to deliver on top of those regular services significant numbers of additional special event services. We have White Night Ballarat, we have the football season, and we have got various major events around regional Victoria.

The CHAIR — You would have to agree of course that if Richmond keep winning, you will need to increase those services.

Mr WEIMAR — Exactly. I was at the G for the Cats and Hawthorn game, which had a very disappointing result. We will not go there.

It is actually a good example: we undertook significant maintenance works on the Geelong line over the Easter period, which occasioned a 10-day shut, but we ensured that the services were back again on the bank holiday Monday or Easter Monday to enable people to travel from Geelong into the MCG for the footy game.

We have run 176 additional services over that 12-month period, and 116 000 people are travelling on the additional services on the regional V/Line network, which enables people to get to not only events in Melbourne but also to regional events such as White Night Ballarat, and for the events to be successful.

On page 6 are some examples of the major works programs that we are now heading into. The Ballarat line upgrade is not something we have discussed before this committee. There is a \$500 million investment program of a package of works to increase capacity and reliability on the Ballarat line and to help us work towards getting to a 40-minute off-peak service on the Ballarat line. We are now in procurement for the Ballarat line upgrade works. Initial geotech surveys are underway. We will start construction next year, and we will have that work completed by the end of 2019.

What that does is really give us more capacity to get more trains onto the network along with more passing loops and more reliability. It also allows us to have a more resilient network. One of the challenges that James will explain is that when we do have incidents on the regional rail network, particularly with single track work, the disruption impact and the ability to recover from disruption is severely hampered. So projects like the Ballarat line upgrade are very important to developing a more reliable long term-network and a more resilient long-term network.

We have talked before with the committee about rolling stock upgrades. I am pleased to report that of the 48 new VLocity carriages that the government has committed to, 18 have now been delivered. Six three-car trains are now in service on our network. We have 10 three-car trains remaining to be delivered. We expect those to be delivered and on the network by early 2018. They are enabling us to increase capacity on the network. Clearly it is not only a matter of timetable changes but also of running more trains and longer trains on the existing timetable to cope with the growth that I talked about earlier.

We continue to upgrade some of the classic fleet. We have also introduced a fourth carriage set on the north-east line. Some committee members will recall that we have had for a long time only three trains capable of working on the standard gauge north-east line, but we now have a fourth set that is working, which will give us a much more resilient and reliable service on that part of the network.

We have touched before on level crossings. We are currently working through years 2 and 3 of a four-year program to upgrade country crossings to a higher level of safety. That is largely around addressing the up to 700 country crossings we have on the regional rail network at the moment, many of which continue to be unprotected by barriers or by booms and gates. We have 52 of those crossings in a four-year program; 12 of

those have now been completed and are properly protected, and there will be ongoing work over the next couple of years to continue the rollout of the high-priority sites to ensure we can continue to deliver not only a safer rail network but also a safer road network where those roads cross the railway corridor.

Finally for me, before I hand over to James, obviously we introduced a timetable change at the end of January, which was all around providing additional services, particularly additional off-peak services, to our key corridors. We introduced over 80 additional services a week — the chart gives a pretty good view of additional services on the Gippsland line and the Shepparton, Bendigo, Ballarat, Maryborough and of course Geelong and Warrnambool corridors.

I am pleased to report that that timetable change went very smoothly; we were able to maintain a good, reliable level of service. We are still working with some of the challenges around particularly the Warrnambool corridor, which James will come back to, but we are pleased with how that timetable change has gone. It has provided some additional capacity to the network, and we are now looking at options for where we might go from here.

Chair, I will now hand back to you or to James.

The CHAIR — Mr Pinder, would you like to add a few words to that?

Mr PINDER — Yes, just a few words. Jeroen has quite comprehensively summed up what has been going on in the passenger network; I want to spend a few moments talking about the freight network. The first map in front of you in the presentation was a bit new to me. I have been here for five months now — quite an exciting five months —

The CHAIR — It is just about a world record, isn't it?

Mr PINDER — and in terms of the north-western part of that map, I think it is safe to say that I have visited most of those places over the last four or five months, which has been great in terms of meeting both our freight operators as well as our other stakeholders — the Rail Freight Alliance and the Victorian Farmers Federation, for example.

It has been quite a challenging year for us, which was quite well publicised. The fact that there was a bumper crop this year in Victoria has presented significant challenges for us. We feel that we have in the main risen to that challenge. We have moved over a million tonnes of grain this season, almost twice as many trains as we moved last year, and whilst we have had fairly well publicised issues around heat speed restrictions, we feel that with the considered approach that we have taken around putting safety first and making sure that we have not had any derailments — which we have not had, for the first time in a number of years, related to the way heat affects our network and other networks around the world — that has been quite a good outcome. Having said that, we do not underestimate the disruption that we have caused at times. But in the greater scheme of things we think we have done okay.

In terms of going forward, we have delivered the first of the four elements of the Murray Basin rail project. That in itself led to some of the heat speed restrictions last year because we wanted to ensure that, having replaced tens of thousands of sleepers on the network, we were in a position where we were comfortable that those changes were given the time to consolidate and bed in, effectively, before we risked the type of events that had happened towards the back end of 2015 at Ouyen and other places.

The second and third packages of work associated with the Murray Basin will deliver a high standard of track condition. We are pleased that funding is also available to maintain that standard going forward. So in future the network will be more accessible, but that is not to understate the amount of work we are going to be carrying out between the grain seasons, both this year and the next. Package 4 of that program will be carried out once those two packages have been delivered successfully.

Jeroen touched earlier on the fact that we are now running more trains than ever before, faster trains than ever before and carrying more passengers than ever before. With that comes a maintenance responsibility too, which we are getting on with. Where possible we try to package those works together such that they cause minimum disruption, but we also recognise that those works inevitably cause disruption. But we are getting on with the

business of maintaining the infrastructure, and we are confident that the quality of the infrastructure now is better than it has ever been.

On the Warrnambool line in particular we have had some issues specifically related to speed restrictions associated with level crossings. The safety bar when it comes to level crossings is continuing to increase. That is something we welcome. We have a great working relationship now with the regulator, and the work that we will be doing on the Warrnambool line in the next eight months will see the vast majority of those speed restrictions taken off that line, and we will be able to restore punctuality to that line to the levels that our passengers expect. But that is work that is going on in the background. I think that probably summarises what we wanted to share with you as an opening statement.

The CHAIR — Thank you very much indeed. We will open the committee to questions. I have just got a couple to begin with before moving to the other committee members. Despite your claim that you are running more trains and they are faster than ever before and all that sort of thing — and I am not sure who I should direct this to, perhaps you could do it as a tag team — in March 2017, 18.2 per cent of Bendigo line trains were at least 6 minutes late, as were 18.6 per cent of Ballarat line trains, 23.9 per cent on the Traralgon line, 15.4 per cent to and from Waurn Ponds and Geelong, and 14 per cent on the Seymour line.

