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PARLIAMENT OF TASMANIA

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PARLIAMENTARY STANDING COMMITTEE ON PUBLIC WORKS

# Southern Outlet Transit Lane

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*Brought up by Mr Wood and ordered by the House of Assembly to be printed.*

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## MEMBERS OF THE COMMITTEE

Legislative Council

House of Assembly

*Ms Rattray (Deputy Chair)*

*Mr Valentine (Chair)*

*Ms Butler*

*Mr Tucker*

*Mr Wood*

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## 1 INTRODUCTION

The Committee has the honour to report to the House of Assembly in accordance with the provisions of the *Public Works Committee Act 1914* on the -

### **Southern Outlet Transit Lane**

## 2 BACKGROUND

- 2.1 This reference recommended the Committee approve works to construct a northbound T3 transit lane on the Southern Outlet from the Olinda Grove interchange at Mount Nelson, to tie in with the existing bus lane which starts south of the Lynton Avenue overpass.
- 2.2 The Southern outlet carries one of the highest daily traffic volumes on the State road network. Residential growth in the communities south of Hobart has created increased commuter traffic volumes during peak periods, with increased traffic queuing and congestion occurring on the Southern Outlet and in to the City of Hobart.
- 2.3 The Southern Outlet Transit Lane is expected to help in easing this situation long-term, in conjunction with other scheduled works on roads leading into the Hobart CBD. The lane will allow northbound buses, emergency service vehicles and private vehicles with 3 or more occupants and motorcyclists to skip the queueing traffic and will commence near Olinda Grove interchange. The lane should encourage greater uptake of public bus travel and car-pooling by making these transport modes more attractive.
- 2.4 The Southern Outlet Transit Lane is one element of an integrated, complementary package of works and measures. These include the provision of park and ride facilities in Kingston, improved bus services from Kingston and Huonville, eventual commencement of the T3 transit lane at Kingston (yet to be funded), with continuity through to the Davey Street/Macquarie Street couplet, and the development of bus priority measures in both Davey and Macquarie Streets.
- 2.5 It is anticipated that such measures will encourage a modal shift in commuter behaviour towards greater utilisation of more efficient, higher occupancy transport modes, primarily public transport and car-pooling, by making these transport modes a more attractive proposition for commuters. Together, these represent an end-to-end solution aimed at mitigating the queueing and congestion problems that are being experienced on the Southern Outlet, through to the Hobart CBD.
- 2.6 The realisation of the full benefits of the proposed works are therefore highly reliant on these other measures. The expected benefits of the proposed works include:
  - Improved travel times ;
  - Improved travel time reliability;

- Improved public transport experience;
- Increased use of public transport and multiple occupancy vehicles;
- Increased efficiency and capacity on the Southern Outlet; and
- Alleviating congestion.

### 3 PROJECT COSTS

- 3.1 Pursuant to the Message from Her Excellency the Governor-in-Council, the estimated cost of the work is \$35 million.

The following table details the current cost estimates for the project:

	<b>P50 (\$m AUD)</b>
<b>Base Cost Estimate</b>	25.34
<b>Contingency</b>	3.38
<b>Total Project Cost Estimate</b>	28.72
<b>Escalation</b>	1.06
<b>Total Outturn Cost Estimate</b>	29.78

## 4 EVIDENCE

- 4.1 The Committee commenced its inquiry on Tuesday, 4 October last with an inspection of the site of the proposed works. The Committee conducted public hearings in Committee Room 1, Parliament House, on 4 October and 3 November last. The following witnesses appeared, made the Statutory Declaration and were examined by the Committee in public:-

### 4 October 2022

#### Department of State Growth (proponent):

- Suk Maan Kong, Project Manager, Department of State Growth;
- Martin Blake, CEO Infrastructure Tasmania, Department of State Growth; and
- Christian Goninon, Project Director, Department of State Growth.

#### Members of the Public and Interested Parties

- Tony Blanks;
- Catherine Prideaux;
- Caden McCarthy, Manager, City Mobility, City of Hobart;
- Meg Smith, SOSHobart 2021;
- Tony Dell, SOSHobart 2021;
- Gerry White, Public Officer, Circular Economy Huon;
- Dr Liz Smith, Circular Economy Huon;
- Mervin Reed; and
- Michael Hanlon

### 3 November 2022

- Hon Michael Ferguson MP, Minister for Infrastructure and Transport

#### Department of State Growth (proponent):

- Martin Blake, CEO Infrastructure Tasmania, Department of State Growth; and
- Denise McIntyre, General Manager State Roads, Department of State Growth.

The following Committee Members were present at both hearings:

- Hon. Mr Rob Valentine MLC (Chair);
- Hon. Ms Tania Rattray MLC (Deputy Chair);

- Ms. Jen Butler MP;
- Mr. John Tucker MP; and
- Mr Simon Wood MP.

## Overview

### 4.2 Dr Blake provided some background to the proposed works:

**Dr BLAKE** - In 2018, *Infrastructure Tasmania*, under my predecessor Alan Garcia, released a transport vision for Hobart. It highlighted the impacts of population growth on the Hobart transport system and it highlighted the need for dedicated transit infrastructure or prioritised transit infrastructure on the arterial routes in Hobart, acknowledging that it is going to be very difficult to solve the peak hour commuter problems in particular, without a modal shift to passenger transport.

This is something that has been considered in detail by a separate parliamentary committee in recent times and that committee essentially reached similar conclusions to that of *Infrastructure Tasmania* in the past.

It was actually following that report by *Infrastructure Tasmania* that the Liberal government at the time made an election commitment to this particular project which was part of that overall vision released by *Infrastructure Tasmania*. The project itself dates back to that particular time. Since that time, there was that commitment made by the Liberal Party that then became government and the Department has been progressing that election commitment ever since.

The need for it has only grown over time. We are now looking at prior to 2050, looking at population growth in the order of 60 000 people which has been estimated to result in an extra 32 000 journeys to work across the city in that time. The city, as members were alluding to before we started, due to the topography of Hobart, in particular the potential solutions to the peak hour travel challenge, are a bit more limited than they might be elsewhere. Cities that have developed in more recent times and have developed since the advent of the car in particular, where cities have not developed around rail systems and such as we see in Europe, this is a challenge that cities of this era are facing around the world and the solutions are not unique.

There is nothing unusual or different about what *Infrastructure Tasmania* originally proposed and the direction we are taking now to resolve the issue. There has been work done on alternatives such as things like tunnels for traffic that are bypassing the city. That does not address the challenge for commuters travelling in to or out of the city itself, particularly at those peak times, unfortunately.

Even in the event where a tunnel was constructed, at enormous cost and huge cost to public property, far more than the level that has ever been contemplated here, again, we are talking about marginal savings in travel time. Probably, to be honest, having to address this exact same issue anyway, because the amount of traffic that actually gets diverted into the tunnel or that similar bypass, is not sufficient to reduce the overall demand and the queuing and the delays that we experience at the entrances to the city in any case, from each direction.

Nor does it address the issue we also have which is a longer-term issue than the peak travel in to and out of the city challenge, which is the fact that our city system is set up for a unidirectional flow in the morning and the afternoon peak, and the residual flow over the bridge in the morning peak is now starting to become a challenge as well, in addition to that. It makes it even more challenging and will even further accentuate the need for the modal shift onto the public transport.

.....The way we have set up the contraflow system around Hobart is to favour the predominant traffic flow. However, as demand grows over time there will be a growing challenge in the contra direction. It also becomes an issue the more the work environment is

decentralised around the city. Increasingly, as people are not working in the city, this challenge actually gets exacerbated.

Now, it has been suggested in the past that a possible solution to traffic congestion in the Hobart environment has a potential to actually worsen it. Unless, we can develop a public transport system able to cope with that contra flow, as well as the traffic flow in to and out of the city, which is what people in Infrastructure Tasmania are working on right at the moment. It is a long-term passenger transport system that would do that.

What we are talking about today, obviously, is a relatively small bit of supporting infrastructure that contributes to that overall system and does not work in isolation from that, nor does it work in isolation from operational uplift and passenger transport services. That was probably an important bit of historical context or recent history.

#### 4.3 Ms Kong also provided a short overview of the proposed works:

**Ms KONG** - ... The transit lane will operate Hobart bound between Olinda Grove and Macquarie Street as a T3 transit lane. This means it can be used by private vehicles carrying three or more people, buses, taxis, motorbikes and emergency service vehicles. This lane will become a near clear way on Macquarie Street from Gore Street to Molle Street, so it can be used by general traffic during peak hour each weekday. The longer-term plan is for the transit lane to extend all the way through from Kingston to Hobart to link up with the park and ride at Huntingfield and provide bus improvements all the way from the southern suburbs to Hobart.

### **Addressing the Need for the Southern Outlet Transit Lane - the Strategic Context**

#### 4.4 The Committee recognises that, considered in isolation, the Southern Outlet Transit lane is unlikely to address traffic congestion. However, the Department of State Growth has highlighted it is one element in an overall strategy that involves not just infrastructure investments, but investing in measures that incentivise behaviour change. The Department of State Growth's witnesses reinforced the commitment to this strategic approach at the public hearings, and expanded on the measures to be taken:

**Dr BLAKE** - As we talked about before, this was an election commitment by the Government, and it's not something we were disappointed that the Government elected to fund. Conceptually, I think it is something that Infrastructure Tasmania had thought through previously. In Hobart the range of options are limited. Going forward, we really are limited to modal shift to public transport, particularly for commuter traffic, and I suspect increasingly for movement around the city as well, not just into the city.

As we have discussed in passing, achieving that behaviour change is going to be incredibly difficult. I think there will, over time, be a movement to a larger number of services, At some stage, there will probably be a re-look at pricing. I suspect there will be a move to better buses. We're already talking about different fuel technologies, which again will appeal to people. Less noise and fewer emissions from these vehicles, particularly in the city, will help people make that decision and make buses more palatable. One of the challenges we also have with buses is that people don't like having them around. So, it's not just getting people to catch them, it's working out how they integrate into the city, which is part of the overall issue we have.

The strategy under Alan Garcia was that the only way to deal with this in Hobart was through greater provision of transit infrastructure in the city. The fact that the Government has introduced it with those services makes it appropriate. Working in the public sector, on behalf



of the people of Tasmania, we were very grateful that this was something the Government elected to invest money into. It will be an investment that will eventually be mirrored on all our arterial routes, which is going to be challenging.

...

**Dr BLAKE** - In general, the commentary about public transport is interesting, because I think if you went back to 2018 you wouldn't find this discussion in the public domain, certainly not in political circles, in terms of the best way to go forward with public transport.

From that point of view, we've come a very long way. It's very good to see that debate happening. It does seem to be that there is a misunderstanding of the intention of the project as far as passenger transport goes. People are seeing it in terms of increasing capacity rather than facilitating more reliable and effective and more attractive passenger transport, which is disappointing, because that is the purpose of the project.

There is also a bit of misunderstanding in terms of Macquarie Street, in particular, that there's something that's readily available to get the buses down Macquarie Street faster without creating untenable traffic problems further up the Southern Outlet that include the buses themselves. As we said, the buses are delayed more by having that bus lane than they would otherwise in the Macquarie outlet case.

**CHAIR** - Sorry, did you say the buses are more delayed?

**Dr BLAKE** - Correct. What happens is the queues actually get longer on the Southern Outlet than they are currently and the buses are caught up in that queue. The actual time it takes for a bus to get from Kingston to the middle of the city in peak hour is longer than what it is now with those bus lanes in place, unfortunately. Until a transit lane can be extended back to Kingston, it is counterproductive. If we can - and hopefully we will - one day get a transit lane back to Kingston, those bus lanes will become viable, and the works that are being done now provide for that in the future.

- 4.5 At the public hearing on 3 November the Minister for Infrastructure and Transport, the Hon Michael Ferguson MP, also reiterated the strategic approach being taken, which is to provide an “end to end” traffic solution from the south of Hobart, aimed at encouraging a modal shift to public transport:

**Mr FERGUSON** - ... The first thing I would emphasise is that this is not a new transit lane from Mount Nelson to the current transit lane or the current bus lane. This is an entirely end-to-end solution that the southern project represents, which is about providing an end-to-end solution for traffic from the south of Hobart to enter into the city and strongly promoting public transport as well and to encourage some mode shift.

The easy thing to do, if you would like, in policy terms would be to build an extra lane or to just build extra capacity on existing infrastructure. That is not what we are seeking to do because we recognise that with growth that is projected for the Kingborough and Huon Valley communities, that extra capacity, if not treated carefully and designed for a long-term social purpose is only going to fill up and we will have the existing challenges right now just come back to us in a few years' time.

It is an end-to-end solution because it is about providing park and ride facilities south of Hobart. It is also about the extra bus services. We are actually placing 65 additional express bus services each week day and promoting that extra service capability. Then you would talk about and introduce the transit lane itself, which is commonly referred to as 'the fifth lane'. People know that there is already a bus lane that commences just before Davey Street. If we do not build the extra capacity back to Olinda Grove and deliver these benefits plus, I hasten

to add, I think the commonly misunderstood view that you don't deal with the bottleneck. I have to address that.

The bottleneck, if we would refer to that as the section of road which is currently three lanes between Davey and Macquarie streets at the southern-most end of Davey and Macquarie streets where they meet. We are actually building an extra lane through there as well, which then sweeps around the corner into Macquarie. Then the treatment of the lanes in Macquarie Street and having clear ways and bus prioritisation.

If I can capture the full project in the way that I just have I believe that we are able to better articulate how this is about a suite of solutions working together for a common outcome. In terms of staging, I would like to ask my colleagues from the Department to address that.

