# NSW transport turmoil

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## 1. Introduction

This is a short update of the Policy SPAD article. A fuller version is on the way.[[1]](#footnote-1)

It seems the media has been running a storyline of a stubborn, bullying Treasury refusing to listen to the diligent, safety-conscious Transport for NSW. That might be a little simplistic….

As ever, comments and corrections to the following would be welcomed.

## 2. A problem and its results

A big problem in NSW transport is stupidity – such as pointing motorways to CBDs or ‘bespoke’ infrastructure that precludes operational flexibility.[[2]](#footnote-2)

Whether or not that is the only problem, results continue to emerge. One example is cessation of light rail services in Sydney’s inner west for the next 18 months because of cracks in the local trams. Other trams cannot be called in because it is a ‘bespoke’ system – different to that in the city and eastern suburbs.[[3]](#footnote-3)

Another example involves new ferries that threaten passengers with decapitation or can’t travel on the route they were bought for in more than a light chop. There are new trains that don’t fit into tunnels or are years overdue despite being bought overseas to save time.[[4]](#footnote-4)

There is more. Yet in the scheme of things these are ‘small potatoes’ indicating waste of but a few $ billion.

Certainly, they are not in the league of Sydney Metro - the worst transport idea Australia has seen.

Its podium position in the hall of shame is being further cemented by an under-construction line between St Marys and Western Sydney Airport, another ‘bespoke’ white elephant, not connecting with anything, unusable by other trains and costing $11bn – almost three times a superior option. So stupid, even Infrastructure Australia condemned it.[[5]](#footnote-5)

Readers might recall that line emerged from an almost fraudulent study. And the official reason given for it ‘needing’ to be incompatible with anything else: single deck and double deck trains cannot run on the same tracks.[[6]](#footnote-6)

Commonwealth support is $5.3bn – a waste more than twenty-one times its combined outlays on ‘sports rorts’ and ‘pork-n-ride’ scandals. NSW is wasting a matching amount.

##

## 3. Deception?

Three years ago, Mr Menadue asked whether Sydney Metro was a $40billion dollar deception.[[7]](#footnote-7)

Among the reasons for the question: publications supposedly justifying Sydney Metro (also) said the opposite e.g.:

*‘an independent metro system would deliver few benefits in terms of service enhancement, capacity improvements or better operating efficiency on the existing rail network…… would divert funding away from service improvements on the existing rail network and only provide benefits to customers who use the new lines.’[[8]](#footnote-8)*

$40 billion is a considerable understatement. Sydney Metro warrants a public inquiry. Especially given ICAC hasn’t raised it.[[9]](#footnote-9)

Yet an inquiry needs to be wider than Sydney Metro. The reason: the deception question is being raised well beyond Sydney Metro.

Readers may recall the claim of no legislated restrictions on Newcastle port.[[10]](#footnote-10)

They may be looking at the latest transport detonation – over whether financial engineering of Sydney’s railway is being used to cook the State Budget books. That raises a deception question too - according to the Financial Review.[[11]](#footnote-11)

## 4. Cook book

The increasingly heated debate about the financial engineering is one the Premier can ill-afford to lose - as a leading proponent of the scheme in question. Yet it is not going his way.

The Auditor General is holding-off approving the State’s accounts due to questions about the scheme.[[12]](#footnote-12)

There are increasingly lurid stories of ‘behind the scenes efforts’, alleging intimidation and attempts to re-write reports over the last few years, to make the scheme appear to work.[[13]](#footnote-13)

Worse for the Government, a Legislative Council Inquiry, where these stories are being aired, published a treasure trove of documents which reflect badly on it.[[14]](#footnote-14)

Some documents are marked cabinet in confidence.

The Premier’s Department challenged publication of documents so marked as a breach of government convention. That is a good point.

The Inquiry referred the matter to Parliament’s Privileges Committee but kept the documents at its website.

