

Business in limbo over rail link

Matthew Dunckley

The Victorian government faces accusations of discrimination over a freeze on buying the commercial properties that it needs to build the \$4.3 billion regional rail link project.

The Melbourne rail project is supposed to take country trains off the metropolitan network, but its future is under a cloud after the incoming state government found the estimated cost had grown by \$880 million.

The government had pledged to follow through with buying residential properties affected by the project but has placed a freeze on buying the 80-plus commercial properties flagged for acquisition.

The freeze sparked anger among business owners who had thought they would have to move and receive government assistance to do so.

"They are playing politics with my livelihood," said Pedders Franchise owner David Schneiders.

Mr. Schneiders said he had spent seven months looking for new premises after the property housing his Footscray business was earmarked for acquisition.

He estimated it would cost \$30,000 to shift his business and said he would only qualify for government assistance if his current property was compulsorily acquired.

Having settled on a new location, he then had to hold off signing a lease last

week when doubts were publicly raised about the project's future.

Last night Mr. Schneiders said he discovered he had missed out on the property and questioned why commercial premises should be treated differently to homes.

"There are 25 families that are being acquired [in residential properties]," he said.

"In my business premises there are five families alone that are directly affected by the regional rail link."

Property Council of Australia Victorian executive director Jennifer Cunich said the government should apply the same principle to residential and commercial property.

"I think that if they are trying to

provide some certainty to residents then that same amount of certainty ought to be applied to the businesses and landlords in the area."

Premier Ted Baillieu defended the government's decision to press ahead with the residential purchases on a project it might yet scrap.

"There are commitments to families... to buy back and I think it's only appropriate that where offers have been made that that commitment is honoured," he said.

"That is not to say or suggest that the project will or will not go ahead."

Asked why there would be different arrangements for commercial premises, Mr. Baillieu said residential properties had been considered first.