

Implementation of the AusLink National Land Transport Plan

BILATERAL AGREEMENT

BETWEEN

THE COMMONWEALTH OF AUSTRALIA

AND

THE STATE OF VICTORIA

2004 - 2009

**DRAFT BILATERAL AGREEMENT
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**AGREEMENT BETWEEN THE COMMONWEALTH OF AUSTRALIA AND
THE STATE OF VICTORIA RELATING TO THE IMPLEMENTATION OF
THE AUSLINK NATIONAL LAND TRANSPORT PLAN**

Preamble

This Agreement provides the basis for a partnership between the Australian Government and the Government of Victoria to deliver the AusLink National Land Transport Plan.

- 1) The Australian Government's formal policy statement *AusLink White Paper: Building Our National Transport Future* released in June 2004:
 - a) introduced a new strategic framework for the planning and funding of Australia's roads and railways to meet long term economic and social needs;
 - b) outlined a new National Land Transport Network which will be the focus of the Australian Government's future investment in land transport infrastructure;
 - c) set out a National Land Transport Plan including the first five year AusLink investment programme for the period 2004-05 to 2008-09; and
 - d) recorded the Australian Government's commitment to work with the States and Territories to deliver a better national transport system.
- 2) The objectives of this Agreement are to:
 - a) assist national economic and social development through the funding of projects aimed at improving the efficiency, safety and reliability of the National Land Transport Network; and
 - b) promote sound cross modal investment decisions through improving long term planning, project assessment and evaluation, and data sharing arrangements.
- 3) Measurement of the degree to which these objectives are being met will be made on a regular basis throughout the term of this Agreement using the performance indicators described in Clause 19 and the nationally consistent data collected in Clauses 69, 70 and 83 to 88.
- 4) Both parties intend that this Agreement provide a clear and effective framework for the shared planning, funding, development and maintenance of the AusLink National Land Transport Network in Victoria and for implementation of the National Land Transport Plan.
- 5) Both parties recognise the importance of sustaining overall investment in more efficient and better integrated land transport linkages aimed at improving Australia's economic growth and international competitiveness.

- 6) The Australian Government has increased its expenditure on projects on the National Land Transport Network in Victoria during the five year period to 2008-09. Victoria undertakes to maintain during the period to 2008-09 expenditure from its own source revenue on the National Land Transport Network at a level at least equal in real terms to expenditure from its own source revenue over the five years to 2003-04. (Details of past expenditure by the Australian Government and Victoria are set out in Schedule B.)
- 7) Both parties recognise the importance of funding for the development of land transport linkages at the regional and local level, which deliver economic and social benefits to regional and remote communities. The Australian Government has committed to increase the financial assistance that it will provide for regional and local transport infrastructure between 2005-06 and 2008-09. Victoria undertakes to maintain its expenditure on regional and local transport infrastructure, through direct funding of main roads and financial assistance to local government for local roads during the five year period to June 2009. (Victoria's financial assistance to local government for local roads is set out in Schedule B.)
- 8) Both parties agree that negotiations and decisions on planning, funding and development of new projects will be guided by a project's relevance and contribution to:
 - a) the national interest;
 - b) the State's benefit; or
 - c) land transport linkages at the regional and local level.
- 9) Both parties are committed to working together cooperatively and actively to implement this Agreement.

Scope and Purpose

- 10) This Agreement covers arrangements applying to funding made available by the Australian Government to Victoria under the first five-year AusLink investment programme (2004-05 to 2008-09) and any agreed subsequent changes to, and extensions of, the programme. It also covers agreed arrangements for infrastructure planning, identification of investment priorities, development and assessment of project proposals and evaluation of completed projects.

Commencement and Amendment

- 11) This Agreement commences upon signature by both parties. The parties may agree in writing to amend the Agreement.

Application of Commonwealth Legislation

- 12) Australian Government funding under this Agreement is provided by Section 96 grants and is subject to the provisions of the *AusLink (National Land Transport) Act* (once enacted) and the *Australian Land Transport Development Act 1988*.

Funding Purposes and Contributions

Australian Government Contribution

- 13) Subject to the remainder of this Agreement, the Australian Government agrees to make available a total provision of up to \$943.12 million for construction projects in Victoria in the five years 2004-05 to 2008-09. The Australian Government may, at its discretion, add to this amount from time to time, with associated amendments to Schedule A.
- 14) Australian Government funding will be made available for:
- a) the construction projects described, and up to the amounts specified, in Schedule A, subject to any revisions of cost and Clauses 36 to 40; and
 - b) road maintenance on the National Network in Victoria for the annual amounts specified in Schedule A, in accordance with the Australian Government's maintenance formula.

Victorian Contribution

- 15) Victoria agrees to contribute funding from its own source revenue for the projects specified and on the terms specified in Schedule A. Own source revenue is defined as total Victorian Government general revenue (ABS uniform reporting basis) less Australian Government specific purpose payments to and through Victoria. On this basis, own source revenue would include all Australian Government general purpose grants and the GST.

Scoresby Freeway

- 16) In addition to the Australian Government funding contribution set out in Section 13 above, the Australian Government has committed funding of \$541.53 million to the Scoresby Freeway as a toll free road in accordance with the Memorandum of Understanding agreed between the parties in October 2001.