Apart from defending conventions, the Government has a compelling political interest in suppressing the contents of some documents now at the website. Constitutional conflict between it and Parliament may ensue.[[15]](#footnote-15)

The core of the problem shown by the documents: the Government wants accountability bodies like the Auditor General to believe Sydney’s railway tracks are controlled by an independent for-profit State-owned corporation - Transport Asset Holding Entity.

Yet it wants the public – and the national rail safety regulator - to believe something else. That control lies with the Government via Transport for NSW and Sydney Trains.[[16]](#footnote-16)

## 5. The scheme

The scheme is supposedly designed for an accounting purpose – to move some spending ‘off budget’ and therefore ‘improve’ the Budget picture. I am sceptical of that being the whole truth. More on that at the end.[[17]](#footnote-17)

For here, the scheme involves a State-owned corporation – the Transport Asset Holding Entity – operating (supposedly) independently of Government control, within the Treasury portfolio.[[18]](#footnote-18)

NSW owned railway assets – trains, tracks, stations etc – have been transferred to the Entity. The Entity is their owner.

Sydney and NSW Trains – public authorities in another portfolio, Transport - continue to run trains. They do so under ‘contract’ from Transport for NSW, receiving large sums. That is needed because big subsidies are involved – 70% or more of costs and several $bn.

Sydney Trains etc. apparently leases – has exclusive possession of – the Entity’s train and stations. For this, they make payments to the Entity. These payments are new.

Sydney Trains etc. ‘accesses’ – uses, but without exclusive possession of – the Entity’s tracks and related infrastructure. For this, they pay ‘access charges’ to the Entity.

The access payments are new. The Government intends the payments to increase substantially in the future.

The Entity, therefore, runs a ‘track access’ business but not trains. In that it is similar to the former Rail Access Corporation. Another similarity is that a public authority maintains its assets – more on that later.

The Entity sells access to the Sydney rail network to Sydney Trains and operators, such as Pacific National, via contracts. The access contracts are regulated by the NSW rail access undertaking.[[19]](#footnote-19)

Other than for commuter rail, the unit of access sold is usually a ‘train path’. The collection of potential train paths, including those set aside for maintenance, is set out in the infrastructure timetable.[[20]](#footnote-20)

The infrastructure timetable is drafted by Transport for NSW. The Entity must rely on Transport for NSW to identify what it can sell to access seekers.

Real-time delivery of the timetable – via signalling etc. ‘train control’ - is conducted by Sydney Trains. Notionally, this is done for the Entity, apparently gratis – money does not change hands.[[21]](#footnote-21)

It is unclear to the public who, if any one organisation, sets the rules for (out of order) operations. Prior to 2011, the infrastructure timetable, train control and these rules were done in one place in the railway - network control.[[22]](#footnote-22)

Sydney Trains maintains the assets it leases from the Entity. It also maintains the track etc. infrastructure. Apparently, it also does so gratis for the Entity.

It remains unclear who decides track etc. maintenance. One mooted arrangement was the Entity ‘endorsing’ a maintenance level, Transport for NSW determining any split between ‘capital’ and other maintenance, and Sydney Trains overseeing the work.

Also mooted was the Entity deciding who performs maintenance, subject to Government direction or an operating licence.[[23]](#footnote-23)

In evidence to the Inquiry, 15 November 2021, the former Secretary of Transport for NSW suggested there was some uncertainty about maintenance responsibility.[[24]](#footnote-24)

## 6. Two faces?

Some might regard the Government’s two facedness - wanting the Auditor General etc. to believe one thing, and wanting the public to believe something else - as comical. I think it dangerous. I am not alone.

In evidence to the Inquiry, the former Transport Secretary expressed concern about the safety of putting (track) assets in a for-profit organisation that does not run trains.

