As Melbourne grows, it will need an infrastructural facelift to keep up with population and employment growth—especially as economic shifts disperse jobs within and beyond the city centre.

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The rail network is essential in providing Melburnians with access to jobs, services, schools and parks.

Image: Arun Clarke / Unsplash

The city is currently connected via a radial rail network, with all lines leading to the City Loop, which gives commuters access to all corners of the CBD.

The Challenge

The Australian city of Melbourne has witnessed rapid development over the last two decades, an ongoing trend reflective of broader changes in its home state of Victoria. The state has seen economic growth driven primarily by population growth and structural change towards a more diverse, knowledge- and service-based economy.

A report by the Suburban Rail Loop Authority (SRLA) notes that this structural shift in Victoria’s economy has influenced where different types of jobs are located across Melbourne. Broadly speaking, there is significant clustering of employment in the central city, with employment in the suburbs highly dispersed (see Box 1). Accessibility to these opportunities, and public transportation, is thus essential.

Box 1: Distribution of jobs across Melbourne

- Knowledge-based sectors: concentrated in the central city and inner suburbs due to superior accessibility and connectivity
- Industrial businesses: precincts in the outer west, north and south
- Education, training, health and businesses: dispersed across Melbourne

The city is currently connected via a radial rail network, with all lines leading to the City Loop, which gives commuters access to all corners of the CBD.
These activations can therefore bring renewed use and life to underused or overlooked spaces, provide interim uses on land earmarked for future redevelopment and enhance a wide range of other spaces within the precincts.

The Solution

With trams also running through inner city suburbs, Melburnians living close to the CBD enjoy excellent public transport connections and have easier access to high-value jobs. Those outside the inner ring—along the rail network or close to a tram stop—would not be terribly far behind.

The problem lies beyond these areas, where access to the city centre by mass rapid public transport is limited, and people are forced to use cars to commute to work. This situation is only set to worsen in the coming decades with population growth.

By 2056, Melbourne is expected to be a city of 9 million people—around the same size as London today.

Further, not all Melburnians travel to the city centre for work. Many are employed in jobs dispersed throughout the suburbs or emerging economic clusters. A substantial proportion of people lives and works within the same ring. As seen in Fig. 1, for example, 79% of those living in the outer ring work there as well. They would thus need to travel orbitally around Melbourne, rather than radially from the suburbs into the central city.

In accordance with Plan Melbourne, the government’s long-term planning strategy for the city to remain a global city of opportunity and choice, Suburban Rail Loop (SRL) will help reshape Melbourne into a city of centres. Suburban Rail Loop will be the city’s first orbital rail line: a 90 km stretch that will run through Melbourne’s middle suburbs, with links to every existing rail line and Melbourne Airport. SRL will be delivered in stages: SRL East from Cheltenham to Box Hill, SRL North from Box Hill to Melbourne Airport and SRL West from the airport to Werribee.

Through the development of the broader areas around each station, SRL will help deliver the services, amenities and infrastructure Melbourne would need outside of the CBD and inner city. For example, it would create “transport super hubs” in the suburbs of Clayton and Broadmeadows. These will be located along SRL East and SRL North, shown in Fig. 2.

SRL will deliver the Victorian Government’s higher-order objectives as articulated in Plan Melbourne by:

- Creating a “city of centres”: The integrated transport, land use and precinct development approach will reshape Melbourne as a polycentric city, supporting the population, and economic and job growth in major centres beyond the central city.

- Providing a transport network for the future: SRL will create high quality polycentric and orbital transport connections, transforming how Melburnians travel across and around the city.

- Developing a local city: SRL will encourage “local living” and 20-minute neighbourhoods by supporting more local journeys and consolidating jobs, services and housing in accessible, attractive precincts.

- Increasing connections and opportunities for regional Victoria: SRL will improve connections between parts of regional Victoria and Melbourne’s middle ring and Melbourne Airport.
Most jobs in the inner ring of Melbourne are taken up by people who live in the inner and middle rings of Melbourne. People living in the middle and outer rings of Melbourne tend to travel to work within the ring in which they live – creating demand for orbital travel.