Project Scope

- 17) The scope of each project in Schedule A will be agreed in writing by both parties in conjunction with the project submission and approval process described in the AusLink Notes on Administration.

Project Timetable

- 18) Both parties will seek to ensure that projects are commenced and implemented in a timely way by working in good faith to establish and meet a project timetable agreed in writing by the parties.

Performance Indicators

- 19) Specific transport performance indicators for each project will be agreed in writing by the parties in conjunction with the project submission and approval process described in the AusLink Notes on Administration. The parties agree that, wherever appropriate and practical, specification of transport performance indicators for each project will have particular regard for the programme objectives (Clause 2) of improving the efficiency, safety and reliability of the National Land Transport Network. Performance indicators reflecting these objectives might typically be: changes in travel times and operating costs; accident statistics; and, where relevant to projects being sponsored by Victoria, frequency of achievement of specified operating targets.

Phasing of Contributions

- 20) Both parties acknowledge that nothing in this Agreement obliges either party to make any payments on its contribution to a project in advance of the other or in advance of material progress. The objective is to ensure that project cash flows allow the most cost effective project delivery.

Eligible Project Costs

- 21) Project costs that may be included for “continuing projects” listed in Schedule A have been agreed outside this Agreement.
- 22) For new AusLink projects listed in Schedule A, Australian Government funding may only be directed towards meeting “eligible project costs” set out in this Agreement.
- 23) For projects to which Victoria has agreed to make a financial contribution, only expenditure on “eligible project costs” will be recognised as counting towards the Victorian contribution to the project.

- 24) For purposes of this Agreement, and unless otherwise agreed in writing at the time of defining the project scope or subsequently, “eligible project costs” includes:
- a) direct costs of planning, public consultation, environmental assessment, and construction of the project;
 - b) costs arising from any latent conditions associated with construction of the project;
 - c) direct costs of the supervision of the project;
 - d) costs of meeting any conditions imposed on the project in respect of matters of National Environmental Significance under Environment Protection and Biodiversity Conservation Act 1999;
 - e) costs of meeting conditions imposed on the project by Victorian environment or planning agencies, as agreed on a case by case basis with the Australian Government;
 - f) costs of reasonable landscaping;
 - g) costs of project public recognition and publicity including any ceremonies connected to progress on the project;
 - h) costs of necessary connections to the road network but limited to works within the road reserve or the limit of any access ramps of the National Land Transport Network;
 - i) the costs of, or arising from, any legal action relating to projects in Schedule A that is not due, in the opinion of the Australian Government, to Victoria failing to properly administer tender processes and supervise and manage relevant contracts; and
 - j) costs of incorporating cost effective Intelligent Transport Systems (ITS) features within the project.
- 25) Unless agreed otherwise in writing at the time of defining the project scope or subsequently, “eligible project costs” does not include:
- a) any component of the oversight and network administration costs of any Victorian agency;
 - b) the cost of artworks or elaborate aesthetic features associated with a project; or
 - c) any costs associated with sections of road or rail that might be bypassed by a project and cease to be part of the AusLink National Network.

- 26) For purposes of projects listed in Schedule A at the time of signing this Agreement, land acquisition costs will be treated as an item of “eligible project costs” for purposes of Clauses 22 and 23 above.
- 27) For projects which may after the signing of this Agreement be added to Schedule A, the treatment of land acquisition costs as a possible item of “eligible project costs” will be considered by the Australian Government on a case by case basis.
- 28) Where land is by mutual agreement to be reserved for identified future projects on the National Land Transport Network, it may be treated as an “eligible project cost” at such time as the project is added to the AusLink Investment Programme.
- 29) Where, in the opinion of the Australian Government:
- a) there has been a failure by Victoria to take action to secure land for future transport needs well in advance of proposed construction works, including by identifying appropriate reservations in planning documents, retaining suitable land already in government ownership and acquiring additional land as appropriate; or
 - b) land needed for the project is transferred between State Government agencies for purposes of the project other than at market value, as agreed by the Victorian Valuer General and an independent valuer of the Australian Government’s choosing,
- the Australian Government reserves the right not to treat the cost as an “eligible project cost”.
- 30) Where the Australian Government agrees the cost is an “eligible project cost”, the parties will reach agreement on the share of that cost to be borne by either party.

Processes for Programme and Cashflow Management

- 31) The parties will meet as necessary to review progress with the implementation of the projects covered by this Agreement.
- 32) To facilitate orderly management of the programme of projects and the associated annual cashflow requirements, the parties agree to the following processes:
- a) Victoria will provide to the Australian Government, no later than 28 February each year, an expenditure budget for each project in Schedule A for each of the remaining years covered by Schedule A;

- b) the Australian Government will provide to Victoria each year, at the time of the Australian Government Budget, an indicative AusLink Investment Programme setting out a budget for eligible expenditure by Victoria on the projects listed at the time in Schedule A;
- c) the indicative AusLink Investment Programme will, to the extent possible within Australian Government Budget constraints, reflect the Victorian Government funding requirements for the projects listed in Schedule A and be in accordance with Clause 18 (Project Timetable);
- d) Victoria will, in light of the announced State Government budget, and on receipt of the annual advice of the AusLink Investment Programme from the Australian Government, provide to the Australian Government an indicative funding commitment to individual approved projects on the AusLink Investment Programme within Victoria;
- e) the indicative funding commitment by Victoria will reflect, to the extent possible, the funding requirements of the projects listed in Schedule A and the agreed project timetables determined under Clause 18.

