

MELBOURNE METRO RAIL PROJECT ENVIRONMENT EFFECTS STATEMENT
INQUIRY AND ADVISORY COMMITTEE

MMRA TECHNICAL NOTE

TECHNICAL NOTE NUMBER: 030
DATE: 19 August 2016
PRECINCT: All Precincts
EES/MAP BOOK REFERENCE: EES Chapter 11; Technical Appendix G –
Business Impact Assessment

SUBJECT: Business

Response to Section 5 of the ‘Preliminary
Matters and Further Information’ Request.

NOTE:

1. This Technical Note responds to the matters identified in Section 5 of the ‘Preliminary and Further Information’ request made by the IAC on 25 July 2016 (**Request**).
2. For ease of reference, this Technical Note adopts the topic headings set out in the Request and reproduces the relevant ‘references’ and ‘requests’ prior to setting out MMRA’s response.

5.1 Business impacts

(i) Reference

The EES documentation assesses the effect of the Project on businesses and offers measures through the Environment Performance Requirements to address and ameliorate anticipated impacts. The Land Acquisition and Compensation Act 1986 will be the legislative base for dealing with acquired properties.

(ii) Request

The IAC requests advice on:

21. *what mechanisms, if any, exist to enable businesses that are adversely affected, but not acquired, to receive compensation.*

MMRA Response:

3. There are no specific mechanisms for compensating those businesses that suffer loss as a result of Melbourne Metro construction works, but are not acquired. These businesses could only seek compensation for loss by bringing common law claims, such as in nuisance or negligence against the relevant parties. MMRA notes that a compensation scheme for businesses adversely affected but not acquired has not been implemented on previous major construction projects in Australia, and would be a matter of public policy for the Victorian Government.
4. It is however important to recognize that good planning and mitigation measures can either prevent or minimise significant business losses in many cases.
5. The first approach to any disruption arising from the delivery of Melbourne Metro is to avoid the disruption through design and construction methodology. If disruption cannot be avoided, the key response is to proactively work with affected businesses to mitigate the impact as far as is practicable.
6. Businesses which are located on land which is required for Melbourne Metro have statutory entitlements under the *Land Acquisition and Compensation Act 1986 (LACA)*. In general terms, where Melbourne Metro requires land acquisition, temporary occupation or affects physical access to a property with the result that there is no longer adequate access to the property, then compensation will be provided in accordance with that LACA and the *Major Transport Projects Facilitation Act 2009* using an individual case management approach for each business.
7. Contractors delivering works on behalf of MMRA will be required to minimise disruption to the community, including businesses located in proximity to the works. Contractors will be required to prepare a suite of plans prior to main works and shaft construction to advise how they will manage disruption including Traffic Management Plans (EPR T1), Business Disruption Plans (EPR B2), and Business and Community Involvement Plan (EPR SC3).
8. MMRA will employ a proactive approach to working with businesses that may experience temporary short term disruption. This approach may be applied to a specific business or more generally to a local business precinct. This type of assistance includes such things as 'open for business' signage, local advertising and encouraging contractor staff to 'shop local' to the works.
9. In addition, further support to impacted businesses may be offered such as small business mentoring, commercial advice, website and other advertising development and advice.
10. Generally speaking, the CBD construction sites proposed for Melbourne Metro are considered akin to large private CBD developments with construction hoardings at the building line and limited vehicle access to these sites controlled by traffic controllers.

11. As set out in the EES, specific Environmental Performance Requirements (B1 to B5 in EES Chapter 23) have been recommended to minimise disruption to businesses in close proximity to construction sites and activities, and to maintain access to businesses during construction.

CORRESPONDENCE:

No correspondence.

ATTACHMENTS:

No attachments.