On the long-distance lines, where trains are not recorded as being officially late until they are arriving at least 11 minutes or more late, 39.3 per cent of all V/Line trains were officially late, as were 25.7 per cent of Bairnsdale line trains; 68.8 per cent on the Warrnambool line, with its level crossing problems — as you mentioned, Mr Pinder, and I would not mind you giving us an update on how far that issue has gone to being resolved; 18.8 per cent of trains to either Ararat or Maryborough; and 13.3 per cent to Echuca or Swan Hall — Echuca of course being the road coaches. Nowhere in Victoria in March 2017 did V/Line's trains meet their monthly punctuality target of 92 per cent. What is happening?

Mr WEIMAR — Let me give you the overall view around punctuality and then go to James around some of the challenges we have had in March. For the V/Line network as a whole during the month of March 2017 we ran at 81 per cent punctuality to timetable. That is an average figure. I think we focused the punctuality of the network particularly on the main corridors where we have the highest patronage numbers.

There are absolutely some variations around that, with some particular challenges around the Warrnambool end of the network and the Echuca end of the network. Clearly that is not a number we are satisfied with. If I look at the period during most of last year, we were running punctuality figures in the high 80 per cents — around 88 per cent, 89 per cent — and the target we have for V/Line will continue to be in excess of 90 per cent punctuality. But we recognise some of the challenges we have on the regional network. I think overall for the March — —

For February we ran at 82½ per cent, for March we ran at 81 per cent. James could re-outline some of the particular challenges we had on particular parts of our network.

Mr PINDER — Yes, to respond in the general context to your question, Chair, around performance, am I satisfied with the levels of performance currently of our organisation and in particular our day of operation? Of course I am not, which is one of the reasons why I am here. We have a plan. We have organised our business to tackle the challenges that we see both now and in the future.

Fire alarm going off.

Mr PINDER — Shall I pause for the alarm or shall I just carry on?

The CHAIR — I am not sure what is happening with the alarm. Kieran is investigating it. Some burly firemen may come in and carry us out shortly. Do continue.

Mr PINDER — In the context of the massive reform that is going on in our industry and the patronage growth that we are seeing and the record levels of investment, we have got a plan to address this performance challenge. The performance challenge for me constitutes five elements. There is the focus on the day of operations, which we have organised ourselves structurally as a business to do more effectively going forward. We are focusing on rolling stock performance and working with our rolling stock maintenance contractors, Bombardier and Downer, in that space. We are focusing on, as we have already touched on, infrastructure

performance and improving level crossing safety but also by installing axle counters at those level crossings whereby we are able to increase the speed of the operation of the line on those lines that are affected. We are also improving, through our other maintenance and renewal works, the condition of the infrastructure generally. We are focusing on performance in the Metro boundary and working more closely than we have ever worked before with Metro and colleagues there.

The CHAIR — We have to evacuate. We will adjourn the hearing until such time as we can get back in.

Hearing suspended.

The CHAIR — We will reopen the hearing and apologise to everyone for that interruption, and we still do not know what it was about. There were fire trucks, and we will find out. Mr Pinder, as you were saying about your dissatisfaction, you have had a little bit of time to think now.

Mr PINDER — Yes, I am still in the same space. We were talking about performance, in particular in the context of the massive amount of reform in our industry, and we do have a plan. We recognise that what we are currently delivering is not what is required, and we have got a plan to target it. So the five areas that I quickly touched on before were around day of operations, infrastructure performance, rolling stock performance and performance in the Metro boundary, and I think the last point for me in particular is a passion, given my background, is around the availability of operational facilities — making sure we have got the right depot facilities, the right fuelling facilities and the right sidings and cleaning facilities. As well as investing in the rolling stock and the infrastructure to operate the trains, unless we invest in those facilities in the background too, we will continue to struggle.

You mentioned, I think, some very specific statistics. Forgive me, I cannot remember all of them now, with the break.

The CHAIR — Would you like me to repeat them?

Mr PINDER — No, there is no need to repeat — —

The CHAIR — I suspected that would have been the case.

Mr PINDER — If we go around the network, we have already spoken about the Warrnambool line performance, and you asked for an update on where we are in particular with our level crossing upgrade program. We are two months into a 10-month plan that should restore timetable performance by the end of the year. That entails upgrading not only the level crossings from passive level crossings to active level crossings but also installing axle counters.

On the Echuca line we have similar issues around level crossing safety and loss of detection equipment, so we are doing the same thing on that line, and we are probably two weeks into a six-week remedial plan on that line.

For the eastern corridor we have had recently some very specific challenges around the level crossing upgrade program in much the same way that Metro will be having. That work is quite disruptive, but from a positive point of view we are taking the opportunity to do some more maintenance on our infrastructure so that we are again grouping this disruption together where we possibly can.

The Bendigo line has been a little bit unfortunate in the last couple of months in that we have had some significant trespass incidents that have caused disruption. We had, most notably, the issue at Kangaroo Flat where the VLocity train hit the four-by-four vehicle that was placed on the line, and that caused a certain amount of effort on our part to restore services to normal. But again this is in the context of a network that is growing and a transport industry that is growing and becoming more and more popular, and we have a plan to tackle these challenges as and when they arise.

The CHAIR — Do you think some of the difficulties that you have faced over recent times might be connected to the instability in the leadership of V/Line that we have seen over probably the last — well, year or two anyway?

Mr PINDER — I do not think it is, with all due respect, for me to comment on previous — —

The CHAIR — I am not asking you to comment on previous CEOs, but surely the situation where we have had changing CEOs, acting CEOs, and now yourself — I am just asking if that has had an impact on the ability of V/Line to actually do what it is supposed to do.

Mr PINDER — My observation from afar would be that the fact that they had the wheel-wear issue at the beginning of last year and the significant issues associated with level crossings that I have just discussed would have been disruptive, and would have meant that people at V/Line generally would have had a tough year. But we have dusted ourselves down, we have got a good core team that we have added to, and we have got a plan for the future.

Mr WEIMAR — If I can just add, Mr Finn, having been there a bit longer than James, I think what we are seeing in V/Line with the wheel-wear incident is we have taken a much more fundamental look at the condition of the railway — what are the fundamental requirements to have in place to run a safe, reliable and punctual railway in the background of growing demand?

I think the approach that James and his team have taken has been absolutely right. We have taken a much more disciplined approach to maintenance and renewal work. We are seeing more being spent on maintenance and renewal in this financial year than was spent in many a long time on the V/Line network, and that is all about restoring the state of the infrastructure to the right state so you can run reliable services. As James says, we are managing the challenges of getting additional rolling stock onto the network — and those additional trains are coming on, giving us the uplift capacity we need — and we are running to catch up with the increase in demand that we are seeing on the network across all of our major corridors.

Finally, we have taken a very long, hard look at things like level crossing safety. We have taken a long, hard look at ensuring we get sustained maintenance packages delivered, and then you have got the delivery of major programs like the Murray Basin rail freight program, which is all being delivered to time and in a very effective way by the V/Line organisation. So I think James has strengthened the team. I think he has brought a welcome focus back into the running of the railway, and as we start to deal with fundamentals we will see a sustained improvement in their performance in the backdrop of getting more Victorians around the network.

