

Deputation Hon Lisa Neville



Minister for Environment, Climate Change and Water

March 23, 2016

Who we are

We are a Docklands community delegation led by the Docklands Chamber of Commerce.

Delegation members are:

- Johanna Maxwell, president, Docklands Chamber of Commerce;
- Shane Wylie, executive officer, Docklands Chamber of Commerce;
- Paul Salter, executive committee member, Docklands Chamber of Commerce;
- Kelly Jensen, member Docklands Community Forum representative group; and
- Kay Setches, Docklands community member.

Our interest

The Lower Yarra River Use Future Directions Group examined many aspects pertaining to our waterways. Our interest, however, is solely confined to the future governance arrangement.

Our vision

A healthy and vibrant waterway overseen by a single, independent authority which can unlock its unrealised potential for the benefit of all Victorians. Our waterways are the jewel in the crown of Melbourne.

The current situation

Victoria Harbour is the heart and soul of Docklands. When it beats strongly, as evidenced by abundant water craft going about their daily business, the suburb thrives. Unfortunately, the pulse is weak. There has been a marked decline in water activity over the years and this is reflected in local trade and confidence.

The Docklands Community Forum has identified reform of waterways governance as one of three priority issues and a recent situation analysis by Simon McArthur & Associates for Destination Docklands found that "insufficient experiences that capitalise on the waterfront" were holding the suburb back.

As Docklanders, we experience an extra layer of governance that does not apply to other suburbs – being Places Victoria – so we are attuned to the disadvantages that extra governance can bring. There are unseen lines of demarcation running through our suburb, which divide the land controlled by Places Victoria and the City of Melbourne. This disadvantage becomes even more pronounced when the local waterways are brought into the equation.



On the water, other players are brought into play – most obviously Parks Victoria – but also including Marine Safety Victoria, Transport, Ports and even Melbourne Water.

The short-hand version of this story is that we believe there are too many players involved to encourage waterways activation. Later in this submission, we provide some examples to explain how this situation inhibits progress and why reform is needed.

It's not that we have bad managers involved. But there are too many agencies involved and, furthermore, these agencies are mandated to "regulate" the river rather than "activate" it.

The City of Melbourne supports this reform agenda and our call for a single, independent waterways authority.

Lower Yarra River Use Future Directions Group draft response document

On February 19, members of the Lower Yarra River Use Future Directions Group were issued with a confidential draft response which claimed that the "local port model" had been rejected. Rather, the draft response said, "the Minister supports moving forward as outlined above with the relevant government agencies working collaboratively to achieve the shared vision".

This delegation is heartened by assurances that no such decision has, in fact, been taken.

Some potential barriers

In contemplating how such a negative response to the broadly-supported recommendation for a single, independent waterways authority may have arisen, we offer the following:

- **Confusion caused by a certain parallel process:**

We note that work is progressing on the Yarra River Protection Act and understand that there may be some confusion about the work of the Lower Yarra River Use Future Directions Group. The Docklands community wholeheartedly supports environmental protection for the whole river. We would point out however, that our section of the river is very different in terms of built form, setbacks and boating activity. Far from diminishing the opportunity for environmental protection, we believe the formation of a single, independent authority offers vastly improved potential for enhanced environmental protection.

- **Territorial protection:**

It is natural for an organisation to "protect their turf". However, we understand that the creation of a single, independent waterways authority will not necessarily diminish the roles and functions of the current service organisations. They would still work towards satisfying service contracts. The difference would be that a single, independent waterways authority would become the decision-maker.

- **Local port model:**

The term "local port model" has been used as shorthand for a single, independent waterways authority. We understand that the declaration of a local port is a relatively simple process and can be done with minimal effect on existing legislative and regulatory regime. However, if such a declaration is insufficient to achieve the stated goals, then we urge the State Government to pursue other legislative reforms to achieve the desired outcome.

- **The cost:**

It is understood that \$650,000 per annum above what is currently being spent would be required to fund the transition to a single, independent waterways authority as well as fund a proper study of the potential economic benefit. The potential economic return to the state is so great that it would be surprising if the investment of \$650,000 for a couple of years was perceived to be a barrier.