But I would make the point if we do not build the extra infrastructure, the key reason for this integrated approach is that without the additional transit lane and bus improvement measures, the additional buses will simply end up at the back of the queue currently being formed each day, particularly in the morning peaks on the Southern Outlet. We want those buses to have somewhere to go and to place some priority on them.

...

**Mr FERGUSON** - The advice that the Government has received in bringing forward this project ... this is about an end-to-end solution. There is no other solution that can alleviate the very real congestion issues that commuters are facing right now - and that is on days where there isn't, for example, somebody who has run out of fuel or had a traffic accident, and there is a blockage of a single lane. That did occur six weeks ago. There was a fairly major congestion event on the Southern Outlet, on the basis of a traffic crash that had only closed one lane.

We need this extra capacity to deal with the here-and-now issues because the current asset has outlived its usefulness. We need to build for the future, but I am very keen to not just to build an extra lane. I am very keen to build an extra lane that can start to see some mobility method change, what you might call mode shift, so that we can encourage people to choose public transport for the broader good of society and the community because it is a far more efficient way for large numbers of people to move.

We don't expect everyone to catch the bus but we'd like to create an incentive for a minority of people to shift to the bus, which will be better not just for themselves as they get a travel time advantage, but then also fewer cars in the queue.

#### **Is the Transit Lane Needed Now? – Staging of the Southern Outlet Transit Lane and other Interrelated Projects**

- 4.6 The Committee noted there are other projects under the Hobart City Deal - Greater Hobart Transport Vision aimed at managing road network congestion during peak times. The Committee also noted the bottleneck issue at the Macquarie/Davey Street couplet intersections would not be addressed by this project and congestion may actually be exacerbated without other works being undertaken at these intersections and further into the city.
- 4.7 This matter was raised by Mr Tony Blanks in his submission. Mr Blanks suggested that interrelated projects should be staged, with the cheaper, less time-consuming measures undertaken first, and their effectiveness assessed, prior to constructing the Southern Outlet Transit Lane:

... it would be wise to stress test those components of the Hobart City Deal Southern Projects already completed or which can be implemented with minimal expenditure of time or money.

A reasonably logical sequence of actions to implement and stress – test the components of the projects is:

1. Establishment of the Macquarie Street Clearway and evaluation of its effectiveness under present traffic loads. Cost estimate not available but likely to be minimal. If effective in improving traffic flow then move on to:
2. Resolution of the congestion at the intersections of the Southern Outlet Road and both Davey and Macquarie Streets. Cost estimate not available. If improvement in traffic flow is achieved then:
3. Evaluate the success of the Kingborough Park and Ride service, albeit this would be before the construction of the T3 Transit Lane.
4. If the Park and Ride operation results in satisfactory bus passenger loads and a reduction in peak time light motor vehicle numbers and travel times between Kingston and the Hobart CBD then:
5. Construct the T3 Transit Lane as proposed with provision for additional traffic growth. Cost estimate varies depending on the person offering the estimate but probably close to \$100M in 2022 dollars.<sup>1</sup>

- 4.8 The Circular Economy Huon, in their submission, also suggested that the addition of a T3 transit lane may increase congestion, and other measures may be more effective:

Building a fifth lane on the Southern Outlet (SO) will exacerbate the problem of traffic congestion in Hobart, not solve it. The main way to alleviate congestion in Hobart is to reduce the number of individual vehicles entering the city, particularly in the morning between 7.00am and 9.00am. Building an additional traffic lane into Hobart on the SO will encourage more people to drive.

The solution to congestion and improving mobility is to investigate and then implement measures to increase the use of public transport, car-pooling, community transport and active transport. Much of this work has already been documented (but not implemented) in the joint Southern Tasmania Councils Authority and Tasmanian Government, Southern Integrated Transport Plan 2010. It is recommended that the core elements of the Plan are revisited so that realistic and longer lasting solutions to traffic congestion are adopted that will also improve mobility for the community south of Hobart.

The disappointing aspect of persisting with plans to build a fifth lane on the SO is that it is passing over the opportunity to make a clear statement about mobility in Tasmania for the future. Following the positive introduction of

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<sup>1</sup> Submission from Mr Tony Blanks, page 5.

ferries on the Derwent to reduce vehicle movements on the Tasman Bridge, a comprehensive strategic approach could still be taken to reduce the number of vehicles traveling into and out of Hobart via the SO. By adopting such strategies, it can bring about real behavioral change leading to residents south of Hobart being less reliant on private cars and reduce the ongoing need for extremely expensive road building projects.<sup>2</sup>

...

The proposed work of adding a fifth lane to the SO is not the best solution to solve traffic congestion, in fact it will make it worse. Whereas there are other elements of the Hobart City Deal that would be cheaper, quicker and easier to implement but where there has been little or no progress.

Why is the work to increase traffic flows on Macquarie and Davey Street not already actioned? Congestion has been a problem since well before the signing of the Hobart City Deal in 2019 but there would seem to be a lack of motivation to progress this component of the Plan.

Likewise, another element of the Deal is to develop the Hobart interchange but even the site for this is still not known. An interchange will make it easier for people traveling by bus into the city to then catch another bus for an onward journey. There was also mention of a Kingston interchange and there has been no movement on this facility.

... Work is well underway with the development of park and ride facilities in Kingston but these are totally inadequate to cater for current and future populations. ... The number of car and bike spaces is seriously inadequate to cater to the numbers of people needing to commute from Kingston to Hobart or justify the construction costs of an additional lane on the SO. Unfortunately the park and ride facilities in Kingston are another example of the result of a lack of long term strategic transport planning and implementation in Tasmania over the last ten years.<sup>3</sup>

4.9 At the hearing on 4 October, Mr Gerry White representing the Circular Economy Huon, expanded on this view:

**Mr WHITE** - ... The morning congestion is due to the volume of traffic in the city of Hobart. It is not about the adequacy of the Southern Outlet to bring traffic into Hobart. The congestion is occurring not on the Outlet where the money is proposed to be spent, but within the city itself. It's the number of vehicles.

Congestion is caused by low occupancy levels in private cars, predominantly, many of which are single occupancy vehicles. If measures are put in place to significantly address the issue of low occupancy, then one car can take up another three cars in terms of traffic on the Outlet. If it is one bus, it is between 20 and 40 cars that can be taken off the Outlet.

... The Government needs to implement policies and plans that lead to behavioural change in the way that the community and business views transport. It is about applying data analytics to provide public transport; commuter minibuses; public transport on demand; carpooling

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<sup>2</sup> Submission from Circular Economy Huon, 12 September, page 1.

<sup>3</sup> Ibid, pages 3-4

arrangements; and active transport that is fit for purpose, is attractive to the public, is cost efficient and improves mobility for all. There are lots of examples of that around the world.

...

...Really we should be trying the soft options first. We should be looking at how we can increase occupancy in vehicles, and systematically doing it through an integrated transport plan. Then, if that failed, we look to other options.

**Ms RATTRAY** - Do you see any other options? There have been some attempts for park and ride for some time in the southern part of the state. It appears that they have not been very successful, or not being taken up to the level that was anticipated, expected, or even hoped for. Is there any option but this T3 proposal?

**Mr WHITE** - ...I think the park and ride can be done, and it can be done well. Comments have been made about that. We can take the basic facility, both of those in Kingston, and they can be connected up so that we can get better use of it. I live south of Huonville. Then you look at the range of park and rides that could be provided and should be provided for a linked up service to come up to Hobart that are not there and not being considered at the moment.

Grove is a classic example. We do not need to expend millions. There needs to be a space for buses to pull in, for cars to park, but it is not about the main centre, it is the small townships. If you go down the Channel, we are talking about Margate and Snug, Kettering and Woodbridge, the same thing can happen. You do not end up with one big volume of traffic that people need to drive into, but people can get to their local park and ride system which does not require a lot of infrastructure, but it needs thinking through.

- 4.10 In its submission, SOSHobart 2021, which represents affected residents of Dynnyrne Road, also raised the issue of congestion at the Davey/Macquarie Street couplet:

As repeatedly pointed out by SOS Hobart to Minister Ferguson, State Growth and Infrastructure Tasmania, Hobart's inner city traffic congestion is exacerbated by the poor design of the Davey and Macquarie Street intersections with the Southern Outlet which contributes to traffic blockages occurring not only at peak hours, and in both directions, on the Southern Outlet.

In all probability, because of the intersection configuration, the current Transit Lane proposal is likely to further restrict access to Huon Road and South Hobart, resulting in even longer queues than currently occur down Davey Street in peak periods. Rather than just impacting the righthand lane, frustration as a result the congestion will likely result in queue-jumpers wanting to get to Huon Road/South Hobart also impacting on the righthand of the two lanes going to Kingston.

In addition, given that the proposed T3 Transit Lane stops soon after Gore Street with the left-hand clearway only being extended to join the current short clearway ending at Molle Street and no action has been taken to introduce clearways on both sides of the two streets in peak periods, it is our submission that adding a transit lane part way down Macquarie Street will merely exacerbate the inner-city congestion problem, notwithstanding any

minor reduction in car traffic as a result of the half-hearted attempt to encourage greater public transport.

*This inadequacy is further demonstrated by State Growth's own traffic modelling provided to us in August 2021 ... which notes that for general traffic the 5th lane saves a maximum of about 2 minutes travel time and an average of about 1 minute over the hour between 7:30 am and 8:30 am. For buses the savings is a maximum of about 3 minutes and an average of about 1.5 minutes between the same period.*

*Until inbound traffic runs freely along Macquarie St, no significant impact will be made by fractionally increasing the size of the bottle neck on part of the left-hand side of Macquarie Street, leaving three-quarters of the Macquarie Street north-bound bottle neck intact.<sup>4</sup>*

- 4.11 Mr Caden McCarthy, representing the Hobart City Council, in noting the Council's qualified support for the project, indicated that it should be just one element of the approach to managing congestion in the city:

*...We think, especially when it comes to implementing transit priority lanes this type of infrastructure could have a really important role in the Greater Hobart region overall future transport network.*

*However, having invested this sort of money in this project and the need to demonstrate the benefits, we do think the community deserves a bit more benefit from the investment that has been put in...*

*...*

*It is important to also note that the changes to the Southern Outlet overall, even if done thoughtfully and successfully, will still result in more vehicles entering the city of Hobart and it will not solve congestion long term or avoid more pressures on our urban streets. It is important to remind ourselves that the state and local governments of the greater Hobart region really do need to work together on a sophisticated approach and a balanced approach to congestion management overall that does not rely on infrastructure alone. And creating a more balanced network where this not such reliance on one mode being important while pursuing efforts to manage that travel demand.*

*...*

*We would certainly look to be working with them on developing some of those travel demand management initiatives, particularly at the start of the construction process, to make sure that the project is delivered successfully and that it's not just filtering more vehicles into the city, and just expanding the capacity. But we are supportive of a T3 lane being installed and a high-frequency, reliable public transport service being built along that corridor. We think it could be really effective, especially as opposed to just trying to create more capacity for vehicles along the network.*

- 4.12 The Committee sought to understand why the Southern Outlet Transit Lane was being progressed now prior to other options being implemented and their effectiveness in reducing congestion assessed. The Department's witnesses and the Minister responded, indicating that other complementary measures were either already being implemented or investigated, and others would be undertaken

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<sup>4</sup> Submission from SOS Hobart 2021, pages 6-7.

concurrently, and the Southern Outlet Transit Lane was a key element in encouraging the desired behaviour change and modal shift for commuters. Their view was these measures would lead to a change in commuter behaviour by incentivising a modal shift toward higher occupancy vehicles, which would mitigate peak congestion and free up capacity:

**CHAIR** - ... I will go to the strategic context of the project and ask the simple question, given all those projects that are involved in the Greater Hobart Traffic Solution, why now for this? And not wait for the other projects to be proven in terms of their effectiveness in reducing congestion? A number of submissions to us have raised why are we now looking at this to put in place now, before we know whether some of those other softer options may work to reduce congestion?

**Dr BLAKE** - Chair, in answering this, it is important to note I am answering in my opinion, but this was actually a decision of executive government. I can see a logic in it, in that if you remember going back a few years - it is quite acute, at the moment, but certainly, the sentiment in the public was very much congestion was a problem that needed to be solved urgently. There was a lot of pressure on politicians at that time to do something fairly significant about the congestion issue. The point you make about infrastructure of itself is a valid one: the fact that the government has introduced 60-odd bus services at the same time or immediately prior to, in total, makes a worthwhile contribution. There would be an issue if the transit lane was introduced in isolation of that and would be a questionable decision, but the fact we have seen that dramatic uplift in the bus services, which was actually a root of a lot dissatisfaction, particularly south of Hobart.

**CHAIR** - ... Quite clearly, some are saying, 'You do this now, all it is going to do is exacerbate the problem at Macquarie-Davey, because that has not been dealt with and neither further down Macquarie Street'. You are simply increasing the possibility of congestion, because you are increasing the capacity on the highway by putting in the bus lane and having people who might be catching buses using that, but it actually frees up space on the highway and therefore people think they will still take their cars. I am sure you have read the submissions.

**Dr BLAKE** - I am familiar with the issues ... It would be true, except the treatment does actually - as you say, it is a separate but closely related project - takes that lane... all the way through to Molle Street. We did actually consider the provision of a dedicated bus lane through Macquarie Street as an associated project. However, in the absence of the bus lane going all the way through to Kingston, there are significant deficiencies in that essentially - as you say, what we are doing at the moment creates some additional capacity in the system, which has obviously been something that commuters have called for on all the arterial routes. Now, the problem in the broad with that issue is the capacity within the city itself is limited. It does not matter how wide you make the funnel on the arterial routes, you'll always get to a bottleneck due to the capacity of the city streets.