Variations to Projects and Funding

- 33) Both parties recognise that there may be a need from time to time to vary some of the project details in Schedule A as project proposals are further developed and refined or in response to circumstances that may potentially affect the scope, cost (and respective funding contributions) and expected timelines of projects.
- 34) Any variations to a project as described in Schedule A, including scope, cost (and respective funding contributions) and timelines, will be agreed in writing by the parties.
- 35) The parties agree to the following principles and processes for dealing with possible variations.

Increases in Project Costs

- 36) In the event of an increase in the cost of a project listed in Schedule A, the parties acknowledge that there is a range of possible approaches which will be considered including:
 - a) an increased contribution to the project by the Australian Government;
 - b) a contribution or increased contribution to the project by Victoria;

- c) changes to the project scope; or
- d) as a last resort, withdrawal of funding.

- 37) Where there is an increase in the cost of a project listed in Schedule A, the Australian Government may increase its level of funding. However, where the Australian Government agrees to increase its funding contribution to a project during the five year period 2004-05 to 2008-09, this increased Australian Government funding will need to be provided from within the overall amount available to Victoria under Clause 13 for approved construction projects in Victoria in the five year period 2004-05 to 2008-09.
- 38) Where there is an increase in the cost of a project listed in Schedule A, Victoria may contribute funding or increase its level of funding. Such a contribution may be greater than the percentage share being provided by Victoria towards the original project cost estimate.
- 39) Both parties may agree to reconsider the scope, or construction design being proposed for, a project. Such reconsideration will include, in particular, the likely implications of the proposed change for the objectives identified for a project and the whole-of-life costs and benefits.
- 40) As a last resort, both parties reserve the right to withdraw funding for a project prior to awarding the construction contract, where it becomes clear that the initial estimated contribution of either party falls significantly short of the amount that will be required to complete the project, based on a revised cost estimate.

In the case of the Australian Government, this may be to reallocate the funding to another AusLink project or projects in Victoria or in another State or Territory. In the case of Victoria, this may be to other projects that may not be on the AusLink National Land Transport Network.

Payments to affected tenderers that are necessary in the event of either party withdrawing funding from a project will be shared by the parties and agreed on a case by case basis.

Treatment of Project Cost Savings

- 41) Where the final project cost to government is less than the amount(s) which the Australian Government, or in the case of a jointly funded project the Australian Government and Victoria, has agreed to make available (as specified in Schedule A), the savings (including savings resulting from private sector participation in the project) will be treated in the following way:

- a) for fully funded Australian Government projects the savings will be applied, as agreed between the parties, as an Australian Government contribution to another project or projects listed in Schedule A;
- b) for projects to which each party has committed a specified funding contribution, the savings will be divided on a pro-rata basis and be respectively applied, as agreed between the parties, to another project or projects included in Schedule A.

Project Delays

- 42) In the event that the parties are unable to agree on a timetable for a project or if significant delays occur in the agreed timetable for preparing the project for construction (for reasons that are within the control of the State), both parties reserves the right, prior to the construction contract being awarded, to review their funding contributions and to reallocate that funding:
- a) in the case of the Australian Government to another project or projects including in another State or Territory; and
 - b) in the case of Victoria to other projects that may not be on the AusLink National Land Transport Network.

Notice and Consultation

- 43) Where circumstances give rise to the possible need for action under any of the Clauses 36 to 42 above, the parties agree to consult to ensure that alternative actions are explored and considered and that both parties are aware of any consequences resulting from particular courses of action.
- 44) If, after consultation, either party proposes to take action to vary or withdraw its financial assistance for a project under Clauses 36 to 42 above, the party concerned will formally advise the other in writing of its intention to take such action. The matter will then be subject to a 30 day period during which the other party can make further submissions or the parties can agree to reconvene discussions prior to the decision being formally advised in writing and/or publicly announced.

Terms and Conditions of Australian Government Assistance for Approved Projects and Maintenance

- 45) In addition to the conditions attaching to the provision of Australian Government funding for approved projects under the AusLink (Land Transport Assistance) Act, when enacted, and the *Australian Land Transport Development Act*, Victoria agrees that the provision of Australian Government funding for each project specified in Schedule A will also be conditional upon Victoria complying with the following conditions.

Provision of Victorian Funding Contributions

- 46) The Australian Government's contribution to a project specified in Schedule A is conditional on Victoria fully meeting the terms of any funding contribution to that project specified in Schedule A.