He inferred this was a contention with Treasury last year and said he directly advised then Premier Berejiklian of his worries. He indicated he considered resigning. Others suggest this is associated with his hitherto unexplained sacking.[[25]](#footnote-25)

The concern seemingly echoes a comment in a document in the treasure trove – a 2016 Cabinet submission from then Transport Minister Constance and Treasurer Berejiklian:

*‘one concern is that splitting the maintenance of rail assets from operations is contrary to the recommendations of the Glenbrook or Waterfall inquiries’[[26]](#footnote-26)*

Assuming that document to be bona fide – why else would the Premier’s Department want it withdrawn? - an apparently innocuous word in it reveals an astounding policy wreck.

The word: ‘or’.

## 7. The wrong guess

A submission bearing the names of Ministers with nearly a decade experience in transport matters, backed by large Departments and Offices, not knowing - and apparently not asking - which accident inquiry recommended against splitting maintenance from operations?

Assuming the document is bona fide, it seems formal advice to Cabinet on an issue with multi-billion dollar and public safety consequences was based on a guess.

Alas, the wrong guess.

Neither of the two inquiries made such recommendations. They recommended something else. The opposite to what the submission sought.

Rail industry structure was considered in the Glenbrook inquiry (2000).[[27]](#footnote-27)

The very first recommendation in its second report was:

*‘1. That the infrastructure owner RAC and the infrastructure maintainer RSA cease to be State owned corporations and that their property and functions be merged into a single statutory authority, to be known as the Rail Infrastructure Authority, responsible to the Minister for Transport.'*

The recommendation was not about splitting maintenance from train operations.

It was about splitting maintenance from track ownership (control).

That reflected the ‘grave’ concern put to it by the Coordinator General of Rail – who ‘saved’ the Sydney Olympics from rail chaos - that the (then) maintenance/ownership split meant the corporate track owner didn’t know enough about its assets to safely fulfil its statutory functions. Some reasons are outlined in the policy SPAD article.[[28]](#footnote-28)

## 8. Conflict

The 2016 Cabinet submission recommended track maintenance be done by Sydney Trains with the tracks owned by a for-profit State-owned corporation. That is in conflict with the Glenbrook recommendation.

The submission likely led Ministers – perhaps even its notional authors - to believe there was no such conflict. It appears Cabinet accepted the submission.

Years earlier, in 2012-13, then Transport Minister Ms Berejiklian had overseen the start of the walk-away from the Glenbrook recommendation. Maintenance was split from ownership. Sydney Trains maintained the tracks and ran the trains. Yet the assets – the train set - moved to her Department, Transport for NSW. Albeit, none of the organisations were for-profit State-owned corporations.

Reports had two predictable events happening almost immediately.

First, a maintenance backlog developed. Such a backlog will be enduring and hard to claw back. The likely reason it hasn’t substantially affected operations and safety – so far - is the reduction in train operations due to the pandemic.[[29]](#footnote-29)

Second, Treasury ogled the Department’s new train set. Just a year later, in 2014, it reputedly had a scheme to move the assets to its portfolio.[[30]](#footnote-30)

The 2016 Cabinet submission aimed to make that official policy. It appears that only later the policy became a concern to the portfolio whose Minister was nominated as joint author of the submission - that it became the source of conflict within the bureaucracy.

According to the Glenbrook and Waterfall inquiries, the policy should be challenged. But on grounds other than what some have in mind.

## 9. Sympathy for the Treasury?

I could understand Treasury perceiving belated opposition to the policy as a bureaucratic tantrum. To be a complaint about the Department losing ‘the train set’.

And, if it checked the record on matters such as the aforementioned projects, the issues about Sydney Metro, or what the rail accident inquiries actually said, that it didn’t credit much that came from the transport portfolio.

Especially, if like the electorate and supposedly the Minister, it was not told of a cost blowout in just one Metro project of $4.3bn to $5.3 bn – 34% to 46% - until around 18 months after it was discovered. During which a close election - resulting in the Government’s majority reducing from fifteen to three seats - was fought on infrastructure issues while the electorate was kept in the dark about critical facts.[[31]](#footnote-31)

In that context, Treasury impatience is a bit more understandable than some make out.

