Tasman Highway: Duplication of Midway Point Causeway and McGees Bridge

Public Works Committee Submission







State Roads
Department of State Growth

Tasmanian Government

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Report Date: Wednesday, 30 April 2025

1. Introduction

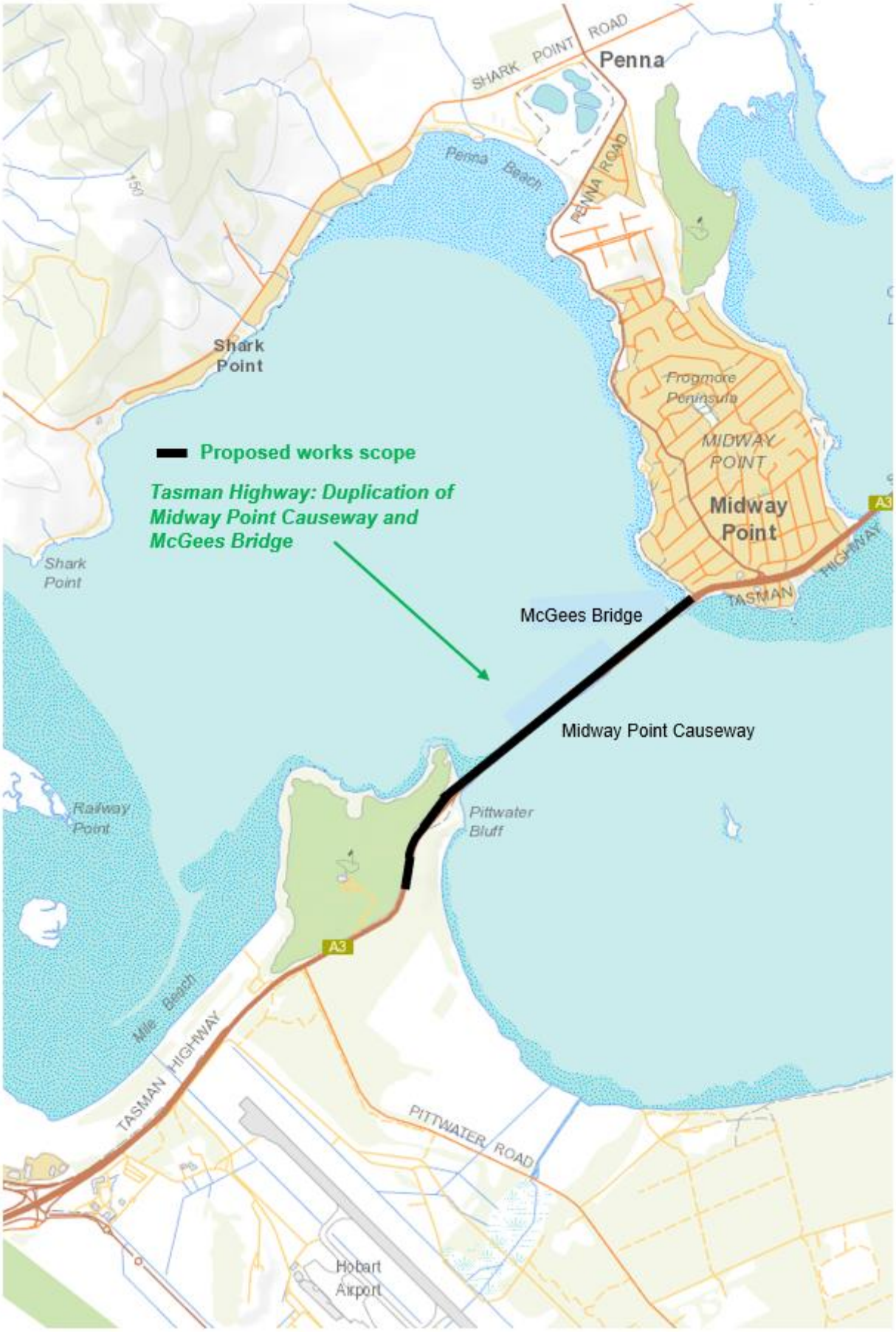
This document is a submission to the Tasmanian Parliamentary Standing Committee on Public Works (PWC) for its hearing into the proposed Duplication of Midway Point Causeway and McGees Bridge works scheduled for 13 May 2025.

This submission has been developed by the works proponent, the Department of State Growth Tasmania.