The use of Macquarie Street as a bus lane exacerbates that particular issue, which then, in turn, leads to greater queuing. Unless the buses have access to a transit lane all the way to Kingston, it does not actually make sense to have a bus only transit lane in Macquarie Street itself. What we have done is effectively a compromise position which, particularly with the creation of a transit lane rather than a bus only lane, will incentivise carpooling as well as greater uptake of passenger transport.

Going back to your original question too, as to why now, we are certainly very supportive of the Government making these decisions at this time. We obviously have a culture in Hobart that traditionally the passenger transport uptake is quite low by modern standards, even in Australian capital cities. That is something we are going to have to address and it is a question of providing as many incentives as we possibly can.

...

**CHAIR** - In that strategic context, as has been brought up in some of the submissions, why wouldn't you want to prove that park and ride was a viable thing and that people would use it, if you put on the services with the frequency levels that are likely to work, every 15 minutes in the morning or something like that - whatever is expected there to service the community. Why wouldn't you do that first - have people using buses - simply because it reduces congestion anyway, but it also might be more convenient for people to catch a bus if the service is there, before you went to the expense of doing this? In other words, proving the concept of park and ride first.

I ask that question, because one of the submissions from Mr Blanks - and no doubt we'll hear from him - he gives a logical sequence of actions. ... Can you see that logic?

**Dr BLAKE** - I can, and I agree with the logic. It is exactly the same logic as we have used here. The Macquarie Street clearways don't work. If we were to put the Macquarie Street clearways in, the traffic queues would be longer than they are now and the buses would be at the back of that queue before they even had access to those clearways. It disadvantages both passengers on buses and users of light motor vehicles. I agree with the sentiment that you do what you can for the convenience of the bus users to make those bus services more reliable, at the same time you provide the uplift in services - which is what we've done.

There isn't a disagreement between ourselves and Mr Blanks there, with regard to the logic.

... The other important point is to make sure that once people are on the bus - new adopters in particular, who have not taken a bus before - that they get a good experience and that they have a reliable and consistent trip in to the CBD. You don't want them getting stuck behind a queue and finding that they're not getting much or any benefit from what they would have got if they had taken their car. That's why doing those integrated projects in together provides that opportunity to do them together and get the outcome.

...

**Dr BLAKE** - ...At the same time, we are working on the planning for this other people are working on common ticketing solution. Other people are working on ferries. We have the uplift in bus services. We have other people working on park and ride facilities around the city. Basically, they are all designed to ultimately work together. That is the idea and they have all been progressed concurrently. It is not a matter of necessarily one thing following another thing, following another thing. Some of these things take a lot longer to do than others and therefore need a longer lead time.

**CHAIR** - ... It is argued in various areas you are increasing the capacity for such a short period of time from Mount Nelson to Davey Street in this instance, you are widening the funnel and then you are narrowing it down at the bottom end of Macquarie Street. It is actually going to result in greater congestion, the way it is being done in this sequence. That is what I was interested in terms of policy, as to doing this project now, as opposed to doing the bottom end of - as you point out about the extra lane around Macquarie and the Davey Street aspect, doing that first to see what impact that has on congestion, instead of doing this first, which is a significant amount of money and not having all the other things lined up at this point.

Not knowing how successful or otherwise the park and ride will be, because as soon as you reduce congestion, people will think they use their cars more. They will just get more cars on the Southern Outlet and the buses will not be full. If there is a congestion, you say the buses will come in at the tail end, people will still be more inclined to actually catch a bus if they know



that bus is going to give them a time advantage, just as you point out. The nub of my question is, is it just about timing?

**Mr FERGUSON** - I would like to address that because I hold the committee in great respect. My comment in relation to misunderstanding is very squarely at the broader community. There has been a misunderstanding and there is continued belief the section of road between Davey and Macquarie will continue to be three lanes. That is a misunderstanding and a continual challenge for the Department to ensure the community is fully aware of the full suite of measures.

In relation to the sequencing, it is a very fair question because I do understand the additional transit lane, fifth lane or call it what you will, the T3 lane -

... It has to be seen in parallel with the simultaneous work of building extra bus services. The concern that we hold is that building the park and ride and providing the extra bus services without a travel time advantage is not going to see the take-up and utilisation that would actually relieve congestion into the long term.

4.13 The Department of State Growth's witnesses also confirmed the improvements to the Davey/Macquarie Street couplet would be progressed concurrently with the Southern Outlet transit Lane:

**Ms BUTLER** - ... I am not sure how that T3 section would work, where those double lights are, where you have all the incoming traffic - how buses would be merging with traffic trying to access South Hobart... to me, that would be adding more congestion, or exactly the same. I can't see how the top part, where there would be an additional lane, is actually moving it down there.

**CHAIR** - ... You're saying it moves the congestion further down?

**Ms BUTLER** - Yes. A T3 lane would still be impeded by the traffic lights and the traffic cutting in from South Hobart, et cetera. Getting across is also difficult there, as we saw this morning when we were trying to access it on our site visit.

**Ms KONG** ... Part of the design, which is not part of this submission, is also looking at those two intersections, and things like potentially making changes to traffic signal phasing, to keep priority to certain vehicles and what not. So, we are still looking at rearranging those two intersections; they are in detailed design at the moment.

**Ms BUTLER** - Do you know when that work would be in place? Is that five years off or five months off? Because it could end up being just a bigger jam in a different place.

**Ms KONG** - We are actually working on that at the same time as Southern Outlet transit lane. To date, the focus is not in that piece of work today, but will happen concurrently.

**Ms BUTLER** - It's complementary to this project.

**Mr GONINON** - You're spot on. It is critical to ensure that we get the scheduling and the programming right, so that it does work as best as it can, and you do get that flow through that intersection.

**Improvements to Travel Times and Travel Time Reliability**

4.14 Some submitters suggested the predicted time savings for vehicles did not provide a justification for the project, and that these savings may not be realised due to freed up capacity inducing additional demand.

4.15 SOSHobart 2021 highlighted this issue in their submission:

*In the (undated) Summary Traffic report supplied to SOSHobart by the Department of State Growth ... received in 2021, SOSHobart note the Department only anticipates that the proposed project will result in the following saving for commuters:*

- For cars, in a forty-minute window, a saving of 2 minutes, with very little time saved outside of this window*
- For buses, in a one-hour window, a saving of just over 2 minutes, with very little time saved outside of this window.*

*Any savings for buses is entirely reliant on the optimal operationalisation of the Park-and-Ride facilities.*

*...*

*creating extra physical road capacity on major routes encourages more people to use the resource. Thereby resulting in more cars, and more congestion.*

*... Thus induced demand would be expected to soak up any time savings relatively quickly, meaning any value for money would only be short-term.<sup>5</sup>*

4.16 The Committee sought further information from Department's witnesses on the expected travel time savings. The witnesses noted the travel time savings presented were correct, but that a better measure of the benefits would come in improvements to travel time reliability, which is the day to day consistency of travel times:

**CHAIR** - ... key anticipated project benefits: improved travel times for both buses and transit vehicles. Some are saying that it's only an extra couple of minutes that it actually improves. Can you verify if that's the case?

**Dr BLAKE** - That is correct. It was some of my people who did that modelling. On average, that's correct. Ultimately, though, in passenger transport it's about reliability. That is the key thing. Those figures are on average. The issues that we have with reliability aren't the on-average days. It'll be the days where there's an event on the network, so that's when there'll be much greater travel improvement, obviously, than the average. The transit lanes are actually designed in part, the intention of doing this on the arterial routes, is to help address that.

*It was part of a suite of things that, again, came out of the original Infrastructure Tasmania report that State Roads looked at implementing. Some of the early ones in that, for example, was the car removal in peak times, so stationing of the tow trucks around the network, which again, isn't revolutionary, it's not something that isn't done in other capital cities. It just hadn't been done here until now because of all those increasing demand factors we talked about earlier. It is actually that reliability when things get rough. It's not a magic bullet but it does help that reliability for those travellers on the bus.*

**CHAIR** - The second dot-point, though - 'increased capacity for general traffic which will lead to travel time reliability', surely, that would only be at the end of all of these projects coming to fruition?

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<sup>5</sup> Submission from SOS Hobart 2021, page 11

**Dr BLAKE** - The more the better, that's correct.

**Mr GONINON** - ...obviously, if there's a crash, for instance, if you're in the transit lane and there's a crash... you get that travel time benefit and reliability maximised to the extent of the length of the breakdown. But also, the two or three-minute savings for buses, in percentage terms we're talking about 25 per cent, because if you talk about the time it takes to get from Olinda Grove now to, say, Elizabeth Street, it can range up to 12 minutes. So, in terms of percentages, that's quite significant.

...

**Ms BUTLER** - ...My reading and understanding is that expert guides suggest anything under two minutes is not considered to meet a best practice threshold. Indeed, if they are under that two-minute period, that benefit is considered negligible. I am speaking about commuter travel time and bus travel time.

It is my understanding that the project will result in an estimated 90-second improvement time to commuters. Is that correct? I am talking about people in cars, not in buses.

**Dr BLAKE** - I am not too sure off the top of my head about the commuters. Certainly, in terms of the transit lane use, what needs to be brought in mind - and we touched on this last time - is the modelling result to an average. That is across the board on a whole range of different traffic conditions in the course of a year.

It is actually much higher than that on the days when the traffic is moving slowly. On a day where the traffic is moving slowly, that could be several minutes on a given day. It's actually the travel time reliability that people value more than necessarily the time travel. Ultimately, the idea is to build towards a public transport transit system which, once complete, hopefully will - and should - end up providing a better and more reliable transport option into the city than simply private motor vehicle use.

#### **Are There other Options Available?**

4.17 In its submission, SOSHobart 2021 maintained that alternative solutions have not been adequately investigated:

Whether consideration of other policy options have been considered has been an unanswered question by Minister Ferguson and the Department of State Growth.

At SOSHobart's two meetings with Minister Ferguson on 30 June and 8 August 2021 we raised the matter of what other options had been considered and put forward some options for the Government's consideration. We also asked for access to any options paper and cost benefit analysis which had been carried out but have still not received any advice about whether such documents exist. If they do, we have not been given access to them.

The only options report which we have access to what is termed the 'Jacobs Report' (Webb 2016) which considers only engineering solutions.

Given this, SOSHobart contends the proposed T3 Transit Lane extension will not solve, nor significantly contribute to, a reduction in inner city traffic congestion in Hobart in the morning. Further the likely impact on commuters

during construction is arguably more of a cost than the 2 minutes they are likely to save should the lane extension be optimally used.<sup>6</sup>

...

...Regardless of the anticipated (or eventual) cost of the project, significant improvements in inner city congestion are likely to be made through the implementation of several other options that require no, or minimal, public investments. Further any reductions in congestion because of this project are subject to a properly funded and functioning Park-n-Ride facility, which SOSHobart have already demonstrated is not likely to be operationalised under the current government's proposals.

It is likely, as evident in other cities across the globe, that significant improvement for commuters across Hobart (not just those communities serviced by the Southern Outlet) could be achieved by the instigation of a number of low cost/ no cost solutions.

...At the initial meetings held in March/April of 2021, when residents questioned this very topic, they were informed that the current Southern Outlet T3 Transit Lane (extension) had only been compared to other major roadwork options: a bypass or tunnel. Not surprisingly State Growth deemed the bus lane extension to be a significantly cheaper option and a better use of public funds.

... Alarmingly, as residents confirmed with engineers at initial meetings, no low cost/ no cost alternatives have been considered, or trialled, prior to such an expensive and destructive option as the demolition of homes becoming the sole focus of the Department of State Growth and Infrastructure Tasmania thinking.

Options such as:

- Staggered public servant work hours (as the largest employer of commuters)
- Working from home options for public servants
- Reducing the use of the Southern Outlet by heavy transport between 8am-9am
- Better school drop off and pick up solutions
- Better before and after school care options
- Use of phone app technology that empowers commuter choice by providing real time traffic flow...<sup>7</sup>

...

... there is little evidence of alternative solutions being considered by either the Minister or State Growth. This is further evidenced by the Minister's response to a question put to him at the first SOSHobarts delegation meeting.

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<sup>6</sup> Submission from SOS Hobart 2021, page 10

<sup>7</sup> Submission from SOS Hobart 2021, page 14

When asked if, after State Growth's own public consultation period, more effective solutions to the congestion issue were available, would the proposal be changed. Minister Ferguson was quick to inform us that that any public consultation was, effectively, a waste of time even remarking "it was not a popularity contest" and the project, as conceived, would go ahead.<sup>8</sup>

- 4.18 Ms Meg Smith, representing SOS Hobart 2021, raised this issue again during the hearing:

**Ms SMITH** - ... Infrastructure Tasmania with all good intentions, is little more than a main roads Department tasked by State Growth to take a narrow view to the problem of congestion. By their own admissions, the only options they have properly explored were a T3 bus lane, a tunnel or a by-pass. It is hardly surprising that the T3 lane won the price for the most cost-effective solution. But let us not pretend this is a solution to Hobart's growing pains.

Ferguson's fifth lane folly amounts to the picking up of the political palatable parts of any real solution required, as this Government lacks the political fortitude to make unpopular changes required for significant commuter behaviour change. Even SOS Hobart 2021, a group of city planning amateurs, have sourced several viable low-cost no-cost solutions that could be easily implemented by this Government, but which has been purposely ignored. But do not take our word for it.

There are nuanced and mature approaches to tackling city congestion in the immediate and longer term on display across the globe. All pointing to strategies of integrated and consultative urban planning, green field development levy's, integrated and well-resourced public transport systems and the limiting of major arterial roadways to transport industries at peak commuting times.