Yet despite this, the Government needs to be exceptionally careful. While Treasury might support the current structure, it is the type of structure admonished by the Glenbrook accident inquiry – notwithstanding the (misleading) 2016 Cabinet submission. And notwithstanding the split of maintenance from ownership initiated in the Transport portfolio years earlier.

## 10. Candour and understanding

Some recent commentary doesn’t seem to realise the 2016 Cabinet submission was wrong about what the accident inquiries recommended.[[32]](#footnote-32)

Given this – to my knowledge – has not been bluntly pointed out, Treasury, indeed the Government, may misapprehend what the Glenbrook inquiry actually said.

Hence some candour, and understanding, would seem a necessary first step in a proper resolution of this latest debacle.

Yet the portents are, at best, mixed.

Some evidence from transport officials to the current Legislative Council Inquiry has not been helpful.

The Inquiry could be forgiven for drawing the wrong inference – NSW and Queensland have the same structural arrangements for commuter rail – from some responses from officials.[[33]](#footnote-33)

Then there is a matter not mentioned in submissions or evidence to the Inquiry: in August – while the Inquiry was underway - the (former) Minister sought advice from the NSW transport accident (!) investigator about the safety of the arrangements.[[34]](#footnote-34)

The current imbroglio concerning KPMG and its reports – completed in 2020 - about how the arrangements should operate is bad enough. That KPMG – and others – were asked such questions years after legislation set up the scheme, and by various departments, is an indictment of the Government.[[35]](#footnote-35)

Yet dragging the safety investigator into the fracas is worse. Not merely because it was asked even later than KPMG et al. Nor just because the Government repeatedly assured all safety bases were covered. Nor the fact it was only revealed by transport officials as an aside in a different forum - Budget Estimates – a month after their colleagues gave evidence and offered assurances about safety at the Inquiry.[[36]](#footnote-36)

Rather, the worst is the accident investigator is supposed to be independent of industry arrangements. Its independence was recommended by both the Glenbrook and Waterfall inquiries, which cited the EU:

*‘… a permanent body that is independent of the actors of the rail sector. The body should function in a way which avoids any conflict of interest and any possible involvement in the causes of the occurrences that are - investigated…..’* [[37]](#footnote-37)

Its consideration of the former Minister’s request should debar it from any future role in investigating any rail accident. Reports the safety investigator hedged its advice and referred to an operating licence (uniquely) unavailable to the public compounds the folly. Reports don’t mention if the investigator pointed out the scheme conflicts with the Glenbrook inquiry (interim report).[[38]](#footnote-38)

This situation – and lack of understanding - is amazing. Is there a point of NSW retaining a rail accident investigator?

The rail safety regulation – and the National Rail Safety Regulator - has also been mentioned.

The scheme, and reputedly the operating licence, is for the Entity to avoid conducting tasks that would require it to be accredited – licenced – under national rail safety law by the regulator. Assurances have been given by officials that this part of the scheme is in effect.[[39]](#footnote-39)

I would rather hear the regulator’s opinion on that – including whether it has been consulted. Ultimately, whether the Entity needs to be accredited is a matter for the regulator not the Entity. The fact of the (former) Minister seeking advice from the accident investigator suggests some uncertainty.

A further benefit of the regulator stating an opinion would be obviating the need for prattle about ‘people who look after safety’ keeping their jobs.[[40]](#footnote-40)

## 11. More – about access charges

Safety is not the only matter on which misinformation started by the 2016 Cabinet submission persists. Much nonsense is also talked about ‘access charges’.

The 2016 submission told Cabinet an $800m annual payment from Sydney Trains to the Entity would be an ‘access charge’. A KPMG report – to Transport for NSW - regarded such a ‘fee’ as only part of the minimum payable under NSW rail access regulation.[[41]](#footnote-41)

Under NSW regulation, the minimum payable is related to maintenance and train control costs borne by the infrastructure owner. As Sydney Trains does both functions, apparently gratis, the Entity is not bearing any such costs. Sydney Trains does not get any service for a further outlay. The ‘access charge’ looks like a gift. It certainly is not part of the minimum payable.[[42]](#footnote-42)

It seems this has caused great confusion and is one of the triggers of the Auditor General’s doubt about the Government’s ‘commercial’ scheme.