The CHAIR — I am delighted to hear that you have such optimism, Mr Weimar, very much indeed, because I have spoken to an enormous number of passengers who have constantly been complaining about the lateness of trains. They constantly complain about the conditions that they are forced to endure during their travel, the congestion within the carriages. They would like to know — and I ask you on their behalf today — when they can expect to see those plans, or the positive signs coming from the plan that you have put in place.

Mr WEIMAR — I think certainly from a rolling stock point of view they will see every four to six weeks over the next 10 months an additional train set coming onto the V/Line network — a brand new, three-car VLocity set coming onto the network. We have deployed one to Ballarat already, we got one to the Traralgon corridor, I think, last week —

Mr PINDER — Yes.

Mr WEIMAR — or the week before. So our passengers will continue to see more trains coming onto their network. We are currently looking at options, at running additional services as part of a further timetable review. We are looking at those options at the moment. I would expect us to be able to announce something on that in the next couple of months. That again will give us, hopefully, some more capacity uplift.

I think they will see — the test for our passengers, particularly those people who rely on those services every single day, is: are those trains getting more reliable? Are they getting more punctual? And is the frequency being maintained? The proof for our passengers is in what we actually do out there on the network.

The CHAIR — So are we saying in 10 months the V/Line passengers' problems will have evaporated?

Mr PINDER — No. I think the reference to 10 months was the very specific issues around upgrading the level crossings on the Warrnambool line so that we can remove the speed restrictions down there. But we are making steady improvements all of the time. Some of those improvements might not be visible instantly to the passenger, but we are building the infrastructure around this operation that we deliver every day. For example, introducing the new timetable in January went very well. We introduced 80 new train services in January. We

built a new station at Caroline Springs, and despite some people saying that it would not be capable of doing what it was designed to do, by and large it is doing what it was designed to do.

If I sat here and said it was possible — in my experience, having been in this industry for a long time — to change the operational performance of a railway dramatically overnight, this is not something that is possible to do. But what you can do and what we are doing is making steady incremental changes that are built on sound maintenance and renewal policies so that we are building something that will be sustainable, as opposed to patching something up — which may deliver some improvements next month, but those improvements would evaporate if we were not building them on strong foundations. That is what we are in the business of doing.

The CHAIR — So Victorian V/Line passengers will just have to get used to sitting on the floor or standing on their travels and waiting for late trains for what — the foreseeable future?

Mr PINDER — No, that is not what I am saying. I think standing on V/Line trains is not something that Victorians are used to, granted.

The CHAIR — I think they have become used to it.

Mr PINDER — Our railway and our region and our state are changing. More and more people are coming to live in Victoria. Our network is carrying more and more people, and we are on a transformational journey. We can no longer classify ourselves as a regional-type railway network when we are operating within that corridor between Geelong, Ballarat, Bendigo and the city, for example.

Do we like the fact that on some of our trains, when they arrive at our stations within that corridor, people have to stand for 20 minutes? No. But when you compare that to other railways — both the metropolitan railway here and other railways around the world — we are in some ways a victim of our own success. In order for us to be prosperous going forward, both regionally and as a state, we need this infrastructure network to be robust for the future, and that is what we are building, and focusing on that operational performance element of our railway is just one part of that conundrum.

The CHAIR — How far behind is V/Line? How far behind the population growth of the state is V/Line in providing services that, as you say, an increasing population needs?

Mr PINDER — I do not think it is possible for me to answer that question. I think that the two things are growing simultaneously. What we do know is that where we increase capacity — opening a new station at Caroline Springs, for example, adding a new train, one train a month, one train every six weeks, to our fleet — that capacity gets absorbed very quickly.

We do know that V/Line delivers a product that is appreciated by the travelling public, and we have even seen, where we have increased capacity on our network, people moving from other modes — which is great, because that is what we are here to deliver. But I do not think it is useful for me to try and attempt to say where we are plotting on our trajectory compared to the growth in Victoria. But we have a plan — we have a short-term plan, a medium-term plan and, in the regional network development plan, a long-term plan — and we are working with other agents in this sector to deliver an outcome for Victoria.

The CHAIR — How useful is that plan if you are not taking population increases into consideration?

Mr PINDER — We are absolutely taking those population increases into consideration, and every time we add an additional train to our fleet or a service to our timetable, we make those decisions based on patronage numbers and where the need is most.

Mr WEIMAR — I think, Mr Finn, if you look back, 10 years ago V/Line was carrying around 6 million passengers a year. We are now carrying 16 million or 17 million passengers a year. That is why we have an unprecedented investment program with the regional rail link that has been completed, with the ongoing investment program in the Ballarat line upgrade and with all the investments around the rest of our network. We have got a 50 per cent increase in ongoing annual maintenance renewal spend to manage that bigger network. We have got a huge investment program into the rolling stock upgrades and the additional trains coming through. So yes, absolutely, we have a real challenge on our hands to meet passengers' expectations that they get a high-quality, reliable, punctual service, but I think you can see from the investment that is going in and from the hard work that is being done that we are doing everything we can to meet that particular challenge.

This will be a challenge over the coming 10, 20, or 30 years. If you look at the growth projections for particularly the wider Melbourne area and the regional cities, that growth is going to continue. That is an investment program, and that is why we are driving that investment program forward.

The CHAIR — If we are behind the eight ball now, how many dollars will it take for an injection to bring V/Line up to a stage where it can effectively serve that increased population both now and into the future?

Mr WEIMAR — We have existing commitments that I have talked through in terms of the Ballarat line upgrade. We have got existing commitments around the freight program of a \$400-odd million investment in the Murray Basin freight program. We have got the existing commitments on the rolling stock program. I do not have visibility on the longer term government commitments around infrastructure investment, but we have set out those plans. We are working on those commitments, and that is what is our responsibility to do.

The CHAIR — Irrespective of government commitments, how much will you need to put those plans into place and to provide for the future needs of Victoria for public transport?

Mr WEIMAR — We have a funded budget for this year. We are confident of getting the resources we need in the coming years to continue to deliver the existing services — —

The CHAIR — I have no doubt about that, but I would like to know how much you will need to provide a service for our increasing population — a service which will be effective, efficient and a happy travelling experience, if you like, for Victorians.

Mr WEIMAR — That is not a number I can give you. That is not a calculation that we have done. What we have is an operational service plan. We have a set of timetables. We have a scale of our network that we are operating to and that we are charged to operate for our passengers and for Victorian taxpayers. We have those numbers, but I do not have a series of long-term projections or scenarios around what we may or may not need. That depends on the wider strategic plan for the whole of the state.

The CHAIR — How far into the future do you plan?

Mr WEIMAR — We have operational plans that carry us from where we are today into the medium-term future. We have identified priorities for investment that we can go and look at, but those are all subject to other conversations that we have with other agencies and with government.

The CHAIR — I will leave it there. I have got a few more questions for a bit later.

Ms HARTLAND — I would like to start off with the issue of reliable service as well. As someone who actually uses the train and bus service quite frequently, there are a number of things I would like to ask about. The issue around trains skipping stations, can you tell us how often that is happening across the metropolitan system?