As other cities are learning the value of liveability, this minister, State Growth, and Infrastructure Tasmania are failing us. They are blind to the opportunity of building of the legacy of this beautiful, historic and unique city by seriously addressing this issue with courage and creativity. Dynnyrne Road residents are wondering then, why are politicians and public servants so wedded to infrastructure solutions that focus on road building.

- 4.19 The Committee questioned the Department's witnesses on which other options, if any, the Southern Outlet Transit Lane had been compared against. Dr Blake indicated that it was not a matter of comparing against other solutions, as the only real solution was the behaviour change being sought through the implementation of an integrated approach:

**Ms BUTLER** - ... The information from the summary report, The Traffic Impacts of the Southern Projects, ... suggest that there is a two-minute improvement for buses as a result of this project. Has modelling been undertaken to assess the potential cost-benefit of a 90-second improvement to commuters, as well as that two minutes improvement for buses? Has that analysis or modelling been done? If there has, would the committee be able to access it?

**Dr BLAKE** - The cost benefit analysis in this case doesn't strictly apply in that what we have is a problem we are trying to solve at the strategic level for the long-term for the city. There are no other solutions to this problem. It's not as though there is other solutions we can measure this one against, or we can benchmark this against. The only conceivable solutions are massive changes in people's behaviour.

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<sup>8</sup> Ibid, page 19

People have suggested, for example, that we change the times of schools and things like that, but they underestimate the disruption that causes to society, in terms of people, working parents, and various things, and how people operate in their day-to-day lives.

As I said, we have looked across the board. There is no other way of providing Hobart with the capacity for growth if the CBD is to continue to be a central area for jobs growth. In fact, even if it isn't, we've got a more difficult problem to solve in terms of moving people across the city through a very narrow and constrained space.

We briefly touched on the tunnelling work last time. We looked at it, or that option -

**CHAIR** - The Western Bypass.

**Dr BLAKE** - The Western Bypass, and going underneath. There was a range of different options that the consultants looked at in that. The impacts on people, in terms of properties and the city, are absolutely horrendous. It is something you would absolutely avoid, if you possibly could. As I said, it would require the demolition of whole blocks in the city. The land acquisition for that particular project was dozens of properties. It would be highly likely to change the whole nature of the city and may not even solve the problem of queueing on the Southern Outlet. To the extent that people still want to park in the city, there would still be a queue on the Southern Outlet after we had built that infrastructure.

I suppose that's what we are comparing this against. When we talk about the costs and the impacts of infrastructure like this to promote public transport use as opposed to -

**Ms BUTLER** - Cost-benefit.

**Dr BLAKE** - Yes. There really isn't a need to do that in numbers. It is very much at the strategic level. There really isn't another option. There isn't another way of moving people around the city better than that.

...

**Dr BLAKE** - ... we do not have the luxury of a city that has been built around a rail network or necessarily has the topography that suits a rail network that can work on all three corridors in an integrated way.

What we are effectively left with is a bus-based transit system and then the question becomes, as we talked about last time, how we incentivise its use. It is going to be difficult and a hard grind. It is something we are going to have to chip away at over the next decade and going to be a matter of getting all those different things in place in order to encourage that behaviour change, because it is not going to be easy.

- 4.20 SOSHobart 2021 also raised restricting heavy vehicle access on the Southern Outlet between 7am-9am as a means of reducing traffic congestion. The Committee asked the Minister and the Department's witnesses if this had been considered and whether it was a viable option:

**CHAIR** - ... Minister, it is fair to say it is a policy thing, given the whole purpose of this project is to work towards reducing congestion, have you considered time restrictions on heavy vehicles on the Southern Outlet between 7 a.m. to 9 a.m.? With some analysis provided by the Department, the extra information we requested - ... there are 4994 normal vehicles and 408 heavy vehicles traveling north in morning peak. Have you considered time restrictions on heavy vehicles, from a policy perspective?

**Mr FERGUSON** - We have taken the question because a number of local residents have asked us to look at that. I will ask Dr Blake to respond further. We took the view, after listening to

the advice of the Department, that it would be a significant impact on businesses and on employment. Also, it would have a dampening effect on the ability of suburbs and communities south of Hobart to operate as businesses ought to be able to and get their goods to market at times that work for them and don't present a new impediment to business success.

To restrict the movement of trucks on a state highway to certain times of the day has never been done before in Tasmania, and would be very damaging to business. I will ask Dr Blake to respond further with our conversations. We took the question in good faith from the community and responded accordingly.

**Dr BLAKE** - The definition of heavy vehicle in the way that we collect data is very broad. When most people think of heavy vehicles, they think of articulated semi-trailers and very large heavy rigids... But the vast majority of these are not what you would identify coming down Macquarie Street as being a large truck. These are some larger vehicles, and probably the majority of them are to do with contracting -

**CHAIR** - Like a Coca-Cola truck, that size of vehicle, is that what you are talking about?

**Dr BLAKE** - Correct. At that time of the day, the movement of those vehicles for business purposes - whether it be delivery of food to local stores or tradesmen needing materials and supplies - it wouldn't be a practical or fair treatment of that part of the economy and our community. If you did take what we would think of those larger trucks out of that number, I think it is a very small number.

## **Project Costs**

4.21 SOS Hobart 2021 noted in its submission Dynnyrne Road residents' concerns that the cost estimates for the project were uncertain. It noted residents had been provided with vastly different cost estimates ranging from \$35 million to \$74 million:

SOSHobart and other members of the public, cannot access any clearly enunciated costing estimate or budget allocation for the project.

... Since commencing our public campaign SOSHobart has been quoted two figures covering a range of different scenarios;

- At initial meetings with WSP [WSP Global Inc] and Pitt&Sherry in March/April 2021 residents were told the project had a budget of \$35 million, which included the building of a cantilevered lane on one side of the outlet and the purchase of 17 affected homes. At the time engineers were challenged by residents about this figure but were told this was a reasonable price tag. Concerningly minutes taken at these individual meetings by State Growth's representatives have never been produced or shared with residents, despite residents repeated requests.
- At a public meeting on the 25th April 2021 the Infrastructure Tasmania CEO admitted the costing was unclear and that more money would likely be needed.
- At a second meeting between SOSHobart representatives, Minister Ferguson and Infrastructure Tasmania representatives in August 2021, an updated figure of \$74 million was given after the initial \$35 million was challenged.

In the 2022-23 State Budget papers, there is no mention of the project under the Department of State Growth Table 11.1: Key Deliverables. It would seem, therefore, it

may be covered in Table 11.8: Capital Investment Program (for 2022-23), under the heading of Greater Hobart Traffic Solution with a total estimate of \$204.8 million and a planned expenditure of \$49.014 million in 2022-23 and perhaps also under the heading of Urban Congestion Fund with a total estimate of \$101.2 million and a planned expenditure of \$25.547 in 2022-23.

The fact is, as members of the general public, we just don't know what the reasonable projected cost of this project will be.

We sincerely trust that the Public Works Committee will be provided with accurate information which will then be clearly in the public arena.

...

Concerningly, as detailed comprehensively by Infrastructure Australia's (2021) market capacity report Australia is "on the cusp of an unprecedented wave of investment in public infrastructure projects" and documents the accompanying increases in projected works costs due to increased competition for material resources, energy, capital investment and labour.

In fact this report details significant projected expenditure increases over the next few years including;

- 120% average growth in demand for materials
- 125% average growth in equipment
- 140% average growth in demand for plant

While this is good news for the infrastructure and building industries, it is not good news for government investors (ie taxpayers) and must surely increase the overall opportunity cost of what cannot be funded across the state if this project goes ahead.

Hence SOSHobart considers the risk of the costs of this project blowing out are real...

... Further, SOSHobart implores this committee to view not just the anticipated costs, but also the projected costings given Infrastructure Australia's warnings. The Tasmanian Government will, in essence, be competing against itself for labour and resourcing by taking on too many expensive infrastructure projects in this current environment.<sup>9</sup>

- 4.22 At the public hearing on 4 October, Ms Smith again highlighted the different cost estimates provided to residents of Dynnyrne Road, and suggested this raised doubts as to the capacity to undertake the project within the \$35 million budget:

**Ms SMITH** - ... I would like to bring to the committee's attention that the cost we were initially quoted was \$35 million. At a meeting with Martin Blake and Michael Ferguson, the estimate that was given to us was \$74 million. It is interesting that it is now at \$28 million.

**Ms RATTRAY** - Did you say \$74 million?

**Ms SMITH** - \$74 million was the cost that was given to us.

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<sup>9</sup> Submission from SOS Hobart 2021, pages 8-9



**CHAIR** - Was that just for this project, or for the whole?

**Ms SMITH** - That was our understanding. We were only there about this project.

**CHAIR** - For just this T3?

**Mr DELL** - We understood that to be the case.

**Ms SMITH** - We did not believe that \$35 million was actually going to be able to purchase 17 homes and build the road, when it initially included a cantilevered lane on one side.

- 4.23 The Committee noted in their recent experience the buoyant construction market had resulted in an upward pressure on project costs. The Committee also recognised submitters concerns on the different costings provided to them by the Department. The Committee sought further information from the Department's witnesses on the current estimated costings for the project:

**CHAIR** - ... We have a base cost estimate of \$25.34 million, a contingency of \$3.38 million which is about a 13 per cent contingency. Interesting. A lot of contingencies are 10 per cent and we have seen some with 20 per cent.

**Ms RATTRAY** - We have.

**CHAIR** - Why 13 per cent? Is this the quantity surveyor's assessment?

**Ms KONG** - It is developed based on deterministic method where we come up with P50 and P90 costs based on the risk factor. It is determined considering all the risk factors that could eventuate, so that is how it is developed at 13 per cent.

**Ms KONG** - ... We did have the P90 which was close to \$35 million.

**CHAIR** - With that total project cost estimate of \$28.72 million, is the housing acquisition cost included in that?

**Ms KONG** - Yes.

**CHAIR** - It is? Do we have any understanding as to the level of costs for the total housing and land acquisition? I am not asking for individuals because I appreciate that might be a little close to the bone.

**Mr BLAKE** - Some of them are estimates at this time because there are two acquisitions that have not proceeded yet.

**Ms KONG** - The partial ones.

...

**CHAIR** - ... Escalation cost, \$1.06 million, that is 3.69 per cent. Is that realistic? Knowing what some of our escalations have been more than 3.69 per cent.

**Ms RATTRAY** - Given that everywhere I drive around the state, there are roadworks happening somewhere and we do not have myriad companies that do this type of work in Tasmania, so are these real costs or 'we hope' costs?

**Mr BLAKE** - These are figures supplied by GHD. I actually agree with the committee, based on what I am seeing elsewhere, those figures look very low as escalation costs.

**Ms RATTRAY** - Out in the market.

**Mr BLAKE** - There is obviously a bit of flexibility there within our budget. At this stage, I am not panicking about it.

### **Mitigating Impacts on Traffic and Local Residents During Construction**

4.24 The Committee recognised the project may cause significant disruption to local residents and the travelling public during construction.

4.25 The Committee questioned the Department's witnesses on what measures might be employed to minimise the impacts of construction work on local residents:

**Ms RATTRAY** - I asked this question at the site, about undertaking some of the works at the lowest period of where the traffic is going to be, night time I assume. There was not a definite answer that yes, we will be able to undertake some of the works at night, because that will be less disruptive than during the day.

Can we have on the public record your thoughts on how that might work? My understanding is that contractors need some direction before they take up a project because they need to know whether they are going to have to employ people of a night or day and how that works.

**Ms KONG** - With this project the consideration of densely populated area with residential area everywhere, the work would be undertaken during the day, unless there are some works we absolutely had to do at night time, based on impact or workers safety and might consider doing that at night time. That would be up to negotiation with the contractor.

**Mr TUCKER** - ...6.2 - in road network performance during construction. The temporary reduction of travel lanes and speed limit would impact road users travel time. However, temporary lane closures will only be proposed outside the road network peak periods with travel being low and mainly at night time. Is that different from what you were saying there? Or is that the same as what you were saying?

**Ms KONG** - Yes, Department policy is in the major commuting group. There is a certain block-out time the contractors are not allowed to work at peak hour. For example, they cannot start work before 9.30 a.m. Then with the lane reduction, we would expect that lane reduction would only happen outside of the peak hour.

**Mr TUCKER** - It says there it will mainly be at night time to ensure longer uninterrupted working periods.

**Ms KONG** - It depends on what work it is. Some work, for example, where we shift a retaining wall where there is tie-in work, it would be safer for the workers during the time of lane closure both ways, then that could happen at night time. It really depends on what type of work they are doing.

**Mr GONINON** - That is also being supported by the development of the traffic management strategy. That will help inform and guide us to where the risks sit and how we might be able to overcome and mitigate those risks. We would look quite holistically at that, including the role of public transport and other sorts of demand management strategies that can support the works to mitigate the impacts.

**Mr TUCKER** - The night time work with the residents along here - how will that disturbance be managed with the contractors around that area? People are going to be sleeping and you are working at two or three o'clock in the middle of the night and do not want them jack hammering outside your door.

**Ms KONG** - It will be stipulated in the contracts the conditions like stringent noise mitigation conditions can only have noisy work up until certain hours at night, maybe 11 pm and then they will have to stop all that jack hammering. We will consider that and put it in our contract.

**Dr BLAKE** - ... Works in urban areas are always extremely problematic. Even road surfacing, which is relatively straight forward, is highly challenging when you are trying to deal with heavily trafficked roads and people living nearby.