Among the confusions – what seems to be a disparity between estimates of minimum access charges. The difference might be several hundred million dollars annually. KPMG’s report to Transport for NSW had the minimum – ‘floor’ – at $1.4bn.[[43]](#footnote-43)

That doesn’t seem right. The efficient cost of keeping the network in its present condition, plus train control – is likely much less. And, while Sydney Trains performs maintenance and train control gratis, its (additional) floor charge should be zero.[[44]](#footnote-44)

Capital charges, such as depreciation, are explicitly excluded from the floor. Such charges may be necessary for the current scheme to work. But they are not part of the minimum charge due from Sydney Trains.[[45]](#footnote-45)

Government representatives gave evidence to the Inquiry that Sydney Trains’ access payments follow methodology from the NSW economic regulator – the Independent Pricing and Regulatory Tribunal.

Frankly, I am not inclined to believe that. Nor would I be inclined to believe the Tribunal was consulted even informally about the matter – not least because it felt the need to make a late submission apparently to prevent being ‘verballed’.[[46]](#footnote-46)

Among other reasons: charges are ‘negotiated’, not determined by methodology, above the floor. The Tribunal’s methodology is only relevant for determining a maximum permitted charge.

The assertion, therefore, is: the charge (above the floor) is negotiated – ‘commercially negotiated’ seems to be the favoured term.

As Sydney Trains makes the payment, the implicit assertion is it negotiates the amount. I doubt that is the case if anything like several hundred $m is involved.

Legislation requires Sydney Trains to look after its own business interests, not the interests of others such as the Entity or indeed the Government. It is not required to act to advance – and its interests may conflict with – Government schemes.[[47]](#footnote-47)

Sydney Trains does not appear to gain anything from paying more than the minimum for access. If it doesn’t make a gain, it should not – perhaps could not legally – ‘negotiate’ to pay more to the Entity than the latter’s cost of maintenance and train control.

Sydney Trains may be directed by Transport for NSW to make a payment to any party, including the Entity. However, if this is the case, the payment in effect is made by Transport for NSW and not Sydney Trains. It is difficult to conceive of such a payment being an access charge.

Were Transport for NSW, or another Government organisation, to provide funds to Sydney Trains with a requirement or ‘agreement’ to pass them on to another party, in reality the payment decision would not be made by Sydney Trains but by Transport for NSW etc. Again, it is hard to believe that would be an access charge.[[48]](#footnote-48)

The present access charging scheme advanced by the Government thus appears to suffer two of the fatal flaws of the 1996 scheme.

First, Government organisations are required to act only in their own interests, rather than the wider interest of the industry or Government. Access involving Government owned parties will lead to conflict.

Second, the conflict among Government-owned parties can only be resolved by political processes.

Among these parties, there is no legal, regulatory, determination of access charges – rather they are to be ‘negotiated’. There is no proper dispute resolution mechanism, there is no process to generate bona fide agreements or contracts, and any party can simply dishonour any agreement Government or officials have attempted to impose other than by formal directions. Any process to resolve access conflicts among Government parties will be political not commercial.

## 12. Where to?

The above story of changes to the structure of NSW railways has similarities to Sydney Metro – including obfuscation, ignorance, confusion and self-deception.

Both had origins at the same time and place – the Transport portfolio 2012-13. Both harm Sydney’s commuter railway. Both are a hell of a mess.

The intention is the forthcoming update to the Policy SPAD article will offer some thoughts on how to deal with the rail structure issue and the purpose which the current structure is probably intended to serve – to enable franchising NSW rail services. From the current farcical position, any franchising would be a medium-term proposition at the earliest.