Mr WEIMAR — I am not sure I have the data in front of me, but we have worked very hard to address trains skipping stations over the last couple of years. We have now got it down to very, very low numbers. I do not actually have those numbers. I will take the question on notice, if I may. What we have been doing with Metro Trains in particular is addressing that particular practice. I think we are now down to one or two instances of that happening a day of the 2000-plus train services we run every day. It has certainly been a huge focus for the organisation.

Ms HARTLAND — Having actually been on those trains when they have missed my station and I have had to go to Sunshine or when the train simply has not stopped at West Footscray, for people who actually use the train service regularly, it then says to you that it is not reliable and you would not want to use it. I always catch one train earlier than I need to, because I am not actually sure that the train is going to show up. Is that the way to run a system?

Mr WEIMAR — Absolutely not. The question I will take on notice and that I will come back to the committee on is if we look at the number of trains that were skipping stations two years ago, it was multiple times of the number we have at the moment. We are now down to single-digit figures a week of trains skipping stations on the metropolitan network. The only time now that a train will skip a station is if there is a medical emergency on that particular train and it needs to go to a staffed station so that help can be provided more

effectively or because there is some acute network incident that we need to relocate that train to. It happens very rarely. We do not defend it. We have a very clear performance metric in place with our operator to ensure that those kinds of actions are addressed, and that is why the numbers have come down so dramatically.

In terms of reliability of services we run 2000 or so train services a day on the metropolitan train network, and 99 per cent of those trains are running to plan. We are running at a punctuality of around 92 per cent or 93 per cent, so I think passengers are on the whole able to rely on those services coming regularly at their particular station and running to the timetable. Where we are now moving to and what we will aim to move to is particularly in the peak times there is such a frequency of metropolitan train services that people are getting into a turn-up-and-go environment. People are starting to move away from a timetable, because when the metropolitan train services in the morning peak start to come more frequently than every 10 minutes, people can start to rely on it and — —

Ms HARTLAND — That is not my experience, and I frequently use the train to come into Parliament. It is not my experience that I can just walk to the station and hope that there will be a train within the next 5 minutes. The idea that people can work not via a timetable is, I think, a bit far-fetched.

Also in the papers in the last few days there has been the issue around trams running short; 11 000 trams have run short over the last year. Again passengers are being severely inconvenienced. Clearly the operators are, as Metro was, running short services or skipping stations so that they do not get fined for not running a service.

Mr WEIMAR — We dealt with the Metro trains skipping stations, and there is a commercial regime in place that ensures that they cannot do that and that they are penalised for that. In exactly the same way, if our tram operator turns services short, they are financially penalised for doing so. There are significant financial penalties based on how they run their tram services. I can, without going into commercial-in-confidence conversations here, report that there are significant performance deductions for Yarra Trams on the basis of those kinds of decisions.

In terms of trams what we have to understand is that over 75 per cent of the tram services that we run — and we are running 30 000-plus tram services every single week on the network — run on the road, so they are sharing the road space with cars and with general traffic. What we tend to find is that when there is significant traffic congestion, trams get stuck in traffic along with everybody else. What that means is that if you have six or seven trams all banked up, all stopping in traffic and all clustering together, it is far better for our passengers, rather than having trams stuck all the way down St Kilda Road and getting to the end and then all having to travel back together in a pack of five, to turn some of those trams earlier, to even out the service and to provide some service going back the other way. Although the operator is financially penalised for that because it is still not what we want from the timetable, it is a better outcome than just letting trams run all the way empty to the end of their trip and all go up in a cluster.

What I can also say is that in terms of March in particular we saw a significant increase in road congestion during the month just gone. Why? Because we are in a seasonal pattern whereby it gets busier in March. Last year we had Easter in March. This year we did not have Easter in March. Easter is a quiet time. It is an easier time to run public transport services. We also of course had the grand prix, we had major events with AFL kicking off and we had the Tullamarine widening works. All of that leads to more pressure on the road network. All of that leads to more congestion, and we expect Yarra Trams to regulate the service and provide as reliable a service as they possibly can to our passengers. If that means that every now and then we have to turn trams around so we can get a better balance of services — —

Ms HARTLAND — It is not every now and again; it is 11 000 times in the past year. That is not an occasional issue.

Mr WEIMAR — But in the context of 30 000 tram trips every single week — and I cannot do the maths quickly enough to give you that on an annual basis — —

Ms HARTLAND — It is not occasional. It is 11 000.

Mr WEIMAR — On the basis of 30 000 tram journeys that we are running every single week — that is 120 000 or 130 000 tram journeys that we are running every single month — the fact is that there are some individual trams being turned around. They are financially penalised for doing so, because it is against our

timetable requirement, but I have to say that the challenge in running the world's largest tram network is that it runs along in a mainstream traffic environment and therefore it suffers all the congestion concerns that other motorists and other road users have.

Ms HARTLAND — If we can go to buses, two things that I have experienced and a number of emails that I have had indicate that either the bus turns up before the timetable says it is supposed to and it just flies past the bus stop as you are walking towards the bus stop, or it just does not turn up. What do passengers have to do to expect a reliable bus service?

Mr WEIMAR — Passengers should expect from us and our bus operators that we do run reliable bus services. There is nothing more that I want passengers to — —

Ms HARTLAND — But they do not. You say they do, but they actually do not. Personal experience is that they do not run reliably.

Mr WEIMAR — I am a regular bus passenger myself, and what we have introduced in the last 12 months is real-time information for all bus services in metropolitan Melbourne. What that means is that all passengers can choose to use an app on their phone, and they will have real-time information on where their specific bus is and the specific stop at which they are stopped. What that data also tells me is that over 80 per cent of our bus services are running to time, are running to the timetable, are running to schedule. There has been some improvement in that over the last year or so, and we continue to work very hard with the operators to drive them to better performance.

The government is now about to start discussions with the bus operators about the new contracts. You will be aware that the existing contracts that bus operators have with the state of Victoria do not include significant operational performance criteria and do not contain any financial penalties for poor performance. We are about to start, or we are now starting, negotiations with bus operators around future bus contracts, and they will include a much more stringent performance regime, similar to what you see with Yarra Trams and Metro Trains, where we can financially penalise operators, and we do, when they fail to deliver the right performance.

So I think passengers can rely upon the real-time information that we provide them with. Eighty per cent of those services are running to time. That is not good enough — so this is a conversation we have just had with James — but we are able to at least give people reliable and real-time information on where those bus services are so they can make an informed decision.

Ms HARTLAND — I have got one more question in this lot, and then I have got several more later. Caroline Springs station is in a totally metropolitan area, relying on a V/Line service. I am told by passengers that it is often difficult to get onto at Caroline Springs — the same problem that people have at Deer Park — and that it is not a particularly reliable service. I find it difficult to understand how we are still running a V/Line service through a metropolitan area. Can you talk at all about increases on that line to actually make it a proper metropolitan service rather than a V/Line service?