A bit of history

There have been 16 reports or studies since 1998 (17 if you count the Lower Yarra River Use Future Directions Group) which have concluded that a single, independent authority is needed for the Lower Yarra River.

We outlined these reports in our report to you last April. In that document, we also outlined the multitude of agencies involved as well as the 15 intersecting Acts of Parliament.

Some examples

It has to be said that we have incomplete knowledge of the machinations of the workings of government. Some of what we offer here is our own observation. Other examples are based on what we have been told by the people involved.

There is no lack of interest from entrepreneurs and organisations wishing to get involved with our waterways. The Docklands Chamber has been approached by a number of interested parties over the years.

Anecdotally, we further understand that successful interstate passenger boating operators have said they would come to Melbourne if a single, independent waterways authority was established.

Case study 1. Lady Chelmsford

On February 18, 2008 the former Sydney ferry Lady Chelmsford sank at her mooring at Central Pier, Victoria Harbour.

It took until May, 2011 before the wreck was removed.

In this case, there was no clear agency with authority to act. During the (more than) three years it took to act, the following agencies were involved (to our knowledge): Transport Victoria, Marine Safety Victoria, Environment Protection Authority, Parks Victoria, City of Melbourne, Places Victoria, WorkSafe, various emergency services and the vessel's insurer.

We understand that multiple agencies denied responsibility and financial liability for salvaging the vessel.

We contend that had this happened within a local port, the boat would have been salvaged in a very short time.

We believe that a local port manager would have “managed” the removal of the vessel. A single, independent waterways authority is the obvious agency to respond to such an incident.

This failure epitomises the major waterways governance problem – no one is responsible.

Case study 2. Spirit of Melbourne

More recently, a large passenger charter craft burned and sank near the Banana Alley Vaults upstream of Queens Bridge.

We understand that it remained half submerged at its mooring for more than a year.

We don't have insight into the specifics of the response. But, again, it is contended that a single, independent waterways authority would have responded immediately to this incident.

Again, it is a rather shocking look for a city which prides itself on being first-class.

We asked the question: If a petrol tanker burns on a freeway, how long is it left to fester before being removed? A day? Maybe two?

And why the difference in response? Because, when it comes to roads, the lines of demarcation are defined and the responsible authority is held to be accountable.

When it comes to the waterways, no one is in charge. No one is really responsible.



Case study 3. ANZ

When ANZ moved into its new corporate headquarters in Docklands in 2009, new CEO Mike Smith attempted to instigate a ferry service between the CBD and Collins Landing.

Our understanding is that ANZ offered to fund the entire operation which was to ferry ANZ staff between Monday to Friday and was to be turned over to a private operator on weekends.

We understand the proposal first ran into trouble when Parks Victoria refused to allow the vessels to display the ANZ brand. We are told that the bank was prepared to compromise back to painting the boats in its corporate colours and this too was refused.

The bank walked away.

Melbourne turned its back on a generous gift which would have added to the vibrancy and viability of the river.

Ultimately, this was a failure of governance.

Presumably Parks Victoria was doing its job and applying the relevant regulations in place at the time. This failure is not of Parks Victoria's making.

The failure lies further up the governance structure. Parks Victoria is a mere service delivery agent of the Department of Environment, Land, Water and Planning (DELWP) and other State Government Departments. It has no mandate or interest in activating the river.

We contend that had the bank approached a single, independent waterways authority, the authority would have facilitated an outcome of benefit to the city.

Case study 4. Regular river commuter ferries

Attempts in the past to establish regular commuter water transport in the lower Yarra have failed.

We contend that it failed because it was beyond the scope and capacity of an essentially regulatory agency with no mandate to activate the river.

Only a single, independent waterways authority can achieve commuter water transport in Melbourne. This is because so many diverse interests would be involved: transport, tourism, municipalities, marketing, safety, etc.

These representatives would be represented on the single, independent waterways authority.

Case study 5. Dragon Boats

We understand that the recent Victorian State Dragon Boat Championships held on Victoria Harbour only went ahead because of the animated intervention of one of the practically-minded agencies involved.

Like many events in our waterways, it was subjected to the usual applications to the relevant authorities which involves safety and risk management plans.

We have no issue with safety. No one wants an accident.

But can you imagine the rowers at this year's Rio Olympics rowing in lifejackets?