The proposed works are located within two local government areas, with the causeway falling into the City of Clarence Local Government Area (LGA), and the McGees Bridge section falling within the Sorell Council LGA. The proposed works are located in the Tasmanian House of Assembly and Australian House of Representatives electorates of Franklin and Lyons respectively, and the Legislative Council Divisions of Rumney and Prosser. The project location is shown in the figure overleaf.

The Australian and State Governments have jointly committed $349.5 million to the South East Traffic Solution (SETS). SETS is reducing congestion, improving capacity, level of service and travel time reliability on key highway sections in the south east of Tasmania. Duplication of the Tasman Highway at Midway Point Causeway and McGees Bridge is one of the suite of SETS projects.

This submission and associated PWC hearing scheduled for 13 May 2025 does not address the Duplication of Sorell Causeway project. The existing Sorell Causeway provides a boundary for the state Pitt Water Nature Reserve while also providing a well populated home for the threatened Tasmanian live-bearing seastar. These competing values require further investigation and regulatory assessment before an acceptable upgrade can be identified. Duplication of the Midway Point Causeway and McGees Bridge presents community benefits that can be delivered separately from a Sorell Causeway upgrade.


SHARK POINT ROAD
Penna
Penna Beach
PENNA ROAD
Shark Point
Frogmore Peninsula
MIDWAY POINT
Midway Point
A3
TASMAN HIGHWAY
Proposed works scope
Tasman Highway: Duplication of Midway Point Causeway and McGees Bridge
Shark Point
McGees Bridge
Midway Point Causeway
Railway Point
Pittwater Bluff
A3
Mile Beach
TASMAN HIGHWAY
PITTWATER ROAD
Hobart Airport

2. Need for works

Sorell is the epicentre for a range of economic activities and impacts. The future and function of Sorell as a growing satellite town of Hobart is a key consideration for the entire region going forward. The Sorell LGA population increased at a compound rate of 2.25% per year between 2008 and 2023, more than twice the Tasmanian rate (0.93% p.a.). Population projections point to an increase of 22% for Sorell LGA for the 15 years from 2023 to 2038, in contrast to 8% for all of Tasmania[I].

The population in the region is typically interspersed, low density and is highly reliant on car travel. Limited job opportunities in the region result in almost 64% of workers commuting to workplaces outside of their local area. There is a heavy reliance on private motor vehicles for transport in this region, with 80% of people using cars as their method of travel. Transport pressure points are manifesting by way of growing traffic through Sorell and on the main route from Sorell to Hobart, leading to increased travel times for freight, commuting workers, adverse safety outcomes and reduced resident and visitor amenity.

The Tasman Highway provides the primary access for commuters, freight and tourists. Agriculture, forestry and tourism have been traditional industries in the area for many years and the expansion of the South East Irrigation Scheme into the Sorell region is opening up significant further opportunities for agriculture. These factors have led to growth in traffic volumes on the Tasman Highway of over 3% in recent years.

The highway at Midway Point Causeway & McGees Bridge is at capacity in both the morning and afternoon peaks and currently carries approximately 21,000 vehicles per day. These traffic volumes result in significant traffic delays for road users particularly in peak periods when the capacity of the highway is exceeded. This traffic volume is well above the traffic volumes at which two lane roads are normally considered for upgrading.

The construction of two SETS projects to the west and east of the proposed works have been completed: Hobart Airport Interchange and Midway Point Intersection Solution. Construction of the proposed works will complement these improvements and further increase Tasman Highway capacity to accommodate current traffic volumes and future growth.

[I] Source: https://population.tas.gov.au/dashboard

3. Related works

This project component is one of the suite of South East Traffic Solution (SETS) projects, which are shown in the figure below.

The subject of this submission is the Duplication of Midway Point Causeway and McGees Bridge, as part of the upgrade causeways project shown in the figure above.

The SETS projects and components already completed and delivering transport efficiency and safety benefits are:

a) Arthur Highway Overtaking Lane

b) Hobart Airport Interchange

c) Midway Point Intersection Solution

d) Sorell Southern Bypass

The SETS project currently in the development and delivery phase is:

a) Hobart Airport to Midway Point Causeway

The SETS projects currently in the planning phase are:

a) Sorell Southern Bypass Corridor

b) Duplication of Sorell Causeway

4. Proposed works

4.1 Capital works

The project involves duplicating the Midway Point Causeway and McGees Bridge to a four-lane road between west of Pittwater Bluff and Midway Point. The scope of works identified includes:

- a new dual lane causeway
- a second McGees Bridge
- improving the carpark next to McGees Bridge
- existing emergency services boat ramp adjusted to suit new works
- shared walking and cycling pathways
- streetlighting and underground electrical works
- stormwater works
- sewer rising main works at Taswater cost.