Mr PINDER — I think it is a good question because it talks to something that we were talking about earlier on. The dynamic of our railway business within that circle that we spoke about earlier on — Geelong, Ballarat, Bendigo et cetera — is transforming. In the work that we were doing, for example, at Caroline Springs — initially when Caroline Springs was designed as a station it was going to be a one-platform station — we managed to change the design of that station so it has now got two platforms. We have duplicated the track there in preparation for the other duplication work that is going to happen on that line. The fact that it is not on the metropolitan train network at the moment is a matter of geography more than anything else. There are various conceptual plans being examined around how the metropolitan network potentially could be expanded in the future with electrification.

At the moment I am not aware that any of those plans are more than concepts, but certainly when we built Caroline Springs station we were very keen to make sure that it was robust enough to cope with that growth in the future. Yes, it is very popular. Six hundred and something people are using it every day now, which is great. It talks to my point earlier on. As we build it, people are using it, and it is something that we see right across our network — and even people transferring ridership from metropolitan trains. It is not that it is a competition, but we observe people moving, changing their travel habits as this infrastructure is improved and made available.

Ms HARTLAND — But it is a V/Line service —

Mr PINDER — Correct.

Ms HARTLAND — operating through a metropolitan area. And it is not just Caroline Springs that is affected; it is Deer Park and Ardeer as well.

Mr PINDER — And I think you could probably argue that the entire route between Geelong and the city is now a metropolitan-style service, a commuter service. That is in large part — maybe I am putting a positive slant on things, but that is in large part — because we are running more trains than ever before, faster than ever before, but the patronage is keeping up with us.

Ms HARTLAND — Do you think you can keep up with patronage? Because obviously it has been a problem over the last five years that the growth has been enormous.

Mr PINDER — All of the plans that I am aware of are aiming to do just that. It would not be for me to speculate too far into the future as to how many people are going to come and choose to live in Victoria, but we at least I think have good fairly long-term plans as to how we are going to tackle this population growth and at the same time ensure that regional parts of Victoria are connected and therefore prosper from the infrastructure that we are providing too.

Ms HARTLAND — I have got one more quick one, and this may be a question on notice. It is quite clear that railways and transport have been neglected horribly for the last three decades and we are in real catch-up mode now. If you were able to do a 10-year plan, how much money do you think needs to be spent not just to maintain and fix up what we have got but to actually grow the patronage?

Mr PINDER — The financial element to that question I will take on notice, but we do have a 10-year plan; it is called the regional network development plan, and in that plan we talk about providing a 20-40-5 train service — so 20-minute intervals in the peak, 40-minute intervals during the off-peak and at least five services a day to the outer regions beyond the Ballarats, the Bendigos, the Geelong and the Bairnsdales et cetera. So we do have a plan, and stage 1 of that plan is part of the budget proposal, as far as I am aware, for next year.

Mr LEANE — I have probably got a few questions, so just interrupt me when you think the time is right, Bernie. If I get time, I am really keen to talk about your submission, which says there are record levels of investment in the V/Line network, because that sounds like a really good thing to unpack.

The CHAIR — I am glad you used that term.

Mr LEANE — But I want to start with your evidence around the heat speed restriction policy if you could explain what that is and why it is in place.

Mr PINDER — Heat speed restrictions first and foremost are not a phenomenon that is unique to Melbourne, Victoria, Australia; they are something that occur everywhere around the world. They have to occur because of the laws of physics that say if you apply heat to metal, it will expand, and when it gets colder, it contracts. So in order to manage that, generally speaking what happens around the world is you slow trains down when it is either extremely hot or it is extremely cold.

I would not say it is unique, because I do not want to be quoted as saying that it is unique because it is not, but what is a particular challenge for Victoria is that that difference between the coldest and the hottest can occur quite quickly. So anyone who has lived here for any length of time will know this. When I lived here first for three years I was travelling from Craigieburn by road to the city, and in the time it took me to drive down the Hume Highway the temperature dropped by 13 degrees, I think, or something ridiculous like that. So those weather factors that are prevalent around here make it difficult to keep the line speed optimal during those extreme temperatures.

We know, having carried out a significant amount of work last year as part 1 of the Murray Basin work on the rail freight network, that there was a risk, and we know it is a real risk because even as recently as late 2015 there were two significant derailments. We know that there is a risk associated with not allowing infrastructure to consolidate post the infrastructure work where you are changing significant amounts of that infrastructure. So

having changed tens of thousands of sleepers you have to run trains over it to enable the infrastructure to bed in effectively, for want of a better term.

So we took a very considered approach to our WOLOs — people refer to them as WOLOs, these heat speed restrictions — on the freight network and, in doing so, on one side of the discussion we have managed to achieve for the first time since our comprehensive records began in 2009 an entire calendar year, an entire freight season, given that it was a bumper grain season, without one heat-related derailment.

Do we understand that that causes disruption to our operators and our stakeholders? Yes, we do, but in the context of a derailment of a 40-wagon freight train that can take up to a week if not more and many tens of thousands of dollars to recover, we do not think that taking a considered approach during the hottest parts of the day was an unreasonable thing to do, given that we now know that we have managed to move almost twice as many trains this year as we did last year, but we regret the disruption that it caused.

I think if anything my observation in terms of where we could have done better is around communication with stakeholders. We felt that we were communicating with our freight operators, but it is fairly clear to me from spending quite a lot of the past four and a half months up in those regions talking to the Victorian Farmers Federation and the Rail Freight Alliance and all of these shire councils that that message was not getting through, so we have put steps in place to address that. We are going to create a stakeholder advisory board for the freight community so that going forward we can communicate more effectively and make sure that people can make plans.

But if I just put this into context, for the three and a half or four months of the grain season between December and March-April there were a significant number of operational delays throughout the network, and the heat speed restrictions, which are the delays that we were responsible for, constituted less than 5 per cent of those delays. There were other issues too.

To kind of satisfy ourselves, as much as anything else, that this considered approach was the right thing to do, we have commissioned Monash University to carry out an entirely independent assessment of our engineering activities and our operational activities post those engineering activities, and we will look forward to sharing the outcome of that in due course. We regret any delays that we caused, but actually we think from a safety perspective and the fact that we did move over 1 million tonnes of this stuff during the freight season that we did not do too badly.

Mr LEANE — So the high temperature can limit the speed. What does 33 degrees trigger? Does that trigger a reduction in speed?

Mr PINDER — It will trigger a reduction in speed, and in some instances, when the temperatures got a lot higher than that, between the hours of midday and 8 o'clock in the evening we restricted operations entirely on those sections of line. That is not to say that they could not run outside of those times, and we do not believe that there was a single train cancelled as a result, but there were lots of trains that were rescheduled.

Mr LEANE — The reason I ask that — I will just refer to a *Weekly Times* article — is you mentioned before the Rail Freight Alliance. They have got some critical quotes in this article — and if I ever had a favourite paper, I would say the *Weekly Times* would go close, so I am not being critical of the paper. This is a quote which says that this alliance was critical that freight trains would stop at 33 degrees. Is that accurate?