Conditions of Maintenance Funding

- 47) Australian Government road maintenance funding is subject to Victoria maintaining to an agreed fit for purpose level those parts of the National Land Transport Network for which it is responsible, and supplying data on the condition, usage and funding of the Network to enable the Australian Government to meet its accountability and reporting requirements.
- 48) The parties agree to determine fit for purpose maintenance standards for links on the AusLink network and a schedule of proposed maintenance data that will be used to monitor the condition over time of relevant sections of the Network. These standards and data requirements will be reviewed and amended from time to time by the agreement of the parties.

National Code of Practice for the Construction Industry

- 49) The National Code of Practice for the Construction Industry (the code) and the Australian Government Implementation Guidelines for the Code (the guidelines) will apply to all:
- a) construction projects fully funded by the Australian Government under this Agreement; and
 - b) construction projects subject to shared funding arrangements where:
 - i) the Australian Government's contribution to an individual project is \$5 million or more and where that contribution represents at least 50 per cent of the total project value;
 - ii) the Australian Government's contribution to an individual project is over \$10 million, irrespective of the proportion that represents of the total project cost.
- 50) The code and guidelines apply to new projects approved by the Australian Government after 1 January 2004. *[These are appropriately designated in Schedule A.]*

Recognition Arrangements

- 51) Australian Government funding for each project in Schedule A is conditional on Victoria providing the Australian Government with public recognition for its contribution to projects undertaken under the Programme.

- 52) The parties acknowledge that public recognition for all projects undertaken on the National Land Transport Network in Victoria should have regard to the respective contributions of the parties to the funding of the projects.
- 53) Where the Australian Government is fully funding all eligible project costs, it will receive major prominence in, and a determining say over the content and timing of, all public recognition.
- 54) Where a project is fully funded by the Victorian Government on the National Land Transport Network, Victoria will determine all public recognition.
- 55) Where a project is funded jointly, all public recognition for that project will be joint and agreed. Prima facie, each party will receive equal prominence in any public recognition.
- 56) Where any public recognition is proposed, each party agrees that it will provide the other party with adequate notice of the proposed public recognition and an appropriate opportunity to ensure that the proposed public recognition meets the other party's requirements.
- 57) Each party agrees that it will not, without the prior agreement of the other party, provide public recognition for a project stating, requiring or implying a funding commitment to a project by the other party.
- 58) The parties agree that they will not, in the public recognition of their respective budgets or forward programmes for land transport infrastructure funding, include funding provided by the other party without a full acknowledgement of the other party's funding contribution in total and in respect of individual projects.
- 59) The definition of public recognition and the procedures for implementing this Agreement in respect of recognition for the Australian Government contribution are set out in Schedule C to this Agreement.

Conditions Relating to National Land Transport Network Connections

- 60) Australian Government funding for each approved project on the AusLink National Land Transport Network is conditional upon:
 - a) clear identification of, and agreement between the parties on, the way in which the project will connect to, or intersect with, the remainder of the transport network at a specific location or locations. This agreement will be reflected in the defined project scope (as provided for in Clause 17) prior to the construction of the project; and
 - b) the Australian Government's agreement to any subsequent change to agreed arrangements relating to the way in which the project connects to, or intersects with, the remainder of the transport network at a specific location or locations.

61) Any change to the way in which the project will connect to, or intersect with, the remainder of the transport network at a specific location, or locations, as defined in the agreed project scope, will form a variation to the project, and be dealt with by the provisions of Clause 34.

62) The parties will negotiate in good faith to resolve any issues with connections to, or intersections with, the AusLink National Land Transport Network arising from the approved project as defined. If the parties cannot reach agreement, then the following options are available to either or both parties

a) reconsider the project's priority, scope, design and costing with a view to resolving outstanding issues with connections and/or intersections;

or, if this is not possible, despite both parties' best endeavours:

b) withdraw funding from that project and apply it (on a pro rata basis if appropriate) to another project or projects within Schedule A for Victoria;

or, if the parties cannot agree on another project or projects within Schedule A for Victoria, then:

c) the Australian Government reserves the right to reallocate the surplus funding to a project or projects in another State; and

d) The Victorian Government reserves the right to reallocate the surplus funding to other projects not on the National Land Transport Network.

Other Project Specific Conditions

63) Both parties may agree, in writing, additional terms and conditions relating to individual projects.

Arrangements for Project Planning and Delivery

64) The Australian Government recognises that primary responsibility for project planning and delivery rests with Victoria.

65) Victoria acknowledges the Australian Government's right to participate in project planning and/or to review project delivery to ensure that its policy objectives and accountability responsibilities are satisfied. Victoria also acknowledges that the Australian Government may from time to time undertake reviews of the planning and delivery of projects. Victoria will cooperate fully with the Australian Government and its agents in the conduct of such reviews.

66) Both parties recognise that circumstances may arise where:

- a) Victoria has chief responsibility for the planning and delivery of a project, but the project substantially affects the responsibilities or operations of a third party (or parties), such as another State(s) and/or rail track manager(s), or
- b) a third party, such as the Australian Rail Track Corporation and/or another rail track manager(s), has chief responsibility for the planning and delivery of a project in Victoria.

67) Both parties acknowledge that in such circumstances there may be a need to negotiate an additional agreement(s) related to the project to ensure that the interests of all parties are adequately recognised.

