# Earth to Canberra 2.

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## 1. Introduction

It is a problem when Infrastructure Australia – considered by many to be the ‘umpire’ of infrastructure spending proposals - appears to promote something that it doesn’t recommend.

Its May 2017 suggestion that public money be spent on projects it had not recommended - Cross River Rail and Sydney metro – is such a problem.[[1]](#endnote-1)

Its early July proposal that $5 billion be spent on a corridor for a high speed rail project it had not recommended, indeed had not considered, is another such problem.[[2]](#endnote-2)

In late July Infrastructure Australia updated its infrastructure priority list to reflect reconsideration of some projects, including Cross River Rail and Sydney City and South-West Metro. It published summary evaluations of these two projects.[[3]](#endnote-3)

## 2. Cross River Rail

Cross River Rail, in Brisbane, was again not recommended. This was widely reported and led to a kerfuffle about Infrastructure Australia’s opinions and lack of confidence in information provided by Queensland.[[4]](#endnote-4)

Queensland’s Labor Government alleged ‘political bias’ and threatened to remove the Commonwealth Government’s representative from the project’s ‘board’. So much for Infrastructure Australia’s being seen to be independent from the Commonwealth![[5]](#endnote-5)

The upshot is Infrastructure Australia’s contradictory views on Cross River Rail – the suggestion that funds from franchising be spent on a project that is not recommended - remain unresolved.

## 3. Sydney City etc. Metro

The NSW Conservative Government’s Sydney City and South West Metro received a more positive review from Infrastructure Australia. It was recommended. However, there was very little reporting of this; no kerfuffle here.

Previous articles commented that current Metro rail projects with their $20 billion or more price tag could jeopardise Sydney’s existing commuter railway, its 325 million (annual) passengers and render problematic public transport to Badgerys Creek airport etc.[[6]](#endnote-6)

Among the reasons: the particular design of the NSW Government’s Metro is incompatible with, is taking over parts of and may prevent necessary capacity enhancement of Sydney’s established (commuter) railway. These are pretty serious claims; Australians deserve an answer – are they true or false?

Yet NSW presentations on Metro have been misleading and avoid the issue. Given past performance, serious answers from this source are unlikely.[[7]](#endnote-7)

The Metro questions are not merely some gunzel debate about whether single deck carriages are better than double decks. They question whether the future of Sydney’s transport – and western suburbs - is being jeopardised and if so, why.[[8]](#endnote-8)

Maybe Infrastructure Australia’s review of the Sydney City etc. Metro would provide some answers?

## 4. Sydney City etc. Metro – Infrastructure Australia’s summary evaluation

On 24 July 2017 Infrastructure Australia published a 6 page summary evaluation of the Sydney City etc. Metro.[[9]](#endnote-9)

The summary did not shed any light on the real Metro questions. It was as if the claims are unknown; strange given they were effectively raised in a very high profile public inquiry by Sydney’s preeminent transport experts in 2010 – and documented in its 529 page report.[[10]](#endnote-10)

The summary saw the problem (allegedly) to be solved as the existing rail network’s lack of capacity. It omitted to mention that increasing the existing network’s capacity is near-certain the best and cheapest way to fix this; as is being done in Melbourne and Brisbane.

The summary also did not mention the NSW version of Metro by definition exacerbates the problem by reducing the present network’s capacity because it cannibalises some of its lines and creates operational difficulties for others! Another thing it didn’t say: the planned Metro trains have fewer seats than the present Sydney fleet; commuting capacity – usually defined by seat numbers – will be reduced on the lines cannibalised by Metro.

The obvious, right and probably only reasonable option to deal with the capacity problem is to construct a second harbour crossing able to be used by commuter trains; instead of the Metro-only (?) crossing which may be unable to ever accommodate bigger trains and forever preclude a harbour crossing that can.

There is more than these remarkable oversights. The summary said:

*The qualitative analysis presented by the proponent states that a mass transit (metro) is the best option to address project objectives. While a qualitative assessment is sometimes sufficient to eliminate a number of options, Infrastructure Australia would have expected a more quantitative comparison of the plausible alternatives given the scale of the project.*

As I read it: normally the project would not be recommended because Infrastructure Australia’s expectations – about looking at options - were not met. So why was it recommended?

The statement is also misleading. Public documentation does not indicate any consideration at all - quantitative or qualitative – of the alternative; strengthening Sydney’s existing railway.