**Mr GONINON** - Also, Chair, we will look at some of the learnings from some of the other works in the urban environment, like out at Midway Point recently, and see how that played out and any issues and concerns that were expressed, what worked and what didn't.

...

**CHAIR** - Are project time lines still accurate?

**Mr TUCKER** - March 2023 to October 2024 is 20 months, it is a long time for these people commuting on this road, to be going. Is there any way we can quicken up the process a little bit or not?

**Ms KONG** - ... It is acknowledged that it seems to be a long time but we have to take into consideration not just the impact on the traffic during the day, but also being considerate of people who live around there. In an ideal world we would work all day and all night, but it does not happen like that. So, considering the complexity of the project we are talking about, retaining walls and working right next to rock cliffs, there is a range of considerations that we have to make before we come to developing this construction period. We will certainly do what we can to reduce the impact.

**Ms RATTRAY** - For the Department to do that, do you go out on site and say to the head contractor, 'Come on, you are moving a bit too slow? We are not going to meet our time lines?'. Is that how you keep checks on the contractors?

**Ms KONG** - It is all part of the procurement process in the contract. We will nominate a construction period and then they will have to submit a program to us during the tender phase and that will be up to the tender evaluation committee to evaluate, based on the methodology and the program. We will take that into consideration. For example, if the contractor tells us that they can finish the work in 18 months versus a contractor said that they can finish in 28 months, we will take that into consideration when assessing the tender.

Also, we will go by what they are putting in the program. So, if they are delayed, and there are no valid reasons to justify the delay, there are mechanisms in the contract to expedite the program.

#### 4.26 The Committee also sought to understand how traffic would be managed during construction, both on the Southern Outlet and alternative routes:

**Ms BUTLER** - ... Could you provide, for the record, some of the measures the Department will be taking to ensure that alternative routes such as Proctors Road will be made potentially safer? There could be an expectation that commuters, while all the work is going on on the Southern Outlet, will be looking to use alternate routes. Could you run through any measures that you're undertaking to address that issue?

**Ms KONG** - We are currently developing a travel demand strategy to manage the construction traffic. That mitigation includes encouraging people to take up buses. We are routing, which is using alternate routes, which is under consideration as well, but we have not made any decisions on exactly which route we are going to recommend people take. We will not do that without consultation with the surrounding councils.

**Ms BUTLER** - So, the work has not been undertaken yet about the alternative routes? How people operate if they can avoid traffic congestion if there is roadworks going on?

**Ms KONG** - We are developing a strategy. We have not completed that work yet.

**Ms BUTLER** - Do you know when that work would be done? Would that be done prior?

**Ms KONG** - Yes, it will be done before construction starts, in the coming weeks.

**Mr GONINON** - It is a really significant piece of work. It feeds into that whole behavioural change bit that we talked about earlier, and in working with councils and giving people a big enough warning so they can help plan their trips. There is a lot to understand, a lot to work through.

**Ms BUTLER** - I can imagine a lot of traffic on Proctors Road,. It is a really thin road and it has quite deep -

**Mr GONINON** - The Channel Highway as well, and we know during the a.m. now there is quite a significant load on that Channel Highway, particularly during school drop-off period.

...

**Ms BUTLER** - ... Can you quickly talk us through the construction of the project? Will there be one lane of northbound traffic during peak hour times and on work days? Will that actually be happening as this project is built and what kind of time frames would that be in place for?

**Dr BLAKE** - State Roads is delivering the project, which will deal with a lot of these things. It is just from a planning point of view, we do not have many big urban projects. What we have got at the moment - obviously, we have some work that has to happen on the Tasman Bridge and it will have the same issues. We have some work that will need to happen on the Domain Highway, which will have the same issues. We have work to do on the Brooker/Domain Highway interchange, which will have the same issues. I suppose we have been lucky for a long time we have not had to do these types of urban works.

Having said that, when we assisted Hobart City Council with projects like the pedestrian overpass of the Tasman Highway, that could have gone very badly closing off the Tasman Highway for a whole day. While obviously it was just a day, but it was the entire highway closed not just reduced by a lane. What was really interesting there was it did not actually create much disruption at all relative to what we thought, because originally when we modelled it, we had queues from the western side of the Tasman Bridge back to the airport and thought what could happen here? What could go wrong?

As it turned out, the answer to that problem was communication. The answer to that problem was ensuring the public was aware of what the impacts were at what time of day and for how long and how that was managed. That awareness then actually enabled people to work around it, but I think it is fair in this one, it is going to be challenging. It is going to be - because what we have done to minimise the impact on the houses, we have moved the road across to the east which is going to have some impact on the south bound traffic. The question we are going to pose to the tenderers is how best to do that given their understanding of traffic management and how this can be done. I think, Denise, we are getting some early advice on that at the moment, but it is going to have to be complimented by a range of Government measures to assist, which will include for example; increase in public transport availability. Essentially, there would be a whole plan around how you manage that over the given period.

**Ms BUTLER** - Going back to my question, do you know what kind of time frames on north bound traffic, how long will this take to construct? Has that modelling been done and will it be done during those peak hour times on work days on north bound traffic?

**Ms McINTYRE** - ...In terms of traffic management, it is going to be a complex project to manage and deliver because of the volumes of traffic that flow through the Southern Outlet. We have people working on some options and traffic management possibilities. One of the reasons why the additional 65 bus services were introduced was as part of preparing for the construction of this additional lane to ensure we can have additional bus services to allow people to make that choice. That is starting to work quite well. The uptake is increasing as time goes by.

As Martin mentioned, communication is key and we know if we allow people to plan in advance. We have learnt recently with the Cam River Bridge issue and the congestion that occurred on the Bass Highway, that communication of expected timeframes and delays is important to help people manage their day as well.

We are hoping north bound will not be significantly impaired. We will be looking at work potentially outside peak hours which could extend the total length of the works required to construct the lane. We do know there will be a relatively short period of time where south bound will be down to one lane while we move the road and we will need to manage that carefully.

**Ms BUTLER** - Do you have any general idea on the amount of time the work will be undertaken over? How long will the project time span will be? If we look at the Midlands for example, small sections of road do take a long time to pull together.

**Ms McINTYRE** - We are constrained in terms of works through a construction window weatherwise. We would expect it to be constructed over two construction seasons, but there will be limitations on the south bound for a period of several months.

**Ms BUTLER** - And north bound?

**Ms McINTYRE** - In theory, there will be limited impact on north bound, we will be working outside peak hours as much as possible.

## **Noise Abatement**

4.27 Mr Mervin Reed's submission primarily focused on the potential noise impacts of the project. Mr Reed was of the opinion the need for abatement measures as a result of the project increasing noise levels for local residents was not being addressed adequately:

*...It is apparent from the lack of consultation with the Dynnyrne and Tolmans Hill communities that any consideration of noise abatement measures has been fleeting to say the least.*

*In fact, the lack of public knowledge about the program is it seems, a deliberate ploy to slow down criticism of the project.*

*Modern roadways carrying large volumes of traffic put out significant noise pollution, and most road design authorities take this into consideration when building freeways and roads, such as the Southern Outlet.*

*The key issues are the provision of noise abatement updates to housing adjacent to the motorway, with the agreed addition of double glazing, sound insulation and of course sound abatement fencing specifically designed for the roadway.*

*There is another measure that will be needed and this is the use of low noise asphalt for the road surface.*

*All of these measures appear readily understandable by Infrastructure Tasmania and the Department of State Growth.*

*Such measures as the sound barrier walls on the edge of the roadway have been installed at Kingston in Southern Tasmania to ameliorate the impact of that motorway on residential housing.*

*I see no such planning in the outlines available to me as a citizen in regard to this project.*

*...No noise abatement planning and detailed design has been included with this project, with the intent of the project to increase noise by 25%.*

*This should be mandatory that noise abatement is a central part of the project, to protect the lives of the citizens who will be impacted and whom this committee represents.<sup>10</sup>*

*...*

*...My concerns are that the substantial capital works required to provide for noise attenuation to meet the standards adopted by the Tasmanian Government in 2013, have yet to be addressed both in the design phase, and in the accurate costings, presented to the committee.*

*It is of no value for the Minister to appear before the committee to urge them to approve a project in the name of the Parliament, and thus the citizens of Tasmania, if that project is incomplete in regard to its costings and design.*

*I am given to understand, that the noise attenuation structural panels and other measures will cost in the order of \$6.5 million, a sum that represents close to 20% of the original estimated cost of the project of \$30.42 million.<sup>11</sup>*

- 4.28 Mr Reed elaborated on his concerns at the hearing on 4 October, and discussed a range of measures that could be used to mitigate noise impacts:

**Mr REED** - ... I noted in my earlier submission that the road noise concerns of residents had been ignored by the planners. There are no noise studies - even desktop - that show the impact on the ground to residential homes of the additional road noise generated by this freeway development. I find today, in the submission from the department, one little line saying, 'we have actually started taking baseline studies'.

*... This noise attenuation may cost in the order of \$6 million and therefore needs to be included in the authorised cost base of the project to be approved by the committee.*

*The reason is simple: the residents will have noise levels increasing by some 25 per cent, impacting their amenity, with no remediation proposed in the works that this committee is examining in the public interest. This noise will be of concern medically. Remediation is required.*

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<sup>10</sup> Submission from Mr Mervin Reed, pages 1-2

<sup>11</sup> Addendum to submission from Mr Mervin Reed, page 1

To assist the committee in its deliberations, I would now like to turn to the issue of the noise remediation works required.

Noise reduction panels: the committee will notice there are no noise reduction panels planned for the freeway even though these are mandated for building high-volume traffic roads in residential areas. Effective noise barriers generally reduce noise levels by 5 to 12 decibels, reducing the perceived loudness of traffic noise as much by one-half. These noise barriers include absorptive panels and reflector panels. There are a number of agreed international standards or conventions for noise levels. Many of these identified noise levels can be medically demonstrated to cause harm - or provide guidance on levels that may appear to have no observable detrimental impact, but ultimately do.

This is now regarded as a reasonable agreement on the latter, and these levels are regarded as long-term noise harm levels. These principles were adopted by the Department of State Growth in 2013. They may be about to be rediscovered.

Noise amelioration measures can measure noise through vehicle and non-vehicle responses. Vehicle responses target the source, which is the vehicle. Non-vehicle responses measure target noise between the vehicle and the impacted property. Generally, there are alternatives.

I point the committee to the fact that noise panels are installed on the other end of this freeway at Kingston, to obviate the impact of noise on the residential areas adjacent, and the amenity of the residents. It therefore follows that the design arrangements for this expansion of the freeway now provide the opportunity for the Government to install noise panels on both sides of the road, reducing the increasing noise impact.

If the noise panels are not installed, residential areas on both sides of this freeway will be subject to increasing noise levels that will be medically harmful and clearly not in the public interest.

...Low-noise asphalt:... This is a mix that has been used elsewhere in Australia on freeways to reduce the hum. There is a background hum that is produced by tyres on asphalt. By doing this you reduce the level of hum by about half. Remember, we have this freeway that is fully loaded with traffic probably six or seven hours a day, sometimes more. It is not a problem with having it applied because the same machines that put the normal asphalt on put the low noise asphalt on. It is just a different mix.

I would ask that this measure be considered as a requirement for noise reduction to residents impacted by the project. If the low noise surfaces are unable to be agreed with the Government then the Government will have to determine what harm impact it will have on people medically and provide alternative measures, sort of like double glazing and all sorts of other stuff.

- 4.29 The Committee asked the witnesses how the noise impacts of the project would be mitigated if deemed necessary to do so, and whether the cost of such noise mitigation measures had been accounted for in the current cost estimates for the project. Ms McIntyre noted the current cost estimate did include an allowance for noise mitigation measures, however, the actual cost would be refined once the

noise modelling and impact assessment had been undertaken, and if it was subsequently determined that mitigation measures were required. The Minister and Ms McIntyre also noted the Department noise guidelines for road projects would be adhered to and assured the Committee that any adverse noise impacts would be dealt with in accordance with these guidelines:

**Ms RATTRAY** - ... I would just like to ask about the noise attenuation and the fact that that has not been factored into this project. It was certainly one of the matters that was raised with the committee through the first hearing process. I would be very pleased to hear from the Minister or somebody at the table as to why that had not been included, given that our site visit showed that it is a very noisy area to be living right on.

... I am aware that the government in 2013 had some standards that they adopted in regard to noise. I am interested in what was taken into account in regard to that as well. I'm not sure if that is one for Ms McIntyre or for yourself, minister.

**Mr FERGUSON** - It is definitely one for Ms McIntyre who is the subject expert, but I have been working with a range of communities. When we build assets right around the state there is a set of guidelines that relate to existing corridors and the same set of guidelines deal with new corridors as well.

**Ms McINTYRE** - We do have noise guidelines in place that we operate on when we are undertaking new works. Noise modelling has been undertaken for the additional lane on the Southern Outlet and that will be analysed as part of the project development and appropriate mitigation measures will be implemented as required. They may include noise walls or treatments to specific buildings if necessary. We do that as a matter of course when we are developing up our road projects.

**Ms RATTRAY** - It has been suggested that that will cost in the order of about \$6.5 million, a 20 per cent increase. How is that going to be funded then if it is going to be after the event or after the works have been completed enough so those analyses have been completed?

**Ms McINTYRE** - They will be factored into the total cost estimate of the project if they are required. I assume because it is already a fairly busy and noisy road, especially the downhill side heading into the city, that there will be some requirement for noise mitigation but the cost of that mitigation will be determined when we understand what that includes.

**Ms RATTRAY** - So, there is not a cost estimate at this point in time?

**Ms McINTYRE** - Not at this point in time. There will be a provisional sum that will be considered as part of the total cost estimation, but until we have the analysis completed, we won't have that figure.