Arrangements for Infrastructure Planning, Identification of Investment Priorities and Development of Project Proposals

68) Both parties acknowledge the need for ongoing cooperation across a range of matters in order to ensure that future land transport infrastructure requirements are planned, prioritised and delivered in an orderly way.

Corridor Strategies

69) The parties will cooperate in assessing future priorities for the National Network in Victoria by undertaking joint studies of individual corridors and developing a 20-year (or long-term) strategy for each corridor to guide future investment.

70) In developing each corridor strategy, both parties will examine:

- a) transport projections, the condition and capacity of infrastructure, and land use plans along the corridor;
- b) the relationship between the National Network and its connections to the broader transport system; and
- c) a broad range of solutions to future transport needs, including those which might defer or limit the need to expand the physical capacity of the Network.

71) Both parties will meet their own costs of participating in meetings and consultations; and equally share funding of any consultancies or other developmental work they agree is required to undertake strategic planning and development of corridor strategies.

Broadening the Range of Solutions

- 72) The parties agree to consider, and where appropriate to trial and deploy, alternatives to built infrastructure, such as technology-based applications and urban travel demand management, which might limit or defer the need to extend the physical capacity of the Network and deliver transport safety, efficiency and environmental benefits.

Cross-border Cooperation

- 73) Where the planning and development of a corridor, transport link or project involves cross-border considerations, the Australian Government may convene discussions between the affected governments. The objective of these discussions is to achieve a positive joint outcome for all jurisdictions involved.

Transport and Land Use Planning Affecting the National Network

- 74) Both parties recognise that the effective and safe operation of the National Network serves both national and State objectives. Accordingly, both parties recognise the need to:

- a) integrate transport and land use planning at a network level to ensure the safe and effective operation of the AusLink National Land Transport Network, and appropriate interaction between this Network and State arterial road and local road networks; and
- b) avoid, to the degree that it is within their control, excessive additions to the traffic load on the AusLink National Land Transport Network from State arterial or local road systems.

- 75) Both parties will act in good faith within their respective authorities to facilitate balanced outcomes consistent with the objectives set out in Clause 74.

- 76) Victoria agrees to:

- a) inform the Australian Government of any proposed changes to planning schemes (particularly for metropolitan areas and major regional centres) which might materially affect the operation of the National Network;
- b) advise the Australian Government of the relevant Development Authority so it has an opportunity to express a view to the Development Authority on any such proposals; and

- c) make appropriate use of the State Government powers, including under the *Transport Act* (1983), the *Road Management Act* (2004), the *Planning and Environment Act* (1987) and the *Land Acquisition and Compensation Act* (1986), to ensure the impact of any project or planning scheme on the AusLink National Land Transport Network is minimised.

77) The Australian Government agrees to inform the Victorian Government of any proposed major development of Commonwealth owned land which might materially affect the operation of the National Network and to use its best endeavours to ensure the impact on the National Network is acceptable.

State Funded Projects on the National Network

78) Victoria agrees to inform the Australian Government in a timely way of projects that it proposes to undertake on the National Network which are additional to those listed at Schedule A.

Project Cost Estimation

79) Both parties will cooperate in the identification and implementation of 'best practice cost estimating' with a view to being able to derive reliable cost estimates for projects to be funded under this Agreement. Both parties will work with each other, and with other jurisdictions, to identify appropriate data, methodologies and processes to achieve this end.

Project Assessment

80) Both parties will progressively adopt a nationally consistent project assessment methodology drawing on the *National Guidelines for Transport System Management* developed by a Working Group including the Australian Government, States, Territories and the Australian Local Government Association.

81) The assessment methodology, as endorsed by ATC, will be phased in as follows:

- a) formal project proposals for projects identified in Schedule A will be accompanied by the information and data required for purposes of relevant elements of the assessment methodology so as to provide a benchmark for evaluation of project outcomes;
- b) the assessment methodology will be applied in studies and analyses to support the development of corridor strategies to assist with identifying broad future investment priorities; and
- c) all future new projects (not listed in Schedule A) will be subjected to assessments undertaken fully in accordance with the national methodology.

Project Evaluation

82) The parties agree to cooperate in the joint evaluation of projects so as to facilitate both performance review of this Agreement and continuous improvement of investment decision making. Evaluation of projects completed under this Agreement will, in particular, focus on establishing the extent to which project performance indicators established under Clause 19 have been achieved, and reviewing the accuracy of demand forecasts and cost estimates used in the assessment of the project prior to commencement.

Supporting Data

83) Both parties recognise the importance of improved data collection and sharing to support assessment and evaluation at National Network, corridor and project levels.

84) For purposes of:

- a) assessment of the performance of, and infrastructure investment requirements and priorities associated with, specific corridors forming part of the National Land Transport Network;
- b) periodic assessments of the composition and performance of, and infrastructure investment requirements associated with, the National Land Transport Network as a whole;
- c) assessing the effectiveness of maintenance activity in ensuring that the National Land Transport Network continues to be fit for purpose;
- d) conduct of evaluations of completed projects in accordance with Clause 82 (Evaluation) and having regard to project performance outcomes specified pursuant to Clause 19 (Performance Indicators); and

- e) AusLink programme evaluation, including baseline assessment.