Plans of the works are included in Attachment A.

4.2 Materials

The works are substantially road and bridge construction.

The road design has been completed in accordance with Austroads Guidelines with the road pavements designed for a service life of at least 40 years and the bitumen surfacing, being sprayed or asphalt seal, a service life of at least 15 years.

The majority of the materials for the road construction are aggregates sourced from local quarries that have been certified in accordance with Transport Victoria specifications as adopted by the Department of State Growth. These aggregates include the crushed rock used to build the underpinning structure of the road (the pavement), as well as stone used in sealing (when mixed with bitumen) and used in concrete elements (when mixed with cement and water).

All road construction must meet the department's road and bridge specifications which have been developed from the Transport Victoria specifications and amended to reflect Tasmanian conditions, industry products and construction methods. The quarries are certified under a Quality Assurance process administered by Transport Victoria which includes regular audits.

Concrete structures, line marking, road barriers and other traffic furniture are designed and constructed in accordance with Austroads Guidelines and sourced from local suppliers where available.

Concrete is manufactured in Tasmanian concrete plants from locally sourced stone and water with either locally produced or imported cement. Some concrete is poured on site (for example, bridge piers or bus stop bases), while other concrete products are manufactured offsite in casting yards elsewhere in Tasmania (for example, drainage culverts).

Steel is commonly manufactured outside Tasmania, with some final detailing in Tasmania. For example, poles and sheet metal inputs for signage are imported into Tasmania with the final signs being printed and assembled here. Metal barriers are typically manufactured on the Australian mainland or overseas and assembled in Tasmania.

Electronic components, where required, are imported into Tasmania as there is no local manufacturing base.

5. Benefits

The Midway Point Causeway, including McGees Bridge will benefit the Tasmanian community with:

- improved travel time reliability
- lower vehicle operating costs
- lower road crash rates & crash severity by separating opposing traffic
- a higher causeway and second bridge which will reduce the effect of sea spray and inundation over the highway
- a causeway that is more difficult for the changeable Pitt Water estuary conditions to erode, due to gentler batter slopes
- maintained intertidal habitat for the threatened live-bearing seastar (*Parvulastra vivipara*), a species endemic to south-east Tasmania
- lower greenhouse gas emissions by reducing the amount of braking and accelerating associated with traffic congestion
- improved pedestrian and cycling facilities
- higher business productivity through increased output and reduced overheads due to time and vehicle cost savings
- enhanced connectivity within the Sorell region and with Greater Hobart, the East Coast and the Tasman Peninsula.

The cost benefit analysis estimates a Benefit Cost Ratio (BCR) of 2.2 with standard benefits at a P50 cost, using a discount rate of 4%. Standard benefits are the direct benefits of improved transport efficiency and safety, such as lower travel times and reduced risk of crashes. The standard benefit BCR is 1.2 using a P90 cost and discount rate of 7%.

In addition to standard benefits, the project will lead to wider economic and improved transport system resilience, which further improves the BCR. The positive and greater than 1.0 BCRs indicate that the project is worthy of public investment, as the overall economic benefits outweigh the costs.

This is a strong result and confirms the value of the works.

6. Progress to date

Investigations completed:

- land survey
- heritage (Aboriginal and historic)
- geotechnical
- environmental (flora and fauna), terrestrial and marine

Design advancement:

- completed concept and preliminary designs including initial road safety and hydraulic assessments
- detailed design for construction contract tender is underway including noise modelling and liaison with utility providers

Environment approvals and development of environment impact mitigations:

- successful seastar habitat construction and translocation trials
- temporary homes established for seastars during construction
- submission to Australian Government Department of Climate Change, Energy, the Environment and Water (DCCEEW), in November 2024, to initiate consideration for approval under the *Environment Protection and Biodiversity Conservation Act 1999* (EPBCA)
- commenced organising resources to respond to DCCEEW direction issued in March 2025 through the EPBCA assessment process.

Stakeholder engagement:

Two public consultation periods have been conducted concerning the proposed works.

- In 2022 the draft concept design was publicised and community feedback obtained online. Meetings were also held with Clarence City and Sorell Councils.
    - The feedback was used to progress the design and inform the EPBCA referral.
- During February and March 2025 the current design was widely publicised, including videos of the design. Feedback was gathered from well-attended in-person information sessions and online.
    - Most people who engaged in the consultation were supportive of the project and proposed design and are keen to see the work go ahead as soon as possible to address increasing traffic congestion.