**Ms RATTRAY** - So, there will be no understanding of what the financial impact of having those noise walls installed until afterwards. Will that impact on the final design of the proposed works?

**Ms McINTYRE** - Any noise mitigation will need to be factored into the final design, absolutely, yes.

... It will have to come into the total cost estimate, yes.

**CHAIR** - ... The question is, are the funds available should these figures be adjusted to cope with what may be a \$6 million-dollar impost?



**Mr FERGUSON** - ... We have guidelines for a reason and we follow them so we can keep good our commitments - noting if you live on a busy road, as I have in the past, ... - if you would then add an extra lane to it, there will be an increase that could be measured in terms of noise impacts and then we seek to mitigate that. We are very familiar with this across a range of projects around the State and the Department has expertise at monitoring, measuring and then mitigating noise impacts, particularly, when it is a new asset or expanded capacity, that we have taken account of that.

The project budget is intended to canvass that and, as Ms McIntyre has indicated, there is a provisional sum for that. But you do not ever know the actual necessary outlay until you have actually fully designed and implemented. If further investment was required, of course, that would be favourably considered but I do not believe that we are anywhere near that point right now.

- 4.30 The Committee also questioned the Department's witnesses about the potential use of low-noise asphalt, as suggested by Mr Reed:

**Ms RATTRAY** - ... there was a really good suggestion in one of the submissions around a specific type of road base that has less noise on it. Is that going to be considered, using a specific type of road base?

**Ms KONG** - That is one of the mitigations that could be implemented. We also have others that we could consider.

**Ms RATTRAY** - Low-noise asphalt, it's referred to here.

**Ms KONG** - Yes, we're aware of it and that will be considered.

... The modelling itself will determine the noise level, would establish a baseline noise level.

... then we will look at a projection to 10 years after the construction and then we will decide if noise mitigation is required and to what extent. Then we will consider different options.

#### **Potential Land Acquisition - The Experience of Dynnyrne Road Residents**

- 4.31 When first announced, the project was expected to result in the likely full or partial acquisition of up to 17 properties in Dynnyrne Avenue. However, further design development has resulted in a requirement for 3 full acquisitions and 2 partial acquisitions. The Committee understands the Department has refined the design, in part, to ensure property acquisition is minimised. However, the Committee fully appreciates the impact this has had on potentially affected residents.
- 4.32 The Committee acknowledges there still exists a significant level of angst amongst residents of Dynnyrne Road toward the project and their treatment. Given the number of homes that were potentially up for compulsory acquisition, the Committee accepts this is completely understandable under the circumstances, especially considering the expected additional ongoing disturbance for the duration of the construction period.
- 4.33 The Committee received a written submission from the group representing affected residents of Dynnyrne Road, SOSHobart 2021. One of the matters covered in the submission was consultation with affected residents. The following excerpt from the submission highlights the anxiety, fear and frustration felt by these residents:

Residents of Dynnyrne Road have likened their experience of this consultation process to being stuck in a Groundhog Day version of a Utopia episode. Minus the humour and with all of the anxiety, fear and frustration that having no control over the future of your own home brings.

Examples of this include, but are not limited to;

- Initial consultation letters being found by children of impacted families under BBQ's.
- Promises made to residents about the acquisition process, the support and reimbursement of costs that were later denied, despite these statements made in group meetings.
- The continued delay in commencing the public consultation process prolonged residents' anguish about the extent of the projects impact on their land, given the vastly conflicting accounts given to residents by Infrastructure Tasmania and WSP.
- During the last part of July 2021, two officers from the Department of State Growth and the Valuer-General attended a community meeting with affected Dynnyrne Road residents to discuss home and partial property acquisitions. We had been advised that at meetings with a number of those owners where, originally, significant property was to be acquired, the senior State Growth officer told them that, if they didn't want to remain in their house, given the likely loss of property and the resulting impact of the closeness of the proposed 5th lane on their family's amenity, they had the option to have their whole house acquired.

After questioning, it was confirmed by the officer from State Growth that if they took up that option, they would be treated exactly the same as those whose whole homes were slated for acquisition. They were told they would be entitled to be re-housed in a house of at least equivalent standard at no cost to them.

As soon as a month later, in late August/early September 2021, some residents who had originally been so advised, were shocked when subsequent negotiations resulted in the statement from the valuer undertaking the negotiations that no such offer had been made. Yet other residents were not informed of this decision until April 2022.

- SOSHobart delegates being accused in 'consultation' meetings with other stakeholder groups, of lying about the initial 17 homes being told they were facing potential compulsory acquisition, whilst being muted to prevent any reply by State Growth representatives.
- Specific and detailed descriptions have been provided by those residents who felt comfortable enough to share their stories. It is worth noting to the Committee though that some residents still feel so vulnerable they remain fearful of these proceedings and the likely consequences for them in ongoing and future negotiations with State Government on these issues.

*It is also worth noting for the Committee, all this happened at the same time as the international pandemic making this period extremely distressing for residents, their families and for the broader community of Dynnyrne Road residents as those across the road attempted to support their neighbours as best they could through this harrowing and deeply distressing time.<sup>12</sup>*

4.34 At the hearing on 4 October 2022, Ms Smith expanded upon the residents' negative experience:

**Ms SMITH** - ...For me, our experience is best captured in the conversation I found myself having with a political aide of Michael Ferguson earlier this year, who questioned why SOS Hobart 2021 was not celebrating our victory with the recent announcement that only three homes had been acquired.

*I remember feeling immense frustration at the time as I again attempted to explain what it was we were trying to achieve. We were trying to achieve transparency about how the original decision had been arrived at, what other options had been explored, and how well this solution had been considered to meet future need - questions that still remain largely unanswered, because surely as residents who are asked to surrender their homes for destruction, we were entitled to ask and to have our questions answered. Have you looked at every option? Is this really a solution to the problem? How much will it cost? Will it still be a solution in five or 10 years' time?*

*Let me take you back to March/April last year, to those original individual meetings Dynnyrne Road residents had with WSP and Pitt&Sherry engineers, themselves representatives of State Growth, after representatives received a suitably vague letter from an officer of the Department of State Growth, hand-delivered the day before the state election was announced. Completely coincidental timing, we have been assured.*

*In these meetings, we were told all three levels of government and all sides of the political spectrum were supportive of the plan to demolish our homes, and that we would be homeless by Christmas. I wonder if you can imagine our distress. Michael Ferguson could not, after casually brushing this aside at the very beginning of our first meeting.*

*Yet it turns out these were only the first of many half-truths and mistruths that we have been subjected to.*

*In numerous meetings and letters with ministers and senior public servants, Dynnyrne Road residents were promised many things, including the cost-benefits of the proposal and options report what other ideas have been explored by Government and why they have not been implemented and current and projected traffic modelling.*

*What we eventually received was this, proof all this would amount to would be a maximum of two minutes - an average one-minute of time saved in a small window for commuters - with no indication of the timeframe before continuing housing development boom, coupled with ongoing inadequately funded transport infrastructure, would close this window yet again.*

*...Unfortunately, though this is not just about good planning and sensible investment to solve a complex problem, that Michael Ferguson, economical with the truth and misleading by fallacious argument, has painted Dynnyrne Road residents as greedy and selfish, is beyond*

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<sup>12</sup> Submission from SOS Hobart 2021, pages 16-17

*forgivable. That he has attempted to pit inner city residents against those of Kingston, Huon and the Channel, is abhorrent.*

*No politician has a better view of the southern outlet congestion than all of us who live on Dynnyrne Road. What we have been attempting to do is demand a mature and adult conversation that explores real solutions, is accountable to the public and transparent about who wins, who loses, and who benefits.*

**4.35 Mr Michael Hanlon also appeared before the Committee to tell of his negative experience as a resident impacted by the project:**

**Mr HANLON** - ... I'm making a statement of my experience towards this whole project as being a resident of Dynnyrne Road.

*...I've been fortunate to be able to purchase property in Victoria, in the past. When you purchase new property, you are given documentation to say if there are any proposed works going with this property. So, when I came to buy my forever home in Dynnyrne Road, in December 2018, there was no such disclosure. So, I thought this is safe, this is great, its good, nothing could interrupt us from being in our forever home - myself, my wife and family.*

*Then, of course, the Department of State Growth letterbox-dropped a year later, two years later. I asked, when it was passed into my hands, is this about compulsory acquisition? - 'Oh, absolutely not. My gee, you've got a lovely garden, oh that is beautiful, you must do a lot of work'. And I said: 'yes'. 'Well, we would like to have a face-to-face meeting, can we have a face-to-face meeting?'. 'Yes, sure - when?' 'Next week, like we are already meeting with other people next week'. This is the week before Easter of that year.*

*So, we have our face-to-face meeting and we were presented with 'we are going to have to do this', and what have you. I asked 'what is the design?' We were shown a picture at distance, we were not allowed to have it, to see the design, because 'it is not finished'. We were also told that we should have this meeting privately, not to be in conjunction with any other households. We asked about the design - 'Are there any options?' 'This is our preferred option'. I said, 'Yes, but what other options are there?'. - 'This is our preferred option'. 'So, you do not have another option?' 'This is our preferred option. Most of the homes on this side of the street will be acquired to enable this project to go through'. No details were handed over to us at that time.*

*As I was seeing these two women out of my home, I said, 'You like my garden?' 'Oh, it's a beautiful garden'. I said, 'I've got some works coming up next month, between \$10 000 and \$15 000 worth of reinstalling some retaining walls. So, I should stop doing that.' 'No, go ahead as normal, keep going'. I said, 'Okay, I don't understand'.*

*We had a meeting with Martin Blake and we asked questions like 'what is this design?' 'We don't know yet. It still hasn't been finalised'. Lots of questions were asked. Then we had a second meeting, and we were told at that meeting that, 'You shouldn't have been told that your house is going to be acquired because we don't know that for sure'. I asked Martin, 'Who gave the authority that we were to be told in our homes that we were likely to have our homes acquired?' 'Don't know'. 'Well, it has caused a lot of angst. Who is accountable for that angst?' 'Don't know'.*

*But he did say, 'Well, Michael, I've got some very good news for you', and he put this diagram in my hands. It is an aerial photo of my home with a dotted line on it. It just states that is 18 Dynnyrne Road, final design will determine extent of acquisition. As you can see, it's a formal document. Can you see the formality of the document? I think it was done by a year 9 student at high school. There is nothing to say that that is a formal notification to me that my home will not be acquired, but some land will. I asked Martin, 'How much land?'. 'I don't know, because we do not have a final design'.*

*I think there was a total lack of professionalism in treating us with this sort of information.*

*... We were asked then to meet up with their PR person, Chris Clark, to talk about the process. I said: 'Well, if we are not going to get answers definite, one way or another, is there any point in meeting?' 'Oh, we are meeting with everybody, and you should be part of it because we are already meeting with many other people'.*

*I gave him a list via email of eight questions I wanted to put to him. 'Can you give me answers'. 'No, I am not in a position to do that'. He said, 'Come on, we should still meet'. I said, 'No point meeting if you cannot answer my questions'. 'Well, everybody else is meeting Michael, why aren't you?'*

*I do not know, probably about eight or nine emails and a number of phone calls later, I met with him and he said, 'There is nothing more I can say to what you already know'. I said, 'Well, I put your communication to me via email when I said don't and via phone when I said don't as harassment. You harassed me into making a meeting time with you'.*

*As Martin Blake quoted earlier on, there has been a lot of pressure to get this thing moving. I think I have been treated as an unwelcome obstruction to the plan to build this piece of roadwork. No respect for myself or the sanctuary of my home was afforded to me at any level. I have been left with no control over the future of my forever home. All of that has been taken away.*

*... During this whole process, a big price has been paid. 'It is a valuable learning experience' has been quoted a few times today. I wonder, that valuable learning experience, who has paid the price for that. I think it is the residents of Dynnyrne Road and I am one of them. My health is not great. My blood pressure is high and it is now higher, so is my anxiety level, so is my stress level and my medications have been upped, all since we got this letter given to us on our doorstep.*

*We are not as happy in our forever home as we once were. It is a very sad indictment on the leadership of the Government of this state who, I think treat the taxpayers like children or like idiots.*

4.36 Dr Blake acknowledged the level of angst and uncertainty amongst potentially affected Dynnyrne Road residents, but did not entirely agree with how the process had been characterised by other witnesses. Dr Blake did, however, concede that the process could have been handled in a different manner, and there were a number of lessons which could prove useful for future projects.

4.37 Dr Blake was asked by the Committee to provide further detail on his view of the interactions with affected residents:

**CHAIR** ... Stakeholder participation consultation - this is where we said we would get to, when we were talking about some of the mis-impressions we might have got.

**Dr BLAKE** - This is an interesting one. In discussing this with the residents and others, there's no doubt that this could have been done differently, and could have been done better.

*...I am pleased to say that the way Christian, for example, is engaging with the business owners and the residents down Macquarie Street is an example of how things perhaps could have been done better. We were, of course, impacted by the unfortunate calling of an election at exactly the wrong time as far as our consultation period went, which meant that the bad news got out without any of the corresponding good news, which obviously didn't help. There was obviously some disquiet, and I think justified, that the consultants were doing the work*

without any Departmental representation there. I think that was a fair comment, and again that was one of the things we have addressed subsequently.

Having said that, State Roads does what it does in terms of that methodology because of the volume of work. It simply does not employ the number of people it requires to undertake all that work itself. In some cases that's okay and it's adequate and it works. In cases like this it's maybe not the preferred approach. As I've said, that's something we have addressed. There's obviously differences of opinions in what was said.