Victoria agrees to:

- f) provide, in response to reasonable requests from the Australian Government, any relevant data available to Victoria;
- g) assist, subject to the negotiation of acceptable cost sharing arrangements, in arranging the collection of relevant data; and
- h) in conjunction with f) and g) above, work with the Australian Government as a matter of priority to ensure the availability of baseline data relevant to key performance indicators for projects, in particular, those measuring changes in the efficiency, safety and reliability of transport operations on the National Network.

- 85) The Australian Government undertakes to fully consult with Victoria in relation to the purposes for which any requested data is being sought, the proposed methodology of any analysis for which the data will be used and the possible publication of any of the data.
- 86) Victoria will provide data to the Australian Government by 31 August each year showing its direct and indirect land transport expenditure (including payments to local government) from its own source revenue in the preceding financial year, and budgeted expenditure for the current financial year, by category, in a form acceptable to the Australian Government.
- 87) The parties note that data and assessment requirements for projects submitted for consideration and possible approval under the AusLink (National Land Transport) Act (once enacted) will be separately specified in the AusLink Notes on Administration.
- 88) Both parties note that ATC Ministers have agreed to further develop approaches for appropriate data sharing and coordination. Both parties are committed to the process for development of a framework which will provide better and more accessible data for the purposes set out in Clause 84. Both parties will cooperate in the implementation of such a framework, subject to cost sharing arrangements that may be agreed at that time.

Encouragement of Private Sector Participation

- 89) Both parties acknowledge that the encouragement of increased funding from the private sector is important to meeting future land transport infrastructure requirements. The parties will work collaboratively to ensure that the potential for financial participation by the private sector in relation to projects on the National Land Transport Network is fully explored.

- 90) Both parties acknowledge that financial participation by the private sector may take a number of forms including ownership; financing and operation of a project; operation of business concessions associated with a project; or a financial contribution in recognition of specific benefits flowing from a project.
- 91) For future projects for which an Australian Government funding contribution is to be sought, Victoria will provide an assessment of the potential scope for private sector participation to reduce the cost to government of the project together with a description of the process employed by Victoria in making its assessment.
- 92) The extent of each assessment will depend on the size of the project. In the case of projects estimated to cost in excess of \$500 million the parties agree that formal expressions of interest will normally be sought from the private sector as part of the assessment.

Notification and Resolution of Issues

- 93) Should a matter arise which could jeopardise either party's adherence to this Agreement, the affected party will advise the other party as soon as practicable and both parties will attempt to resolve the matter in good faith.

Non-adherence

- 94) The Australian Government may withhold all or part of its funding to Victoria under this Agreement, should there be a material breach of the Agreement or if its funding is not used for the intended purpose. This may involve reallocation of Australian Government funding to other projects, not necessarily in Victoria. The funding withheld should be directly related to the alleged breach and be proportional to that breach.
- 95) Victoria may withhold all or part of its funding from a project under this Agreement, should there be a material breach of the Agreement by the Australian Government. This is on condition that the funding withheld must be directly related to the alleged breach and be proportional to that breach and not in the nature of a penalty.

Review of Agreement

- 96) The parties agree to review this Agreement and the activities undertaken pursuant to it by 30 June 2008. The review will encompass the activities undertaken pursuant to the Agreement. The specifications for the review process will be agreed by both parties and confirmed in writing prior to the review process commencing. Both parties agree to pay their own costs incurred as a result of the conduct of the review.

Authorities to Act on Behalf of the Parties

- 97) In the interests of facilitating the expeditious handling of matters arising under this Agreement, the parties may authorise persons to act on their behalf in respect of particular matters and will notify each other in writing where they have done so.

- 98) The parties will each nominate a person or occupant of a specified position to be the contact point for issues relating to the Agreement.

SIGNED by the parties on the Day of 2005

SIGNED for and on behalf of the)
COMMONWEALTH OF AUSTRALIA)
by the Prime Minister of Australia)

.....

in the presence of)
)

.....
Witness

SIGNED for and on behalf of the)
STATE OF VICTORIA)
by the Premier of Victoria)

.....

in the presence of)
)

.....
Witness

SCHEDULE A – INVESTMENT PROGRAMME 2004-05 TO 2008-09

SCHEDULE B – HISTORICAL FUNDING CONTRIBUTIONS

Australian Government historical funding for road construction in Victoria

	Grants					TOTAL
	99-00 \$m	00-01 \$m	01-02 \$m	02-03 \$m	03-04 \$m	
National Highways	38.96	43.86	133.96	115.09	69.70	401.57
Roads of National Importance	27.08	27.21	86.09	54.71	4.40	199.49
TOTAL	66.04	71.07	220.05	169.8	74.10	601.06
REAL TERM TOTAL*	73.57	78.11	237.87	179.14	75.95	644.64