However, there is an urgent need. That is to reconcile the present scheme and structure with the recommendation of the Glenbrook inquiry – that ownership and maintenance of rail infrastructure should be combined in a public authority - rather than separated with some formal control resting with a State-owned corporation.

It may be that Government disagrees with that recommendation. We do not know.

Indeed, we do not know whether the Government is even aware of that recommendation.

If it was aware when developing the present structure, it should say so. It should explain why it appears to have been forgotten in policy development, and why reports had Transport for NSW and Treasury arguing about something else.

Then, if it wants to keep the present scheme it should explain why the Glenbrook recommendation should be ignored.

The Government needs to address similar questions about the split in network control. It needs to explain why Transport for NSW should have any role in scheduling and track access and how that accords with Glenbrook inquiry recommendations.

If it was not aware of the Glenbrook recommendation and these issues, it should set aside some time and get some appropriate expertise, to allow the very careful thinking urgently needed.

J Austen

25 November 2021

1. <https://www.thejadebeagle.com/policy-spad.html> [↑](#footnote-ref-1)
2. <https://johnmenadue.com/nsw-rail-policy-more-than-cooking-the-books/> [↑](#footnote-ref-2)
3. The term ‘bespoke’ infrastructure was publicly introduced by officials in the Legislative Council Inquiry into the proposed conversion – to Sydney Metro – of the Sydenham-Bankstown line. It denotes infrastructure designed to exclude all but one type of vehicle – a perverse approach to infrastructure development. It was part of a bizarre explanation for Sydney Metro being designed to conflict with interoperability principles pursued in Australia since the late 1800s. <https://www.thejadebeagle.com/comments-to-metro-inquiry.html>

 [↑](#footnote-ref-3)
4. [https://www.abc.net.au/news/2021-11-14/sydney-transport-woes- despite-billions-spent-of-infrastructure/100618634](https://www.abc.net.au/news/2021-11-14/sydney-transport-woes-%20despite-billions-spent-of-infrastructure/100618634) [↑](#footnote-ref-4)
5. <https://www.smh.com.au/national/nsw/cost-far-outweighs-benefit-sydney-s-11b-airport-rail-link-slammed-20210311-p579yh.html> [↑](#footnote-ref-5)
6. <https://www.thejadebeagle.com/dogs-breakfast-for-all.html> [↑](#footnote-ref-6)
7. <https://johnmenadue.com/john-menadue-sydney-metro-a-forty-billion-dollar-deception/> [↑](#footnote-ref-7)
8. <https://mysydneycbd.nsw.gov.au/sites/default/files/user-files/uploads/rail-future-web.pdf> [↑](#footnote-ref-8)
9. <https://johnmenadue.com/john-austen-a-public-inquiry-into-sydney-metro-is-essential-part-2/> [↑](#footnote-ref-9)
10. <https://johnmenadue.com/john-austen-newcastle-port-some-progress-in-undoing-a-privatisation-fiasco/> [↑](#footnote-ref-10)
11. <https://www.afr.com/politics/inquiry-to-scrutinise-consultants-in-40b-vehicle-for-deception-20211107-p596pi> [↑](#footnote-ref-11)
12. <https://www.smh.com.au/national/nsw/auditor-general-flags-major-concerns-with-controversial-40b-rail-entity-20211105-p596dw.html> [↑](#footnote-ref-12)
13. <https://www.themandarin.com.au/174587-brendan-lyon-exposes-the-rotten-world-of-high-stakes-consulting/> [↑](#footnote-ref-13)
14. <https://www.parliament.nsw.gov.au/committees/inquiries/Pages/inquiry-details.aspx?pk=2819#tab-otherdocuments> [↑](#footnote-ref-14)
15. <https://www.parliament.nsw.gov.au/committees/inquiries/Pages/inquiry-details.aspx?pk=2819#tab-reportsandgovernmentresponses> [↑](#footnote-ref-15)
16. Outlined by consultants PwC: <https://www.parliament.nsw.gov.au/lcdocs/other/16320/11.%20PWC%20report%20dated%20December%202019.pdf> That it wants the national rail safety regulator to believe control of the railways has not changed is demonstrated by it saying the Entity does not need to be accredited – accreditation being a legal requirement for control of rail operations or infrastructure. One question not yet addressed: did it ask the regulator about whether the Entity would need to be accredited? [↑](#footnote-ref-16)
17. Another description is at <https://www.theguardian.com/australia-news/2021/nov/15/nsw-public-transport-how-a-new-funding-body-drew-accusations-of-safety-risks-and-cooking-the-books> [↑](#footnote-ref-17)
18. Except for explicit Ministerial directions and an operating licence – the latter yet to be seen by the author. [↑](#footnote-ref-18)
19. <https://www.transport.nsw.gov.au/sites/default/files/media/documents/2017/nsw-rail-access-undertaking.pdf> [↑](#footnote-ref-19)
20. Standard working timetable. [↑](#footnote-ref-20)
21. It is unclear what is to happen between the Entity and Sydney Trains were the latter to control trains such that there were breaches of access contracts e.g., if an operator’s train was wrongly put into a siding for an extended period. [↑](#footnote-ref-21)
22. Safeworking rules. A timetable is the product of a railway. The text means delivery of this product in NSW is split between the Entity, Sydney Trains and Transport for NSW. [↑](#footnote-ref-22)
23. <https://www.parliament.nsw.gov.au/lcdocs/other/16118/KPMG.pdf> [↑](#footnote-ref-23)
24. <https://www.smh.com.au/national/nsw/transport-chief-warned-premier-about-risks-of-40b-rail-corporation-20211115-p598xw.html> [↑](#footnote-ref-24)
25. <https://www.themandarin.com.au/175161-ousted-nsw-transport-secretary-concerned-about-rail-safety-ahead-of-corporation-starting/>