Other approvals

- In addition to DCCEEW, engagement with other environmental regulators including the EPA and NRE Tas is ongoing.
- Discussions with Clarence City and Sorell Councils regarding planning scheme requirements have commenced.

7. Potential impacts and opportunities

7.1 Community

Stakeholder engagement to date has identified the following community impacts and opportunities, with actions to date and planned.

Community impact	**Involved parties**	**Actions implemented to date**	**Planned actions** (to be conducted during design finalisation)	**Notes**
Property Acquisition	Three private property titles will be impacted by partial acquisition.	Acquisition area reduced as far as practical while maintaining benefit of works.	Ensure ongoing engagement with the Office of Valuer General (OVG)	Property owners are compensated for their loss through a legislated process managed by the OVG.
	It is proposed that part of the Pitt Water Crown Land title be changed in management responsibility. Converting some of Pitt Water to a land transport use suggests transfer from NRE Tas to State Growth.	Area for a wider transport corridor has been minimised as far as reasonable, whilst still delivering project objectives.	Ensure ongoing engagement with the NRE Tas teams currently managing this area of Pitt Water. Consult Office of Surveyor General (OSG) to ensure administrative details meet legislative requirements.	Property Services (NRE) manages transfer of responsibility for Department entities.
Noise	Adjacent property owners and businesses	A noise assessment for the concept design was undertaken resulting in no mitigation required. A second assessment is currently occurring for the latest design, as a moderate change to the alignment was identified after the concept design.	If necessary, mitigate any increased noise along the proposed road design such as placing road surfacing that produces the least amount of noise or installing noise reduction glass in neighbouring buildings.	Continue to apply the State Growth Noise Guidelines during final design development.

Community impact	**Involved parties**	**Actions implemented to date**	**Planned actions** (to be conducted during design finalisation)	**Notes**
Property Accesses	None	Not applicable	Not applicable	
Traffic Management during construction	Motorists: - Through traffic - Local traffic Local businesses Freight operators	The design has been developed to minimise disruption to traffic during construction by allowing work stages that maximise daily traffic use of the existing causeway and bridge.	Include traffic management performance targets and public communication expectations in the construction contract.	State Growth and construction contractor will advise drivers of unavoidable traffic delays as work locations change during construction.

7.2 Environmental and heritage

The multi-disciplinary investigations undertaken to date have identified the following community impacts and opportunities with actions to date and planned.

Environmental / heritage topic	**Potential impact or opportunity**	**Actions implemented to date**	**Planned actions** (to be conducted during design finalisation)	**Notes**
Ramsar site (internationally listed wetland)	The project is in the Ramsar site. Negative impacts to the environmental values that contribute to the listing must be avoided or managed to a level acceptable to the Australian Government.	Marine and coastline surveys have been undertaken to assess the natural values of the habitat.	Optimisation of the design and construction contract conditions to minimise habitat disruption as much as practicable.	Relevant conditions of EPBCA referral will be written into construction contract and monitored by Department of State Growth.

Environmental / heritage topic	**Potential impact or opportunity**	**Actions implemented to date**	**Planned actions** (to be conducted during design finalisation)	**Notes**
Tasmanian Live-bearing Seastar habitat	Threatened fauna community within the project footprint.	Detailed seastar population data and habitat conditions have been collected. Successful seastar habitat trials completed. Temporary homes established for seastars to be housed during construction.	Optimisation of the design and construction contract conditions to minimise habitat disruption as much as practicable.	Conditions of EPBCA approval and state government permits to be adhered to.
Migratory birds	Threatened migratory birds use habitat near the project.	Marine and terrestrial surveys have been undertaken to assess the natural values of the estuary and coastal habitat.	Optimisation of the design and construction contract conditions to minimise habitat disruption as far as practicable.	Conditions of EPBCA approval and state government permits to be adhered to.
Indigenous heritage	Known artefact within project area. May be other heritage contained in the project footprint not currently visible (under built or natural surfaces).	Desktop assessment and site inspections.	Fine tune design to confirm low chance of encountering known indigenous heritage during the works.	An Unanticipated Discovery Plan will be required to be in place during construction.