We have been advised from our consultants what they thought they were saying and we have obviously some advice from the residents in terms of what they thought they heard. We have written material obviously that was provided to the residents I think was accurate at the time and remained accurate ever since.

...As I said, things could have been done a lot better and it just so happened the calling of the election meant that obviously did create some issues. There was a misapprehension that the mention of 17 properties meant there were 17 homes affected. You would have heard a lot and I think you quoted the 17 homes. That was unfortunate there was that misconception that 17 homes would have to be destroyed, because it certainly was never the case.

That then created the combination of maybe that poor initial approach - ...a disjointed process, the confusion about a home versus a potentially impacted property together created a bit of perfect storm of adverse publicity around the project that obviously has not helped us ever since. I certainly would never like to see it play out the same way again.

Having said that, everything we have done since has been to minimise the impact on residents. Obviously, we have had extensive discussions with those people whose houses are directly impacted. Certainly, in terms of the negotiation process for those sales, I do not think they could have been more considerate as far as I can see. We did try very hard in that area.

**CHAIR** - Some residents feel as a result of those sorts of things happening in terms of misinformation or otherwise whomsoever issue it was, that they then did not go ahead with certain changes to their residence beyond the belief their house was going to be acquired and then to find out, no, it is not.

**Dr BLAKE** - That is correct.

**CHAIR** - Then going back to the market and finding they are paying thousands of dollars more.

**Dr BLAKE** - That is correct. I am aware of one case in particular where that was a fairly dramatic impact.

**CHAIR** - One hundred thousand dollars, I believe.

**Dr BLAKE** - That is the position. We have had quite a number of discussions with those particular residents over the time - myself in particular. We did try to do whatever we could. We explored a whole range of options, notwithstanding there was a bit of disagreement about what precisely was said from either side. There are certainly two very different views. Notwithstanding that, we did everything we could. I understand the former premier even got involved in some of those discussions and also made separate inquiries and sought separate advice on that matter to see what could be done. Unfortunately, under the circumstances it didn't seem like there was anything in our power, which was extremely constrained, to do anything where there is no acquisition.

**Ms RATTRAY** - Do you mean with compensation?

**Dr BLAKE** - Correct.

**Ms RATTRAY** - Or pain and suffering?

**Dr BLAKE** - Correct.

**Ms RATTRAY** - We have done that before.

**Dr BLAKE** - I will put a caveat on this: I am not a lawyer and I cannot remember exactly what the advice was, but I understand there are some limitations too in terms of the changes - I think it is the Financial Management Act which covers the ex gratia grants which has some limitations in terms of how Government can treat those things. Again, please do not hold me to that advice. That is just my recollection of some complicated advice that was around at the time.

... No stone was left unturned is all I am trying to say.

**Ms RATTRAY** - ... I was travelling home a few weeks ago and had the radio on and this particular issue was 'Topic of the Day'.... There was a discussion with a landowner because there had been a statement made in the parliament earlier that day or week that this acquisition had been voluntary. The person who owned the property came on and said, 'not voluntary, but what other choice did I have?'. Obviously that tension between, yes, to say it's a voluntary acquisition, but the landowner felt they had no option but to negotiate the best outcome, because you can acquire it regardless.

It would be useful to put that particular example on the record of the discussions, without naming any names.

**Dr BLAKE** - It has been similar with each. Obviously, there are various options available to Government in this area and we work very closely with the Office of the Valuer-General in all this. The instruction to us was to be as humane and as reasonable as we possibly could, and we were. The OVG was sympathetic in terms of the human impact of what was going on. The advice to us was an all-round and negotiated settlement is probably the best way of dealing with that and certainly was the way we proceeded.

**Ms RATTRAY** - Possibly the minister's words were not exactly the right terminology. It was not voluntary acquisition; it was negotiated acquisition.

**Dr BLAKE** - It was negotiated acquisition, which I suppose strictly - and not my job to defend the minister - but I suppose literally, it is correct.

**Ms RATTRAY** - Unless you can bring him in today, I have only got you. We will go with what we've got. Thank you, that is important to have on the public record it was not necessarily as the minister indicated it was and this is the process we have. Thank you.

**CHAIR** - Last sentence on 7.2: 'Relationships with owners of the 13 properties not required for acquisition remained mixed with some owners feeling frustrated and disappointed of the withdrawal of conditional offer'. Can you explain?

**Dr BLAKE** - This was a big issue last year in terms of the amount of time invested into it. Again, consistent with what we were trying to do, in terms of giving everybody as fair treatment as possible. The other issue, and to be honest I would do this differently if I had my time again, this probably comes back to the member's comment earlier, you probably hear this a fair bit but it certainly was a very important learning exercise for me in terms of balancing.

People want to be kept abreast of exactly where things are at. Things change and when exactly is the right time to be having the discussions about? Essentially, those discussions were ongoing. Effectively, people were finding things out as we became aware of them, which meant things did continually move as the situation changed. We were probably being a bit

too open in terms of discussions about what could happen or what was likely to happen, which then subsequently changed.

As I said, if I had my time again I would probably resist the requests for that ongoing discussion, that ongoing dialogue under those circumstances.

Certainly, one of the challenges I ended up being faced with, was a lot of people who wished to sell their property to us, which probably isn't what you would normally expect when you talk about governments and acquisitions and things like that. But it certainly became my biggest challenge, as it played out.

**CHAIR** - Why was it? Why did they?

**Dr BLAKE** - It is a combination of different reasons. It depends on perspective. I can give you a range of views but I might be a bit unfair in how I portray it.

On the other side, there was certainly a feeling of trauma, there was certainly a feeling of 'I want to be out of here', of 'this could happen again' -

**CHAIR** - Of uncertainty?

**Dr BLAKE** - of uncertainty. And they were all very legitimate feelings under the circumstances which, again, I think probably weren't helped by an approach which was a bit of a running commentary and a running discussion. It was amplified then by what was going on in the media at the time as well. People were even more unsettled and more disquieted. That is one particular view.

Some people saw potential for advantage in the circumstances. That was another, potentiality, in some circumstances. It was a mixture.

**CHAIR** - As mentioned earlier, some felt they didn't have an option.

**Dr BLAKE** - In some cases, that's right. There were those few ones. There was a choice. We didn't have to have that, which I guess is where the minister said it was voluntary, whereas it could have been done a different way. It could have been done under a normal notice-to-treat process. In that case, the parties both agreed it was in the best interest to do it that way. It was hard. It was hard on us and our staff and it was very hard on the residents. It was quite a traumatic time.

**Ms BUTLER** - For future purposes, will there be proper relationship consultants or communication experts brought in to manage something like this? Because it sounds like the communication from the get-go, in the middle of an election, shock announcement, et cetera - are there future learnings from this to make sure that what has happened in this situation, the damage caused to your personnel and also the community members involved - it was very stressful and also over a 12-month period, a long duration for a lot of stress.

**Dr BLAKE** - Absolutely.

**Ms BUTLER** - It is the roof over your head, it is your home - ... Is there some strategy or some learning from this that can be put into use to make sure that other people don't ever have to go through this again?

**Dr BLAKE** - ... I have come to the conclusion that it is very hard to get this right, no matter what you do. Having said that, there were definitely some improvements to be made. You mentioned the bringing-in of expert advice and so forth. That is probably what the Department thought it was doing in the way that it was doing it in the first instance. Obviously, that of itself was not sufficient. It needed to be a blending of those different



approaches. I have been paying attention to what has been happening around the country in similar instances. They are actually much bigger examples in some of the major projects where residents aren't consulted unless there is a decision to issue a notice to treat -

**Ms RATTRAY** - That has gone completely the other way.

**Dr BLAKE** - That's right. They have done that for a reason and that is, I suppose, to avoid the type of experience that we have seen here and that we have gone through in this process.

Yes, is the short answer. What we are doing now is very different to what we were doing on the Southern Outlet and Macquarie Street, albeit the stakes are a lot lower. While parking is obviously important, the stakes are very different. But yes, we are going about things in a different way.

**Mr GONINON** - It is hard to give certainty when you don't have certainty. I know that sounds like - it's like, do you wait until you know specifically that you need to acquire, as Martin alluded to, three homes then go and tell those people those three homes are going? Or do you try to work through a process of engaging with people and giving them insight early on, which leaves you open to uncertainty, and then work through an informed consultation where you hear back from people then you make change to your design?

**Ms RATTRAY** - Well, you did, that's exactly what the Department did, didn't they? Didn't you? You actually reacted to the submissions and feedback that you received -

**Mr GONINON** - We went the latter, yes.

**Ms RATTRAY** - changed your design, went from a possible 17 back to three and two partials, and here we are.

**Mr GONINON** - Yes, so that's the real conundrum of the whole exercise, not helped, as Martin alluded to also, by losing probably five or six months through the whole election matter, with the uncertainty for residents.

- 4.38 Given the uncertainty that residents had endured, the Committee enquired about the likelihood of the project design changing when it is put out to tender. While falling short of providing an absolute guarantee that this would not happen, Dr Blake did indicate that if alternatives were to be put forward by a contractor, then the Department would request that any alternatives did not impose a larger impact on residents' properties:

**Ms BUTLER** - ...I am getting the impression that even the plan we have in front of us might not be 100 per cent this is what we're going to do. Do you think there could be a possibility there may be a completely different design?

**Mr BLAKE** - The answer is it could be different, which is normal when we go to market, particularly if the contractors come back with ... An alternate - that is possible. Having said that, I would say what we were asking for is no greater impact on the properties. That would be the limitation we would put on that, I suspect. It could and would normally move, and it would not matter whether it was a building or a civil infrastructure, it would be quite normal for a contractor - if there is a better way of doing it, it would be normal for them to suggest that.

**Ms BUTLER** - There is a guarantee from the Department there will not be a change in this design and some of those properties that now feel they are safe may still be at risk of being considered? There is a guarantee that will not happen?

**Mr BLAKE** - As far as I am able to give a guarantee about anything.

**Ms BUTLER** - I think it is a pretty fair question to ask, because there was a 12-month delay.

**Mr BLAKE** - I suspect our ultimate project sponsors in executive government would not be very happy with us at all if we did that. I do not think it is a way we would choose to go. I suspect if a contractor was to suggest it, the answer would be no.

### **Does the Project Meet Identified Needs and Provide Value for Money?**

4.39 In assessing any proposed public work, the Committee seeks an assurance that each project meets the criteria detailed in Clause 15(2) of the Public Works Committee Act 1914. Broadly, and in simple terms, these relate to the purpose of the works, the need for and advisability of undertaking the works, and whether the works are a good use of public funds and provide value for money to the community. The Committee questioned the witnesses who provided the following confirmation:

**CHAIR** - ....Before you go, I need to ask some important questions. A lot of the submissions address these, and are very - shall I say - vocal in their submissions as to why these aren't the case. I want to ask the questions, and I want you to give me the best answers that you feel you can, in order to address the concerns that have been expressed.

Do the proposed works meet an identified need or needs, or solve a recognised problem?

**Dr BLAKE** - Yes.

**CHAIR** - Are the proposed works the best solution to meet identified needs, or solve a recognised problem within the allocated budget?

**Dr BLAKE** - I think they are part of the only solution.

**CHAIR** - Even with the consideration of the soft options?

**Dr BLAKE** - To be absolutely frank and honest, with the population growth we're going to experience, and the level of demand increases we can expect, I think we'll need all of those. I don't think it's going to be a question of this or that. If we want to keep the level of amenity that we currently have now in our ability to move around the city freely, I think we're going to need the majority of those.

**CHAIR** - Are the proposed works fit for purpose?

**Dr BLAKE** - I believe so.

**CHAIR** - Do the proposed works provide value for money?

**Dr BLAKE** - I think so.

**CHAIR** - Even though there are lots of aspects that really can't be settled at this point?

**Dr BLAKE** - I would go back to the original report, which found that the only real way to deal with increases in transport demand around the Hobart area is through increase of transit facilities on all the arterial corridors.

While in some respects this is incomplete in that it doesn't go all the way back to Kingston, and it doesn't join up with an entire Hobart network, at some stage this is going to have to be tackled, and this will be part of the solution.

I have no doubt that this is ultimately where we'll get to as a city, because we don't have another solution. Unless transport changes altogether in a way that we can't foresee at the moment, and the way we work changes in a way we can't foresee at the moment, this is the pattern that we're seeing in well-planned cities elsewhere, and I think this will be the future.

**CHAIR** - *Are the proposed works a good use of public funds?*

**Dr BLAKE** - Yes.

## 5 DOCUMENTS TAKEN INTO EVIDENCE

5.1 The following documents were taken into evidence and considered by the Committee:

- *Southern Outlet Transit Lane (5th Lane Southern Outlet)*, Submission to the Parliamentary Standing Committee on Public Works, Department of State Growth, 15 August 2022;
- Submission from Mr Warren Robertson;
- Submission from Ms Kelly Grigsby, CEO, City of Hobart;
- Submission from Mr Tony Blanks;
- Submission from SOS Hobart 2021;
- Submission from Circular Economy Huon;
- Submission from Mr Mervin Reed;
- Letter to potentially affected residents from Christian Goninon, Project Director, Hobart Transport Vision, entitled ‘Hobart City Deal – Southern Projects – Southern Outlet Transit Lane’, dated 25 March 2021, tabled by Dr Martin Blake;
- Document detailing the utilisation of the Huntingfield and Firthside park and ride facilities, tabled by Mr Tony Blanks;
- Aerial photograph of 18 Dynnyrne Rd showing possible partial property acquisition, tabled by Mr Michael Hanlon;
- Aerial photograph of unidentified Dynnyrne Road property, with unidentified markings, tabled by Mr Michael Hanlon;
- Department of State Growth, response to Committee request for additional information;
- Mr Mervin Reed, addendum to his submission, provided 1 November 2022; and
- Circular Economy Huon, document entitled “Additional evidence 5th Lane”.