<https://www.abc.net.au/news/2021-11-15/former-nsw-transport-head-rodd-staples-considered-resigning/100621576> [↑](#footnote-ref-25)
26. <https://www.parliament.nsw.gov.au/lcdocs/other/16111/TRANSPORT_TENDER_002.pdf> [↑](#footnote-ref-26)
27. Second interim report [https://www.parliament.nsw.gov.au/tp/files/42517/GlenbrookInterim2[1].pdf](https://www.parliament.nsw.gov.au/tp/files/42517/GlenbrookInterim2%5B1%5D.pdf) [↑](#footnote-ref-27)
28. <https://www.thejadebeagle.com/policy-spad.html> [↑](#footnote-ref-28)
29. <https://www.smh.com.au/national/nsw/the-sydney-trains-assets-in-very-poor-condition-amid-maintenance-backlog-20211118-p59a53.html?fbclid=IwAR2PXVjN9HWOOi2Fj7Yj8Vr1OS9V9oA6Vsn9W7PPCqFk5nYMrPRxh4ADevs> [↑](#footnote-ref-29)
30. <https://www.smh.com.au/interactive/hub/media/tearout-excerpt/4290/Heather-Watson-email-April-6-2020.pdf> [↑](#footnote-ref-30)
31. <https://johnmenadue.com/john-austen-sydney-metro-developments/> [↑](#footnote-ref-31)
32. E.g. *‘A*[*cabinet in confidence document from 2016*](https://www.smh.com.au/national/nsw/nsw-safety-investigators-directed-to-delve-into-40b-rail-corporation-20211102-p595bz.html)*, prepared by Treasury and Transport for NSW – an agency of the department of transport – warned of “safety risks if maintenance of metropolitan rail track is separated from operations”.They were concerned that the splitting of maintenance of rail assets from operations went against recommendations made by inquiries into fatal train accidents in the state in the late 1990s and early 2000s.*