Environmental / heritage topic	**Potential impact or opportunity**	**Actions implemented to date**	**Planned actions** (to be conducted during design finalisation)	**Notes**
Threatened, rare orchids at Milford	Rare orchid communities are located near the project footprint. One area of the project is yet to be surveyed.	Natural Values Assessment has been undertaken to understand threatened communities which may be affected by the project. To date, the proposed road alignment avoids known orchids and orchid habitat. A final area is scheduled for field investigation in late 2025, when orchids will potentially flower. Flowering is subject to seasonal conditions such as rainfall.	Conduct final seasonal survey. Following final survey completion, consider if further mitigation measures are required including revising the design. Keep EPBCA and NRE Tas regulators and adjacent landowner informed.	
Acid Sulphate Soils	The project works will encounter Acid Sulphate Soils.	Geotechnical surveys have identified limited areas of Acid Sulphate Soils within the project footprint. Whole extent of Acid Sulphate Soils within project footprint cannot be mapped. But soil identification and treatment process are known.	Soil to be tested and management plan implemented during construction.	

8. Funding and cost

The works are funded under the South East Traffic Solution program, which has a total commitment of $349.5 million with $279.6 million committed by the Australian Government and $69.9 million by the Tasmanian Government.

Of the total SETS commitment, $209.5 million is currently identified for duplicating both the Midway Point Causeway (including McGees Bridge) and Sorell Causeway.

The current cost estimate for Duplication of Midway Point Causeway and McGees Bridge is summarised below.

Item	P50 estimate	P90 estimate	Notes
Base Estimate	$140,127,401	$140,127,401	Includes site investigations, design, community engagement, approvals, acquisition (including related compensation), project management and construction.
Contingency	$11,247,099	$26,987,699	Contingency 8 % – 19 % of base estimate. Refer below for discussion.
Escalation	$7,923,425	$8,785,475	Escalation 5.2% - 5.3% of base estimate. Refer below for discussion.
Total	$159,298,000	$175,901,000	

To date, of the $349.5 million joint commitment, approximately $144 million has been allocated to the SETS projects completed to date.

This demonstrates that the works are currently forecast to be delivered within the current SETS commitment.

8.1 Contingency

The contingency provides for contingent events – that is events which may or may not occur. For this project, key contingent risk items include:

- construction cost escalates due to saturated market
- variations during construction because of circumstances difficult to quantify, such as weaker ground conditions than forecast
- delays to construction from circumstances such as:
    - adverse weather conditions
    - unexpected discovery of unlisted site/object with heritage values
    - presence of unanticipated marine wildlife
- EPBCA permit conditions impact construction program
- additional environmental investigations required.

Some construction method details will need to be resolved with environmental regulators before tendering the construction contract. These potential adjustments are included within the contingent costs estimated.

8.2 Escalation

The escalation allowance is a provision in costs for changes in economic and market conditions over time.

Estimates of escalation are not intended to be precise forecasts of future prices; they are approximations intended to represent the average trends for a large group of projects in a broad region.

9. Timing

Construction is expected to begin in late 2025, however, this is dependent on receiving all necessary environmental approvals from the Australian Government and NRE Tas, and planning scheme and PWC approvals.

10. Conclusion and recommendation

The proposed Duplication of Midway Point Causeway and McGees Bridge works have been developed in response to the need to improve travel time reliability along the Tasman Highway between Hobart's CBD, Sorell and the Tasman Peninsula, recognising the potential for traffic growth due to an increasing population in this region.

Key benefits of these works include:

- improved travel time reliability
- better road user safety
- a higher causeway and second bridge, reducing the effect of sea spray and inundation over the highway
- a more durable causeway
- maintaining habitat for the threatened live-bearing seastar, a species endemic to south-east Tasmania
- enhanced connectivity within the Sorell region and with Greater Hobart, the East Coast and the Tasman Peninsula.

The project is at the detailed design and regulatory approvals stage, construction tenders will be advertised once all approvals are secured.

The estimated cost of the works is $159,298,000, which can be funded by the Australian and Tasmanian Governments' South East Traffic Solution commitment. The current cost estimate is considered reasonable for the scale and scope of works proposed.

These Midway Point Causeway Duplication and McGees Bridge works are a fit for purpose and value for money solution to address the existing community need to improve travel time reliability between Sorell, Midway Point, the Tasman Peninsula and the Hobart CBD.

Attachments

Attachment A	Plans

Department of State Growth

Salamanca Building, 4 Salamanca Place
Hobart TAS 7000 Australia

Phone 1800 030 688

Email StateRoadsProgrammingTeam@stategrowth.tas.gov.au

Web www.transport.tas.gov.au