Mr PINDER — Only during the hottest parts of the day on certain lines. We carry out a risk assessment based on the line, the temperature, the particular line, the particular classification of that line, and there were some occasions where trains were not able to run, but only during the hottest part of the day. I have met now on several occasions with the Rail Freight Alliance. I attended, as did my project management team and my asset management executive general manager, a session that they convened for all of their stakeholders, and generally I would say our input into that session was gratefully received. We will continue to communicate with Reid and others going forward, but I cannot comment on the content of their letter, because personally I have not seen it.

Mr LEANE — You will continue a conversation with who?

Mr PINDER — Reid is the CEO — Reid Mather of the Rail Freight Alliance — and Glenn, the chair.

Mr LEANE — I think it is a real shame that Mr O’Sullivan, our committee member, is not here today, because I was counting on him to be here to defend his National Party candidate.

The CHAIR — I do not think we need to go into that; otherwise I might have to start talking about sky rail.

Mr LEANE — Please do; it is going very well. I have got to say firsthand that this particular alliance were really bullish about the Murray Basin project. I wanted to ask: where is that at, what has been done and what should we expect soon?

Mr PINDER — It is a project that is constructed in four phases, and the reason why it has been constructed in four phases is generally because we do not want to be carrying out the construction work that is required during the grain season. Whilst we increase and improve the standard of the network we do not want to disrupt the network whilst we are doing it. Phase 1 of the project was to predominantly carry out some enabling works, raising the standard of the existing infrastructure to a higher standard so that heavier freight trains can travel over the network. There were lots of sleepers replaced and lots of rail replaced et cetera.

The second phase of the project and the third phase of the project focus on converting those lines from broad gauge to standard gauge. What that does for the industry is it enables them, for example, to access other ports. It enables them to generate greater competition in the industry, because more operators with standard gauge freight vehicles will be able to access the network. Those phases 2 and 3 will be carried out over the next two calendar years during the off-season, if you like, for want of a better term. There is also a particular line that is being reopened for the first time in a number of years, and that line will enable the freight operators to get their freight not only to additional ports but more quickly because they will be able to take a shorter route.

The fourth element of the project focuses on the section of line between Ballarat and Gheringhap, I think is the name of the place — I am learning all of these places as I am going along — which needs to be dual gauged, because that will be a part of the section that will be available both to V/Line passenger services with their broad gauge and freight operators with their standard gauge. That is kind of it in a nutshell. Currently it is on target and it is on budget.

Mr LEANE — Those two stages, which are in your slide, so work package 1 and work package 2 — —

Mr PINDER — That is stage 2 and stage 3. Apologies for that terminology.

Mr LEANE — Where are they at?

Mr PINDER — They are going to be happening. Work package 1, which is stage 2, will happen later this year and will be finished prior to this year’s grain season.

Mr LEANE — So is that 602 kilometres of new rail?

Mr PINDER — Not new, but we have already upgraded it, and now we are just going to lift the rail up, move it across, cut the end off the sleeper, do some other fancy railway infrastructure work at the same time, which will increase what we call the axle tonnage quality of that track. So not only will they be able to run more trains but they will be able to run heavier trains. It will also mean that the infrastructure will be more robust, and whilst we will always have speed restrictions associated with hot weather, for all of the reasons that I mentioned earlier on, they will be less constraining.

Mr LEANE — One follow-up on this: so work package 2, stage 3?

Mr PINDER — Yes. That is next year, 2018.

Mr LEANE — So 350 kilometres, is that a similar thing to what you said about it is not — —

Mr PINDER — Exactly, yes, and reopening the existing line that has been closed for a long time. And stage 4 is the dual gauging between Ballarat and Gheringhap.

Mr LEANE — That project once it is finished, there will be less effect as far as this heat has been — —

Mr PINDER — Again I do not want to sound like I am speaking semantics. There will always be heat speed restrictions, but there will be less of them and they will not kick in until higher temperatures, so the

infrastructure will be more robust. What is even more pleasing and more important perhaps in all of this is that we have built into our funding model going forward enough money to maintain this infrastructure to that standard.

Mr WEIMAR — If I may, I think that is the really salient point. This is the approach that James has taken around not only providing more investment but also ensuring you can get effective maintenance and good operating management discipline into how we use the infrastructure and how we use the railway. The arrangements made over the last hot weather season were about making sure we get good use of the infrastructure and we do not end up with a risk of derailments and other operational issues. As a result, we did not have to cancel any of the freight trains during that period of time. The lesson I think we have learned genuinely is that we need to communicate better not only with the shippers but also with the freight customers, and I think that is the arrangement we have now put in place for the last few months to get much more dialogue going. I think we are now starting to understand the scale of the transformation that is happening in the Murray Basin region.

The CHAIR — Mr Pinder, my understanding is that there is and has been for quite some time a particular problem on the Wodonga line, which may or may not be related to mud holes, causing all sorts of difficulties there. First of all, is the underlying problem the mud holes, and what is being done to help the operator of that line fix the problem?

Mr PINDER — You are referring to the ARTC track, the north-east line. My understanding of the history there is that a significant amount of money was invested in that line to improve the condition of the track a number of years ago — I do not know how many years ago, but it was a number of years ago — but unfortunately there were some fairly significant weather events that created some of these mud holes that you refer to.

The arrangement that we have for the north-east line is almost a reverse of what we have just been talking about on the freight network, where we are the operator and somebody else is the infrastructure maintainer. The infrastructure maintainer, ARTC, I think it is fair to say, were not acutely aware of some of the impacts that the condition of that network was having on our passenger train services. Because predominantly there is freight operating on those lines where heavier locomotives, heavier trains, are not as sensitive to the conditions — the infrastructure — as passenger trains are, we decided to instigate of our own volition the kitting out of our trains with some technical remote condition monitoring equipment. Rather than deal with anecdotal evidence from passengers and conductors and drivers on the trains saying, ‘This patch is rough’, ‘That patch is rough’, ‘No, this patch is rougher than that patch’, we actually used technology to provide us with a map, essentially, of exactly where the more rough sections of track were.

We provided ARTC with that information. I have met on a few occasions and spoken on many more occasions with John from the ARTC. So we provided that information to them, and they used that information to better inform their remedial work that they carried out very recently. As a result of that remedial work, we believe anecdotally that the condition of the track is better, from speaking with our staff. Certainly we have seen a slight improvement in operational performance, but we are going to put the technology back on the trains to measure the actual before and after, and John and his team have made a commitment going forward that they will use that data to better inform their infrastructure maintenance and renewal activities.

The CHAIR — When do you anticipate the passengers on the Wodonga line will be able to say that those problems are behind them?

Mr WEIMAR — Just to touch on this, Mr Finn, of course the Wodonga line is the only passenger line that we have that is standard gauge, so it does not use the same rolling stock — it does not use the same trains — as the rest of our V/Line network. So as James says, part of the solution is getting the ARTC to upgrade the quality of the track and to provide better maintenance. I think that work has been positively undertaken in the last six months, and I think we are seeing a reduction in the number of temporary speed restrictions on the line.