## **6 CONCLUSION AND RECOMMENDATION**

- 6.1 The Committee gave careful consideration to all the evidence presented to it during this inquiry. Arguments and propositions were well made, leading the Committee to return to the fulfilment of its statutory obligations. The *Public Works Committee Act 1914* (the Act) states that when considering and reporting on any public work, the Committee must have regard: to the stated purpose of the works (clause 15(2)(a)); the necessity or advisability of carrying out the works (clause 15(2)(b)); and the present and prospective public value of the work (clause 15(2)(c)).

### ***Stated Purpose***

- 6.2 The Committee is satisfied with the available information presented to it the Southern Outlet Transit Lane meets the stated purpose of increasing the efficiency and person-capacity of the roadway through the use of higher occupancy vehicles, such as buses and car-pooling.
- 6.3 The proposed works are part of an integrated, strategic approach to providing an end-to-end solution for traffic from south of Hobart, with the aim of reducing congestion and encouraging a modal shift to greater use of public transport and other higher occupancy transport modes.
- 6.4 The Southern Outlet Transit Lane is expected to complement other measures, which include the provision of park and ride facilities in Kingborough, improved bus services, and a range of measures to be implemented on Macquarie and Davey Streets. Together, it is anticipated these measures will make public transport and car-pooling a more attractive proposition to the travelling public from communities south of Hobart in the longer term.

### ***Necessity or Advisability of Carrying the Works out***

- 6.5 The Committee is satisfied that on the balance of evidence received, the need for the Southern Outlet Transit Lane exists. It is clear from the evidence that all parties recognise there is a congestion problem that needs to be addressed, but on the surface, present different views on how this should be achieved. However, closer examination of the evidence indicates considerable agreement on the measures needed to address the issue.
- 6.6 There appears to be a commonly held view that this Southern Outlet Transit Lane reference alone will not solve the congestion issue. However, the Committee is of the view the case has been made that the Southern Outlet Transit Lane is an essential and required element in a wider program aimed at addressing the recognised problem in the longer term.

### ***Present and prospective Public Value of the Work***

- 6.7 The Committee is satisfied the Southern Outlet Transit Lane can provide significant public value under the right circumstances. Therefore, given how closely linked the effectiveness of the Southern Outlet Transit Lane is to other complementary measures, the Committee considers it extremely important these measures are

progressed as a matter of urgency. The Committee is concerned that if not, the benefits of the proposed works may not be realised, and may in fact have a negative effect on congestion and may discourage people away from the desired modal shift.

- 6.8 The Committee, therefore, is of the firm view that the commitments made by the Minister for Infrastructure and Transport and the Department of State Growth to progressing these measures concurrently should be strictly adhered to, to ensure the benefits of a significant commitment of public funding can be fully realised.

#### **Other Matters**

- 6.9 While the matters the Committee must have regard to under the Act do not provide an avenue for addressing the stress and anguish suffered by residents of Dynnyrne Road, the Committee feels it is important for this to be fully recognised.
- 6.10 The Committee appreciates why these residents feel the way they do, and is of the view that the uncertainty endured by residents over an extended period of time was not acceptable. Uncertainty around the future of one's home is not a trivial matter, and it should be fully expected this will cause significant anxiety for those subject to the potential loss of all or part of their home.
- 6.11 The Committee also notes the Department's admission that the process in communicating with residents around land acquisition for the project could have been better handled, and recognises the Department's commitment to making improvements based on the learnings from this project. The Committee looks forward to seeing evidence of an improved practice for future road projects.

#### **Recommendation**

- 6.12 The Committee is of the view that the opposing parties may not be so far apart in their thinking as it might appear on the surface, as there was considerable agreement on the range of measures required to solve the congestion problem. Solutions put forward by submitters, such as incentivising greater use of higher occupancy vehicles, additional park and ride facilities, more frequent bus services, clearways and bus priority measures in Davey and Macquarie Streets and moderating the bottleneck effect of the intersections at the Davey/Macquarie Street couplet, are all measures the Department of State Growth indicated were already being progressed or would be considered.
- 6.13 The Committee has carefully considered the evidence presented to it, both for and against the project. The Committee can see some common themes throughout the evidence from all who have taken part in the inquiry on how the congestion problem should be tackled. The Committee agrees that this project alone will not solve the congestion problems on the Southern Outlet, and the key to doing so is implementing a range of complementary measures that will encourage a shift in behaviour from commuters.
- 6.14 The Committee is satisfied the need for the proposed works has been established in conjunction with concurrent works under the Hobart City Deal. Once completed, the proposed works will provide a T3 transit lane, for use by buses, emergency vehicles, motorcyclists, and vehicles with 3 or more occupants. This T3 transit lane

reference will provide additional transport capacity from Mount Nelson, and is expected to improve both vehicle travel time and travel time reliability. In doing so, it will contribute to a modal shift, encouraging greater use of higher occupancy transport modes, such as public transport.

- 6.15 Accordingly, the Committee recommends the Southern Outlet Transit Lane, at an estimated cost of \$35 million, in accordance with the documentation submitted.



**Parliament House  
Hobart  
23 November 2022**

**Hon Rob Valentine MLC  
Chair**

## **7 DIVISIONS**

7.1 In accordance with section 8(2) of the Act, the following Divisions were recorded:-

7.2 On the Question being proposed – That Chapter 6, “Conclusion and Recommendation”, stand part of the Report;

The Committee divided.

AYES (3)

*Ms Rattray*  
*Mr Tucker*  
*Mr Wood*

NOES (2)

*Ms Butler*  
*Mr Valentine*



## 8 DISSENTING STATEMENTS

### **Hon. Rob Valentine MLC**

- 8.1 The Honourable Member for Hobart, Mr *Valentine*, voted against the inclusion of the “Conclusion and Recommendation” in the Committee’s report.
- 8.2 Mr *Valentine* provided the following Dissenting Statement:-

The purpose of the Reference is entirely understood, and that is, basically, to facilitate a modal shift to public transport, which is expected to help in addressing vehicle congestion associated with traffic entering the Hobart CBD from the South.

There is nothing intrinsically wrong with such a purpose. The difficulty is the staging of the development without first exploring and understanding certain underlying factors causing congestion and the success or otherwise of less costly measures to address it.

Such matters were mentioned in a number of public submissions received by the Public Works Committee on this Reference and basically covered:

- the fuller establishment, evaluation and enforcement of clear-ways;
- traffic flow issues at major intersections;
- fuller evaluation of each Kingborough Park and Ride facility - i.e capacity, operation and functionality - and their impact on bus passenger loads and peak-time light motor vehicle numbers;
- Resolution of school student drop-off congestion issues;
- poor design of the Southern Outlet/Davey Street/Macquarie Street intersection and consideration that the proposed T3 lane may only serve to exacerbate an already awkward access to South Hobart and Huon Road, ultimately increasing congestion;
- Implementing local commuter bus services in Kingborough and Huon areas, linking to public transport trunk routes;
- exploring the possibility of establishing ferry services to the more southern suburbs;
- consideration of business de-centralisation and staggered work hours; and
- promotion of carpooling.

The Minister for Infrastructure and Transport, The Hon Michael Ferguson, attended a hearing at the request of the Committee to explore the policy intent of this reference. The opportunity to explore matters with the Minister, raised

either through the submissions or by Members was appreciated and provided context for the decision before the Committee.

However, given the disruption the Transit Lane project is expected to cause for a significant period of time, it would be prudent to more fully explore the considerations above and, should they fail, then consider this particular development and the benefits it may bring to the travelling public.

Added to the above, the public value of this reference is not immediately obvious, especially given the very limited travel time benefit it is expected to deliver for buses and cars, and the lack of a full benefit-cost analysis. Understanding the full value of such a project is important when assessing overall community benefit and its absence is noted.

The Reference is not supported at this time.



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**Hon Rob Valentine MLC**

### **Ms Jen Butler MP**

8.3 The Honourable Member for Lyons, Ms Butler, voted against the inclusion of the “Conclusion and Recommendation” in the Committee’s report.

8.4 Ms Butler provided the following Dissenting Statement:-

1. Assessment of a Reference to the Public Works Committee

In assessing any Reference, the Public Works Committee (the Committee) is constrained by an Act of Parliament - namely the Public Works Committee Act (1914).

2. The Act, in Section 15 Functions of the Committee, states:

*(2) In considering and reporting on any work, the Committee shall have regard to –*

*(a) the stated purpose thereof;*

*(b) the necessity or advisability of carrying it out; and where the work purports to be of a reproductive or revenue producing character, the amount of revenue which it may reasonably be expected to produce; and*

*(c) the present and prospective public value of the work – and generally the Committee shall in all cases take such measures and procure such information as may enable them to inform or satisfy Parliament as to the expedience of carrying out the work.*

And Section 16 Conditions Precedent to Commencing Public Works:

*16 (3) With every such reference to the Committee there shall be furnished to the Committee an estimate of the cost of such work when completed, together with such plans and specifications or other descriptions as the Minister administering the [Public Works Construction Act 1880](#) for the time being deems proper, together with the prescribed reports on the probable cost of construction and maintenance, and an estimate of the probable revenue, if any, to be derived therefrom. Such estimates, plans, specifications, descriptions, and reports to be authenticated or verified in the prescribed manner.*

3. Recommendation to which the dissent relates

Recommendation to which the dissent relates to the majority determination of the Committee at Sections 6.2, 6.7 and 6.15 in the principal report above and is copied below for convenience –

- 6.2 *The Committee is satisfied with the available information presented to it the Southern Outlet Transit Lane meets the stated purpose of increasing the efficiency and person-capacity of the roadway through the use of higher occupancy vehicles, such as buses and car-pooling.*
- 6.7 *The Committee is satisfied the Southern Outlet Transit Lane can provide significant public value under the right circumstances. Therefore, given how closely linked the effectiveness of the Southern Outlet Transit Lane is to other complementary measures, the Committee considers it extremely important these measures are progressed as a matter of urgency. The Committee is concerned that if not, the benefits of the proposed works may not be realised, and may in fact have a negative effect on congestion and may discourage people away from the desired modal shift.*
- 6.15 *Accordingly, the Committee recommends the Southern Outlet Transit Lane, at an estimated cost of \$35 million, in accordance with the documentation submitted.*

### **Dissenting Statement**

I congratulate the Government, Infrastructure Tasmania and State Growth in their attempts to find solutions to the congestion issues however; I do not agree the Southern Outlet Transit Lane project is the best solution.

The current congestion issues on the Southern Outlet and subsequent congestion on Davey and Macquarie Streets in Hobart needs to be addressed and rectified as a priority.

The Public Works Committee sought a vast number of witness statement in relation to the Southern Outlet Transit Lane and found the overall strategy to reduce congestion through a modal shift as acceptable yet under developed.

An estimated 10% of Tasmania's population now reside South of Hobart. The Southern Outlet currently carries over 30,000 vehicles per day.

An express bus lane already exists on the section of the Southern Outlet. Turning the existing bus lane into a T3 lane instead of a dedicated bus lane will increase travel time for buses not reduce time. Congestion will become worse further acerbating the problem through Davey Street and Macquarie Street.

The Committee heard evidence the Southern Outlet Transit Lane Project is one element of an integrated, complementary package of works and measures.

These include the commencement of a T3 transit lane at Kingston with continuity through to the Davey Street/ Macquarie Street couplet and the development of bus priority measures in both Davey and Macquarie Streets.

It is important to note these projects are currently “thought bubble concepts” with no funding, feasibility study, cost benefit analysis, planning or initial phase exploration. It is unclear whether these complimentary projects will eventuate thus leaving the first stage further contributing to congestion issues instead of alleviating. It is also unclear whether further congesting the Southern Outlet and Hobart CBD will assist in creating a modal shift.

The stated estimated project cost of \$35 million is precarious. For example, hydrology reports have not been undertaken and the final design of the project is uncertain.

Upon scrutiny, it was revealed a cost benefit analysis of the project has not been undertaken. Advice was provided “There really isn’t a need to do that in numbers. It is very much at the strategic level”.

Witness testimony to the Committee also stated modelling was not undertaken to assess the economic benefit of the project.

Constructability of the Project is of a serious concern. The expected length of building the T3 Lane is over two construction seasons, a 20-month period between March 2023 and October 2024. This will lead to sustained traffic delays.

The Committee was advised, expected commuter disturbance and delays would be managed through a strategy of increased bus services and Government communication.

No work has been undertaken to upgrade alternative commuter transport routes such as the notoriously narrow Proctors Road. Upgrades to alternative routes for commuters (whilst the work is undertaken) should be improved, as commuters will be taking alternative options to eliminate long delay times during construction.

Of note- the negative impact on the residents of Dynnyrne Road has been significant and not “best practice” by the Department of State Growth, Infrastructure Tasmania and the Tasmanian Government. Acknowledgement by the Department that “lessons have been learnt” will hopefully lead to better community consultation and communication in the future. Noting, these issues are beyond the remit of the Public Works Committee.

## **Conclusion**

Given the above observations, recommending the Reference is not in keeping with the expectations of the Tasmanian community in relation to value for money, suitability or the best solution to the congestion problems on the Southern Outlet, South Hobart, Davey and Macquarie Streets, Hobart. The Reference is not supported.

A handwritten signature in blue ink that reads "J. A. Butler". The signature is written in a cursive, flowing style.

**Parliament House  
Hobart  
23 November 2022**

**Ms Jen Butler MP**