<https://www.theguardian.com/australia-news/2021/nov/15/nsw-public-transport-how-a-new-funding-body-drew-accusations-of-safety-risks-and-cooking-the-books> [↑](#footnote-ref-32)
33. [https://www.parliament.nsw.gov.au/lcdocs/transcripts/2714/Transcript%20-%20Corrected%20-%201%20October%202021(2).pdf](https://www.parliament.nsw.gov.au/lcdocs/transcripts/2714/Transcript%20-%20Corrected%20-%201%20October%202021%282%29.pdf) [↑](#footnote-ref-33)
34. <https://www.smh.com.au/national/nsw/nsw-safety-investigators-directed-to-delve-into-40b-rail-corporation-20211102-p595bz.html> [↑](#footnote-ref-34)
35. <https://www.afr.com/politics/nsw-transport-chief-sacked-for-resisting-calls-to-redact-kpmg-figures-20211115-p59941> [↑](#footnote-ref-35)
36. <https://www.parliament.nsw.gov.au/lcdocs/other/16179/Mr%20Rob%20Sharp%20-%202%20November%202021_Redacted.pdf> [↑](#footnote-ref-36)
37. <https://nraspricms01.blob.core.windows.net/assets/documents/Waterfall-Rail-Accident/Waterfall-final-report-Volume-1.pdf> [↑](#footnote-ref-37)
38. <https://www.smh.com.au/national/nsw/safety-investigators-warn-questions-remain-over-40b-rail-corporation-20211117-p599p3.html>

IPART publishes the operating licences issued for NSW organisations – however, the author has been unable to find that for the Transport Asset Holding Entity. <https://www.ipart.nsw.gov.au/search?keys=Operating+Licence> [↑](#footnote-ref-38)
39. [https://www.parliament.nsw.gov.au/lcdocs/transcripts/2714/Transcript%20-%20Corrected%20-%201%20October%202021(2).pdf](https://www.parliament.nsw.gov.au/lcdocs/transcripts/2714/Transcript%20-%20Corrected%20-%201%20October%202021%282%29.pdf) [↑](#footnote-ref-39)
40. Prattle? The message from the Glenbrook and Waterfall inquiries could be summarised in one phrase: safety is the responsibility of everyone, not just the ‘people who look after safety’.

<https://www.smh.com.au/national/nsw/safety-investigators-warn-questions-remain-over-40b-rail-corporation-20211117-p599p3.html> [↑](#footnote-ref-40)
41. <https://www.parliament.nsw.gov.au/lcdocs/other/16118/KPMG.pdf> [↑](#footnote-ref-41)
42. For the purposes of a commuter railway and a sole commuter rail operator, maintenance would likely be that needed to keep the network in current condition – i.e., assuming virtually infinite life. <https://www.transport.nsw.gov.au/sites/default/files/media/documents/2017/nsw-rail-access-undertaking.pdf> [↑](#footnote-ref-42)
43. <https://www.parliament.nsw.gov.au/lcdocs/other/16118/KPMG.pdf> [↑](#footnote-ref-43)
44. In 2011, IPART estimate the efficient cost of infrastructure maintenance at $823m – note xciv <https://www.thejadebeagle.com/policy-spad.html> [↑](#footnote-ref-44)
45. ‘*Direct Costs means efficient, forward-looking costs which vary with the usage of a single operator within a 12 month period, plus a levellised charge for variable MPM costs,* ***but excluding Depreciation’****.* (Emphasis added)

<https://www.ipart.nsw.gov.au/sites/default/files/cm9_documents/NSW-Rail-Access-Undertaking-%28original%29.PDF> [↑](#footnote-ref-45)
46. <https://www.parliament.nsw.gov.au/lcdocs/submissions/76459/0007%20Independent%20Pricing%20and%20Regulatory%20Tribunal%20NSW.pdf> [↑](#footnote-ref-46)
47. <http://classic.austlii.edu.au/au/legis/nsw/consol_act/taa1988305/s36a.html> [↑](#footnote-ref-47)
48. <http://classic.austlii.edu.au/au/legis/nsw/consol_act/taa1988305/s3g.html> [↑](#footnote-ref-48)