Are you kidding, you ask. Apparently it was demanded that the state's elite dragon boaters compete in lifejackets – a clearly ridiculous suggestion.

The compromise was apparently shadowing zodiacs and divers in the water.

An almost-failure of governance. Again, we contend a single, independent waterways authority would have smoothed the way for this event. Furthermore, it would have put the call out to the national body to host the Australian championships in Docklands. Can you imagine what they must think of Victoria Harbour as a venue?



Case study 6. Winter Fireworks

For the past few years the City of Melbourne has funded Friday night fireworks during the winter months to help stimulate the local hospitality market. While this is well-intentioned, it should be held on Saturday nights when families have a chance to get there.

The council won't hold the event on Saturdays because it costs too much to pay the people who put out and remove the temporary fencing around (only a portion of) the waterfront. The irony is that barriers are not actually required because no one drowns in the harbour during events when plenty of people are around.

Again, we contend that a single, independent waterways authority would manage this anomaly.

Case study 7. Events generally

Events that involve water and land-based activity are difficult to obtain permission for. For starters, applicants need to start 10 weeks before the event.

Parks Victoria, Transport Safety Victoria and the City of Melbourne all have their own processes to navigate. It is not unfair to describe the processes as arduous, expensive and time-consuming.

In some cases, hundreds of pages of supporting documentation is required.

Applications must have risk assessments, safety management plans, adequate insurances, emergency plans, security plans, traffic management plans and communication plans.

No one wants sub-standard or unsafe events. But, we contend, a single, independent waterways authority with a will to assist would result in far more activation and success.

Case study 8. "Faux" permits

Let's look at Parks Victoria's event permitting system itself.

In this case study, we look at a hypothetical scenario of a water-based event which has no material effect on the waterways. In other words, this event merely involves a number of boats entering the river or Victoria Harbour. If this was not called an "event" it would be just be a number of individuals bringing their boats upstream. No exclusion zones are required, no supervision is required. In fact, no involvement from Parks Victoria is required at all.

But, because it is called an "event", the organisers are forced to go through the expensive, cumbersome, time-consuming process for no benefit to anyone at all except the financial benefit of Parks Victoria. Such permits issued grant no greater privilege to the "permitted" boats than the boat in front or behind them enjoy. They are permitted to do nothing.

Unfortunately, this circumstance is not so "hypothetical" at all. It plays out all the time in our waterways. This "faux" permitting regime discourages less formal "events".

We contend that if such an event organiser made application to a single, independent waterways authority the application would be assessed in an instant and the applicant would be excused from the application process. We'd like to think that the applicant would, in fact, be encouraged and assisted. Perhaps the waterways authority would even help publicise the event via its social media channels.

The governance failure here is similar to what we have mentioned above. You could argue that the failure is the relevant regulations, but we contend that the failure is within the very culture itself of a regulatory organisation. Again, it's not their fault. It's what they have been asked to do.



What we want

After 17 inquiries/studies/reports since 1998 and 16 failures (so far) to act, we say it's time to bite bullet and make the changes that everyone agrees must be made.

We are looking to you Minister for leadership and action on this issue.

The rewards are enormous. Unlike a grand prix or an Australian Open which come and go, unlocking the potential of the Lower Yarra is the gift that will keep on giving. Melbourne will join the great cities of the world when it leverages the potential of its waterways. Tourism is the obvious beneficiary, but the lower Yarra is crying out for regular commuter ferries that Melburnians can use in their everyday lives. The City of Melbourne has already taken the lead in this regard and has designed a sustainable 21st century craft – tailor-made for the task.

At the very least, we want the goal of a single, independent waterways authority left on the table and a short-term process devised to achieve it. We want targets and time-lines devised and we want the suitably qualified experts to be directed to start the real work of exploring the potential return for such an undertaking and devising the best legislative route to achieve it.

The Lower Yarra River Use Future Directions Group's final report suggested a reasonable way forward. It suggested that an interim committee be established to continue the day-to-day management of the Lower Yarra but, at the same time, commission the necessary work to turn the dream into reality.

We believe that we are on standing on the precipice of the generational opportunity. If we fail to act now, we condemn our waterways to years – probably decades – of mediocrity that benefits no one.