State historical expenditure on the National Land Transport Network

	Actual Expenditure					TOTAL
	99-00 \$m	00-01 \$m	01-02 \$m	02-03 \$m	03-04 \$m	
Road Development	51.82	141.9	106.32	81.88	96.68	478.60
SUB-TOTAL	51.82	141.9	106.32	81.88	96.68	478.60
Road Maintenance	26.39	24.39	26.46	24.51	23.62	125.37
TOTAL EXPENDITURE	78.21	166.29	132.78	106.39	120.30	603.97
REAL TERM TOTAL*	88.14	184.09	143.27	114.45	122.95	652.90

State Government Assistance to Local Government for local transport infrastructure

	Actual Expenditure					TOTAL
	99-00 \$m	00-01 \$m	01-02 \$m	02-03 \$m	03-04 \$m	
Local Roads	0.19	5.25	6.71	7.61	8.27	28.03
TOTAL	0.19	5.25	6.71	7.61	8.27	28.03
REAL TERM TOTAL*	0.21	5.81	7.24	7.97	8.45	29.68

* Indexed to 2004-05\$ using WCI6

SCHEDULE C – RECOGNITION ARRANGEMENTS

1 Definitions

'public recognition' includes issuing any media release, giving any media interview, erecting signs, publishing brochures or community consultation pamphlets, staging sod turning or opening ceremonies or similar ceremonies or any other form of communication with the public or a section of the public claiming or giving the impression of responsibility for providing a transport infrastructure project.

'funding commitment' means an agreement to accept some or all funding responsibility for a transport infrastructure project.

'fully funded' means the provision of all expenditure in relation to a project. The parties recognise that provision of incidental expenditure or indirect project supervision does not constitute joint funding of a project.

2 Public Recognition Forms and Principles

Recognition of the Australian Government's contribution is to be included in all means of dissemination, including, but not limited to:

- strategy documents, videos and electronic databases;
- advertisements relating to all elements of an Australian Government funded project, including those involving the calling of tenders and other aspects of a project;
- route selection reports, tender documents, maps, display material and other information products that relate to the project being funded or under investigation;
- media statements and electronic media 'grabs';
- publications associated with each project or groups of projects in a region or along a particular transport corridor;
- signs erected adjacent to projects, along transport corridors or on the project being funded, including traffic management signs where these include a logo or slogan of the Victorian Government or an authority of the Victorian Government;
- commemorative plaques and ribbons and temporary signs in prominent view at openings or during commemorative ceremonies; and
- invitations and order of proceedings associated with openings, launches, staged completions or other public activities.

3 Media Statements – Factual Information and Emergencies

Where information about a project or information concerning an emergency or other operational issue, such as unforeseen road closures due to flooding, accidents or similar events, concerning the sections of the National Land Transport Network need to be provided to the public, the relevant State officials may make public statements of a factual operational nature.

4 Brochures

When a brochure (whether for general information, a publication marking an official opening, information to affected households in surveyed areas) is prepared for any Australian Government funded or jointly funded works, it must acknowledge the Australian Government's contribution and objectives by:

- prominent wording stating that the project is funded (in the case of fully funded projects), or jointly funded (in the case of jointly funded projects) by the Australian Government;
- including wording provided by the Australian Government explaining the AusLink objectives for the corridor in which the works will be constructed; and
- featuring the Australian Government crest prominently.

Where a brochure is proposed, the Australian Government Minister will be given proper opportunity to include a message and, if required, a personal photograph. The brochure copy and layout must be submitted for Australian Government approval prior to printing.

5 Electronic Media Dissemination

The recognition criteria applying to brochures will also apply to television advertisements, video, Internet or other forms of electronic broadcast.

6 Route Markings, Signs, and Plaques

States are required to place permanent AusLink signs and route markers at agreed intervals on the National Land Transport Network. The form, size and positioning of signs is specified in Appendix 1.

7 Opening/Commemorative Ceremonies

Victoria is responsible for organising opening or completion ceremonies for projects on the National Land Transport Network within Victoria. Wherever possible, these are to coincide with the date on which the project is opened to the public.

Victoria will develop, in conjunction with the Australian Government, a forward programme of official ceremonies to mark the commencement and opening or completion of all Australian Government funded projects.

The Minister for Transport and Regional Services, or a representative, will be given the opportunity to open projects funded by the Australian Government. The relevant Member and/or Senator(s) of the Australian Parliament will be invited to these ceremonies and other invitees nominated by the Minister. In addition, details of proposed arrangements, including invitations for ceremonies and the order of proceedings, should be forwarded to the Minister for consideration well before they are proposed for issue.

At opening ceremonies for projects fully funded by the Australian Government, the lectern signs and signs adjacent to the plaque will be those of the Australian Government. In the case of joint funded projects, the use of State or State agency signs is to be agreed with the Minister well before the ceremony is to take place.

8 Commemorative Ribbons

Commemorative ribbons may be used for major Australian Government funded projects. The use of logos and crests on the ribbon is to be consistent with that on plaques.

9 Public Information

Australian Government may, from time to time, liaise with stakeholders including local government authorities, industry groups and others to ensure the AusLink programme is delivering on its objectives and to identify improvements in delivering the programme.

Victoria agrees that the Australian Government may publish the AusLink corridor strategies and other documents to inform and obtain the views of the public to ensure that the programme remains relevant and continues to provide the best returns on the Australian Government's investment.