The second piece, of course, is that in the last week or so we deployed an additional fourth train set onto the Wodonga line. So we have had for a long time now only three train sets available. We require two to run the day-to-day timetable, with a third at Dennis in maintenance or on stand-by. That means the service has been very vulnerable. So if one of the operational sets is down, has an animal strike or has another incident, you are

then down to one train. We now have a fourth train that will provide us with more backup and resilience. So that is in place as of last week, I think, or this week.

Mr PINDER — Yes.

Mr WEIMAR — So passengers should start to see a significant improvement in reliability of the Wodonga line at this point in time, and we will continue to work with the local community up there to see what further improvements we can make.

The CHAIR — Thank you very much indeed. My understanding is that there is still an issue or there may still be an issue — that is probably why I am going to ask this question — on the Geelong line with wheel wear and that is causing some concerns. What is the latest on that, if indeed it is the situation?

Mr PINDER — No.

The CHAIR — Not happening?

Mr PINDER — There is no issue. We continue to carry out the rolling stock checks and examinations regularly, and we are not seeing any significant or any wheel wear that is causing us any concern, so the control measures that were put in place continue to be effective.

The CHAIR — My understanding also is that there are some problems on the operation of the Shepparton line. What is the latest there? The service on the Shepparton line is not what you would describe as being satisfactory. What is being done to rectify that?

Mr PINDER — You will remember, Chair, that I spoke earlier on about our five-point performance improvement plan. The issue specifically on the Shepparton line has been around non-availability at times of rolling stock at short notice and some particular challenges that we have had around damaged rolling stock because they have been involved in incidents similar to the one I described earlier on. We have a good relationship with our rolling stock maintainers, but it could be better still, and we have adjusted our organisation structure to facilitate that greater working relationship going forward. So I now regularly meet with Bombardier and others in that space, and we have got a joint plan that will see rolling stock availability and reliability improve going forward.

The CHAIR — Either of you gentlemen feel free to answer this one. Once the sky rail is completed between Caulfield and Dandenong — and I understand it runs through Carrum as well — will V/Line services still be using — —

Mr LEANE — The Dandenong line runs through Carrum?

The CHAIR — No, there is a sky line also through Carrum.

Mr LEANE — There is a sky line?

The CHAIR — A sky rail.

Mr LEANE — Do you know the Romans built a bridge.

The CHAIR — Mr Leane, if you cannot control yourself — —

Mr LEANE — They actually — —

The CHAIR — Mr Leane, will you control yourself? I know you have enjoyed your holiday, but you are back at school this week. Just relax.

Mr LEANE — The Romans built a bridge 1000 years ago — a bridge.

The CHAIR — You should get into the modern day, perhaps. As I was saying before being so extraordinarily rudely interrupted, the sky rail — —

Mr Leane interjected.

The CHAIR — You are lucky Bruce is not here. You would be having an early lunch. The sky rail is going to be completed between Caulfield and Dandenong and — not that particular line — will also run through Carrum. Once that has happened, will V/Line services still be using those lines which will be accessing the sky rail?

Mr WEIMAR — Yes. After the upgrade of the Caulfield–Dandenong line — the removal of nine level crossings on that section — once that work is complete at the back end of next year, then we will certainly continue to run V/Line trains through the Pakenham corridor all the way past Dandenong–Caulfield into the city.

The CHAIR — My personal experience is that freight trains are quite often a lot noisier than metro trains. What is being done to protect people who are adjacent to those lines and nearby to those lines from that added noise often during the night? Are we going to have perhaps night curfews?

Mr WEIMAR — I do not have figures on the future freight timetable. We will continue to see freight trains and V/Line passenger trains using the Caulfield to Dandenong corridor on the metropolitan network. Obviously the construction of the Caulfield to Dandenong sections will include safeguarding and noise protection for people living adjacent to the line, both for the passenger services and for the freight services.

The CHAIR — But we could conceivably have very noisy freight trains using sky rail right through the night.

Mr WEIMAR — Well, there will be no difference to the current freight services that we run on that corridor today. So there are freight trains that go through from time to time, and those are important to the industries that are sitting further down the line. We will continue to provide those services. Of course the other trains that will be using that corridor will be the high-capacity metro trains. So when those new trains come into service in 2019 we will see high-capacity metro trains running up the Pakenham, Dandenong and Caulfield corridor, providing that service.

The CHAIR — That is wonderful, I am sure, but for the people on those lines next to the sky rail, they will be subject to the noise of the freight trains. This is what you are saying.

Mr LEANE — It is a new track. There will be less noise.

The CHAIR — Yes, sure. Give him a Bex and a lie down, will you?

Mr LEANE — No, there will be less noise — —

The CHAIR — Would you like to pull your head in? The people who are living on the line, around the line, they will still be subject to the noise of freight trains, except on the sky rail.

Mr WEIMAR — Yes. There will continue to be a mixed use of metropolitan trains, V/Line passenger trains and freight trains using that corridor, as we see on other corridors of our network. Obviously in the design of those track upgrades along that line we are taking into account the types of vehicles, the types of trains, that use it and the appropriate noise abatement that we can provide in that design to minimise the impact on people living nearby. That is no different to how it is today; that is no different to other corridors on our mixed metro and regional network.

Ms HARTLAND — Following up around the issues of the Murray Basin rail project because, as I understand it, it standardises the existing line between Maryborough and Yelta. Does that mean either it will preclude the future reinstatement of the passenger service to Mildura or it will assist the reinstatement of the passenger service?

Mr PINDER — I think the simple answer to that is neither. If rolling stock of a standard gauge was made available, as it is on the north-eastern line, it could operate on that line. I am currently not aware of any plans to reinstate passenger services to Mildura, but certainly it will not stop it from happening if that decision is made in the future.

Ms HARTLAND — Has V/Line considered the cost-benefit analysis report conducted by the NorthWest Rail Alliance on reinstating the passenger rail service to Mildura?

Mr PINDER — V/Line has not specifically, no.

Ms HARTLAND — Right. Is that something that would be considered — looking at that report — especially if a cost-benefit analysis has been done?

Mr WEIMAR — I think that will be a matter for the department in terms of the overall priorities for government and where investment should go.

Ms HARTLAND — I have just a couple of others in relation to in particular level crossing failures in country areas. Obviously they have led to significant disruption over the past six months, including in Warrnambool and Echuca. Can you talk about the investigation that would have happened with these problems and what remedies you have for fixing them, or is there a systematic problem with maintenance?

Mr PINDER — Well, certainly there is not a systematic problem with maintenance. I can reassure the committee about that. What we have on our network, where we have got thousands of these crossings, is a range of technologies that are used to protect the crossings and we have a range of various designs for the crossings.

On the Warrnambool line, following a significant incident that happened there last year, we reviewed the design of those level crossings and decided that the best thing to do in order to operate at the speeds that we would like to operate at on that line is to upgrade the crossings and to use axle counter technology to essentially activate those crossings, because that is the most reliable and robust technology available currently to activate these crossings that have barriers and bells and flashing lights.