<table>
<thead>
<tr>
<th>Jobs Distribution</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Inner ring</td>
<td>681,000</td>
</tr>
<tr>
<td>Middle ring</td>
<td>668,000</td>
</tr>
<tr>
<td>Outer ring</td>
<td>665,000</td>
</tr>
<tr>
<td>Regional Victoria</td>
<td>2%</td>
</tr>
</tbody>
</table>

- **Home**: 681,000 jobs in the inner ring (2016), 79% travel within outer ring
- **Job**: 668,000 jobs in the outer ring (2016), 2% travel from Regional Victoria
- **Middle ring**: 665,000 jobs in the middle ring (2016), 34% travel within inner ring

A range of public and private sector organisations will be responsible for delivering broader precinct infrastructure to fully realise SRL’s objectives. The Victorian Government, through SRLA, will partner with local governments and the private sector to enable integrated planning and delivery of legacy social and community infrastructure.

To do this, the Wellbeing Valuation approach has been used. It employs econometric techniques to estimate the Life Satisfaction created by a particular non-market good and converts this into a monetary value by combining it with an estimate of the effect of income on Life Satisfaction.

This approach provides a quantified indication of the social value of SRL, which includes benefits from improved social connectedness and well-being, together with increased diversity in jobs in the SRL precincts. “This reflects a trend we are seeing across the Asia-Pacific region, where governments are looking to leverage infrastructure investment to drive targeted and effective social equity and well-being outcomes,” says Sarah Alexander, who is the Asia-Pacific Regional Solutions Director for Strategic Consulting at Jacobs, an engineering consultancy.

SRL will be delivered over multiple decades, with initial and early works for SRL East to commence in 2022. The decades-long timeframe for the construction of SRL is considerably longer than most infrastructure projects due to its scale and complexity.

Given the long delivery timeframe, there are opportunities for precinct activation. This refers to a wide range of short- and longer-term...
The figure below shows the planned network, stations, precincts and stages of the SRL Program.

Figure ES-1: Suburban Rail Loop network plan

**Legend**
- **SRL East and SRL North**
- SRL East (Cheltenham - Box Hill)
- SRL North (Box Hill - Melbourne Airport)
- SRL West (Melbourne Airport - Werribee)
- Melbourne Airport Rail
- Metropolitan rail network
- Regional rail network
- Transport super hub
- NEIC (National Employment and Innovation Cluster)
- Major health/education precinct

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**Direct access to NEICs and SRL Precincts for international and interstate visitors**

**Increased access to health and education precincts within Melbourne and for regional Victorians**

**Transport super hubs provide integration with all metropolitan and regional rail lines**
SRL is a programme of works and initiatives that will shift Melbourne’s urban form and social life.

The Outcome

SRL is not a standard transport project: it is multi-generational, transformative, city- and state-shaping. It will take time to deliver but its benefits are significant and long-lasting. The social value analysis for SRL East and SRL North focused on measuring the three well-being impacts are described in Box 2.

Realising Plan Melbourne’s vision requires more than just reacting to waves of demand; there is a need to plan ahead to shape where and how that demand materialises. “The past two years have shown us the benefits of living locally and having good access to open space and services within a short distance. The Suburban Rail Loop won’t only change the way we move around the city, it will help build great communities with better access to quality jobs, services, schools and parks,” says Frankie Carroll, the CEO of SRLA.

At its core, Plan Melbourne advocates for infrastructure investment that has the power to fundamentally reshape the city. SRL is a programme of works and initiatives that will shift Melbourne’s urban form and social life. SRL will also ensure Melbourne’s transport system is up to the task in the coming decades and will support Melbourne to become a more consolidated and sustainable city.

projects that seek to provide public benefit and make productive, connected and liveable precincts. These can be pursued before and during the construction phase of the rail line.

For example, initiatives taken as part of SRL East will look to optimise and enhance key sites within the precincts. They will also engage and support communities and stakeholders to ensure a place-focused approach throughout SRL’s delivery.

These activations can therefore bring renewed use and life to underused or overlooked spaces, provide interim uses on land earmarked for future redevelopment and enhance a wide range of other spaces within the precincts.

Box 2: Three well-being benefits for Melburnians

Improved sense of safety in the neighbourhood
A range of factors, including increased economic activity and access to public green open spaces, can help improve the sense of safety within a neighbourhood.

Improved sense of belonging
When a person has a sense of belonging, their overall well-being and life satisfaction is likely to improve.

Shift to more productive jobs
With a greater diversity of jobs, people can find pathways to more productive or higher-skilled jobs. This not only reduces incidences of skills mismatch or less productive work, but also provides greater life satisfaction to a person.