APPENDIX 1 TO SCHEDULE C – SPECIFICATIONS FOR ROUTE MARKINGS, SIGNS AND PLAQUES

1 AusLink Network Route Marking

At regular intervals, not exceeding 50 km, and more frequently where State Highways or arterial roads join the National Land Transport Network, **network identification signs** (example in Appendix 2) shall be placed.

National Land Transport Network route marking (example in Appendix 2) should be in accordance with Australian Standard 1742, with the shield used being that designated for 'National Routes', with the word NATIONAL added at the top, above the route number. Colours are to be reflectorised yellow and reflectorised green background. There is no change from the existing national route shield for the National Highway.

Wherever possible, the National Route number will be consistent within the National Land Transport Network grid, along sectors, and run across State borders.

An alpha numeric route numbering may be used on the National Land Transport Network, but the number will reflect the National Route number and not be replaced by another route numbering designation.

The National Land Transport Network will be clearly marked in urban areas. Green and gold shield route markers may be continued beyond the National Network delineation points, where considered desirable, to provide navigation assistance for road users.

National Land Transport Network route marker information and graphics (including colour where appropriate) should be used on Road Authority maps and information supplied to road user organisations and other map makers.

Green and gold **route destination countdown markers** (example in Appendix 2) depicting the word NATIONAL are to be placed on the National Land Transport Network at regular intervals agreed with the State. They should be placed at junctions of arterial road connections with the network.

2 Signs

On major construction projects, a **project specific sign** (example in Appendix 2) is to be placed at each end of the physical work, facing oncoming traffic. Signs are not to be obscured by roadside objects, including any other information signs and must be maintained for one year beyond the opening of the project.

Sign sizes, text sizes, style, colour and material will be in accordance with the example.

The main sign can be in one of two sizes:

3000mm by 1600mm for major AusLink projects in open road locations; and

2000mm by 1400mm for locations where physical space is limited.

Where a project is fully Australian Government funded, there are to be no signs giving public recognition to the Victorian Government or an authority of the Victorian Government other than an auxiliary sign affixed below the main AusLink sign. The auxiliary sign will be of the same width and approximately 1/3 depth of the main panel. Text generally will be “Project managed by VicRoads” for road projects and “Project managed by the Victorian Department of Infrastructure” for rail projects.

Victoria will be required to submit a project signs plan for all major construction projects at the time Australian Government funding approval is sought.

Smaller project specific signs may be used for projects valued at \$5 million or less, or a **road safety project sign** (examples for both in Appendix 2) in the case of projects valued at less than \$2 million funded entirely by the Australian Government.

3 Signs for jointly funded projects

Where a project is jointly funded the parties agree to consult and agree on, before works commence, the sizes, text styles, colour, material and site display requirements of signs in relation to the project.

The Australian Government is prepared to agree on a ‘themed’ set of signs for projects along a corridor as has been the practice on several Roads of National Importance projects.

Generally, text will be in keeping with the examples in Appendix 2.

Where applicable, National Land Transport Network rail projects shall be identified using signs in keeping with this style.

4 Tourist Signage

The Australian Government also wishes to explore options for promoting national tourism, particularly road-based tourism on the National Land Transport Network. It wishes to negotiate with Victoria on the use of the stylised kangaroo logo on brown and white tourism information signs (example in Appendix 2).

5 Commemorative Plaques

These specifications apply to plaques unveiled at ceremonies associated with Australian Government funded road and other projects, whether or not the Minister for Transport and Regional Services or the Minister’s representative attends the ceremony.

This specification also applies to plaques for projects jointly funded.

Illustrative examples are provided in Appendix 2.

The wording of the plaque will include:

- the name of the project;
- recognition that the project was delivered under the AusLink programme;
- the name of the Minister or Minister's representative officiating at the ceremony and the name of the State Minister or State Minister's representative in attendance; and
- the date of the ceremony.

6 Commonwealth and State Crest

For projects fully funded by the Australian Government, the Australian Government crest is to appear on the plaque at the top centre. No other coat of arms, logos or emblems are to appear.

For jointly funded projects where the State authority wishes the State crest to appear, the Australian Government crest is to be positioned at the top left-hand corner of the plaque and the State crest at the top right-hand corner.

The Australian Government crest appearing on the plaque should be in accordance with the "Stylised Arms No. 1 (Outline)" as depicted in *Style Manual for Authors, Editors and Printers of Australian Government Publications*.

7 Approval of Layout

In all cases where the Minister or the Minister's representative is to officiate at a commemorative ceremony, the relevant State authority will submit details of the proposed wording of the commemorative plaque to the Australian Government.

APPENDIX 2 TO SCHEDULE C – LAYOUTS FOR SIGNS

National Land Transport Network sign



Route marker



Route distance marker



Route destination countdown marker



National Land Transport Network project specific sign for major projects



National Land Transport Network project specific sign for smaller projects



National Land Transport Network specific sign for joint funded project



Tourist route sign



Commemorative plaque for Australian Government funded projects on the National Land Transport Network



Commemorative plaque for joint funded projects on the National Land Transport Network



Commemorative plaque for tripartite (including public private partnership) projects on the National Land Transport Network