On the Echuca line there was a very specific design and operational design of that railway insofar as that only one train in either direction each day was operating. Without getting too technical, that causes a challenge around maintaining the cleanliness, because one of the things that a train does when it passes over the rails is clean the rails, and without that cleanliness, that good contact between wheel and rail, where there is contamination that negatively affects the operational performance of the signalling system, which relies on good electrical contact between wheel and rail.

That is why we have decided to install axle counters — because they are much more reliable at detecting the presence of a train and therefore activating the level crossing — and we brought the program forward on that particular line specifically because of the very specific nature of that line. It was not possible for us to rely on the existing control measures that we had in place totally effectively, so we took the decision — given my comment earlier on about the fact that the level crossing safety standard bar continues to be raised, and we welcome that — to bring forward the work on that particular line so that we could reinstate services as quickly as possible.

Ms HARTLAND — With services that have had to have their speeds restricted to 40 kilometres because of line-of-sight issues, can you talk about the fact that this is a fairly recent phenomenon that speed has had to be restricted when clearly these stations and lines have been there for decades? So what has changed to have the speed restricted? Is it a line-of-sight issue, or is there another problem?

Mr PINDER — I think the simple answer to that is that the standard is improving. The standard of safety in any industry is continually improving. Twenty or 30 years ago, or maybe longer than that now — I am showing my age — you could drive a car without wearing a seatbelt. Some cars back in the day were not even manufactured with seatbelts. We are like any other industry; the standard continues to improve, and as it does, our safety performance improves and we change our operation and our infrastructure to reflect those changes. That is essentially what is happening.

Mr WEIMAR — The committee will recall that we had a very close shave at Colac about a year ago or nine months ago when a farm truck collided with a V/Line train. Everything was done properly, but we still had that incident. The truck driver was very lucky to survive, and we were very lucky that the train did not have more damage to it. So that incident did lead us to review our safety practices and our risk assessments. That led directly to V/Line looking again at level crossings on the line, particularly unprotected ones, and looking at the right approach speed so that we can be confident we are running a safe railway.

Ms HARTLAND — Again this may be a document that you would say needs to be referred to the department, but it seems to me that a number of communities and shires are putting together quite good plans. The six shires of Gippsland released a report, *Gippsland Rail Needs Study*, which details the dire state of passenger and freight rail in Gippsland. Who is reading these reports? Who is dealing with them? Having read some of these reports, they have an amazing amount of local knowledge, and I get very worried that that local knowledge is not progressing.

Mr WEIMAR — The committee will recall that last year or the year before we undertook the regional development plan consultations across regional Victoria. It was a very extensive process that led, as James has said, to the regional development plan that is really our blueprint for where we would like to develop our services. There are ongoing discussions happening with local communities around Victoria. That work has been led by the department, so that is where that engagement needs to happen. The transport planning team in the department continues to evolve and develop options around how we can improve services in those areas.

Ms HARTLAND — I have just got one more question on the issue around temperature and the cancellation of services. On reading through the briefing, we are looking at 33 degrees to actually either slow a service or cancel it. That is not a very high temperature in Victoria. The thing that would concern me is that it could mean that there could be weeks and weeks and weeks of cancelled services or delayed services as temperatures rise. What work is being done to actually make sure that freight can be moved even at those temperatures, which I do not consider to be very high temperatures?

Mr PINDER — I think, as I said earlier on, it is not necessarily the maximum temperature that is the issue; it is the range between the maximum and the minimum. For example, on the London Underground I think their heat speed restrictions kick in at something like 28 degrees, maybe even lower than that.

By improving the quality of the infrastructure — and we are able to improve the quality of the infrastructure through this Murray Basin project, for example — what we are able to do is stretch that range. As much as anything else it is about hitting the sweet spot that says that if we have the range here and there then we will cause the least amount of disruption, whether it is hot or cold, based on what we can expect throughout the year.

I think ultimately we will probably manage to get to something like 36 degrees — I am not guaranteeing that, but that is what we are aiming for — with this work, and I think that will be appropriate given what is the norm for railways around the world.

Mr WEIMAR — To your question, we have never over the course of the last year talked about the complete not running of trains — or freight trains we talked about — in the heat of the day period. We have continued to run those freight trains. I think, James, you have run twice as many wagons in the last year compared to the year before because we have run them at cooler times of the day. Even in regional Victoria, where it does get very hot, 30 degrees is not a common night-time temperature, thank God — or not yet, at least.

Ms HARTLAND — We often talk about the maintenance deficit for Metro being around the \$200 million. Is there a maintenance deficit figure for V/Line?

Mr PINDER — Not that I am aware of. We assess and construct our maintenance activities now around an assessment of the age and the need for the given asset that we are assessing and its criticality to the operation of the network. We target the highest risk, most critical assets. We are not behind anywhere, but we have some assets that are more critical and more ageing than others. That is where we target our activities, and that is how we build our two to three-year maintenance forecasts. In my experience, as somebody that has only been here four and a half or five months, generally we appear to be getting what we need to deliver the outcome that we need to deliver.

The CHAIR — One last question, Mr Weimar. I am sure those will be famous last words! There is significant community — I do not think I would be underestimating it by saying — outrage concerning the removal of the Buckley Street level crossing in Essendon. The local council is leading a campaign to basically leave it where it is until such time as it can be done properly. The current plans would create traffic chaos for many kilometres around. What is the PTV's view on dealing with the council? Why are you going down this track that would cause so many problems? Is it a case of just getting it done, or do you really want to get it done properly?

Mr WEIMAR — I appreciate it, Chair. I will answer the question on notice. I have not got the details of that particular level crossing with me today. What I can say is we work very closely with local councils when we are looking at those kind of — —

The CHAIR — That is not what the local councillors tell me.

Mr WEIMAR — I will come back to you on notice and give you examples of what we have been doing with the local council and where discussions have taken place. Absolutely from a round-the-network point of view, we are very focused on removing level crossings where we possibly can because they represent a clear danger risk and they also represent a massive impedance to both road users and rail users. We will work very closely with local communities around consulting what the best options are around those level crossing removals.

The CHAIR — That is not what the local community is telling me.

Mr WEIMAR — Yes. I think we can certainly come back to you and give you details of the work that has been done, the consultation that has taken place and the discussions that have been had. I am not aware as of here today what decisions we have come to or what decisions we are likely to come to on that particular crossing, but there would have been a lot of conversations taking place over the last month to get to an outcome.

The CHAIR — If you could come up to speed on that and get back to us, that would be much appreciated.

Mr WEIMAR — I would be happy to do that.

The CHAIR — There is, as I say, considerable community concern out there.

Mr WEIMAR — Happy to do so.

The CHAIR — Thank you to you both for coming in today.

Mr WEIMAR — You are welcome. Thank you.

Mr PINDER — Thank you.

The CHAIR — We do appreciate your efforts, as interrupted as they may have been, very much indeed. You will receive a copy of the transcript within the next couple of weeks. That is for proofreading purposes, so you can change typos and those sorts of things — not that there would be typos of course — but we ask you not to attempt to change the general thrust of discussions. That would be very good indeed. Thank you very much. Thank you all for attending. The hearing is now adjourned.

Committee adjourned.