A recently reported NSW departmental memo (about transport projects) aptly noted:

*"There is considerable political and reputational risks associated with not considering options.[[11]](#endnote-11)*

Quite.

Did Infrastructure Australia consider options? Perhaps it did, but didn’t publish such consideration?

In any event the key claims in the summary – most of which appear to accept NSW published views - are open to question and are not supportable by material currently on the public record.[[12]](#endnote-12)

Given what is (not) included in the summary, there is a compelling case for publication of Infrastructure Australia’s full evaluation and supporting material.

## 5. Sydney City etc. Metro, North-West Metro, timing

In the absence of other plausible explanations the real reasons for the State Government’s Sydney City etc. Metro project probably relate less to what is parroted in Infrastructure Australia’s summary and more to bailing out the ill-conceived North-West Metro.

The North-West project will cause annoyance up to, and threaten new commuter chaos at around the time of, the next State election.[[13]](#endnote-13)

A business case – if there is any - for the North-West Metro has not been independently assessed. Consideration of the full Metro – North-West and City etc. segments - would probably result in a benefit cost ratio below 1; i.e. not economic and the scheme would fail a ‘merit test’.[[14]](#endnote-14)

Infrastructure Australia’s summary deals with only a bit more than half the Metro in Sydney – the half that looks good probably because the other half is so bad. It’s a practice worse than assessing only the left hand rail of a railway track.[[15]](#endnote-15)

Then there is the table in the summary which has the capital cost of the project as ‘pending’ i.e. unknown; a status rare among Infrastructure Australia’s evaluations. How could a benefit:cost ratio be calculated? Why the rush – to ‘complete’ the evaluation before capital costs are known?[[16]](#endnote-16)

Timing? Infrastructure Australia claims NSW provided new information about Metro in May; its board decided to support the project in June. This is around the time the media played up State Government complaints about the Commonwealth questioning the ‘rail expertise’. Presumably this moaning was aimed at encouraging the Commonwealth to follow the NSW line.[[17]](#endnote-17)

## 6. More Sydney rail excitement

To add an exclamation mark, recent media reports put a price tag of $20billion for another Metro – a West Metro between Sydney’s CBD and Parramatta. Previous articles noted this was a likely better metro candidate than those currently under construction. Indeed the under-construction Metros might prove an obstacle to an optimal scheme.[[18]](#endnote-18)

West Metro was reported in the context of a claimed 15 minute train trip from Parramatta to the Sydney CBD. It is unlikely this will be allowable on a metro style train. A commuter type train, with everyone seated, would be much more suitable.

Additional rail capacity between Parramatta and Sydney has long been seen as an objective priority for Sydney’s transport system. The State government may also consider it necessary in any ‘western Sydney rail plan’. Previous articles discussed Commonwealth–NSW attempts to develop a western Sydney rail plan, doubting the bona fides of the exercise on the basis of superficial and incorrect material released by an officials’ study group in late 2016.[[19]](#endnote-19)

The study group was due to report in early 2017 with decisions to be made by mid-2017. That these timeframes have been missed and there has been no ‘news’ for 9 months is understandable given how the Metro projects may negate many sensible options for western Sydney rail. Then there is Metro invoice of $40 billion so far…..[[20]](#endnote-20)

The relevant report also noted that increasing rail capacity between Parramatta and Sydney’s CBD would reduce the ‘case’ for Westconnex. Is there a procedure for Infrastructure Australia to revise assessments it has made; to reconsider the case for Westconnex? [[21]](#endnote-21)

Meanwhile there is still no plan to connect Badgery’s Creek airport to Sydney by rail!

## 7. So what?

Readers may ask whether about the relevance of the above given the Sydney City etc. Metro is already under construction.[[22]](#endnote-22)

There are practical and in-principle answers.

### 7.1 Practical issues

One practical answer arises from the reason for Infrastructure Australia assessing the Cross River Rail and Sydney City etc. Metro projects; State Governments are seeking Commonwealth funds for these projects. $1.7 billion is sought for the City etc. Metro.

Infrastructure Australia’s negative evaluation of Cross River Rail does not give the Commonwealth reason to provide public monies to the Queensland Government for this project.

The summary evaluation of the Sydney City etc. Metro, even though positive, equally provides no reason for the Commonwealth to give public monies to NSW for that project.

Moreover, as the summary notes, the project has commenced. This means the project does not need (further) Commonwealth funding.

There are problems with assessing the merits of projects that are underway. The practice invites proponent pressure for a ‘positive’ result. However, such a result would reward bad behaviour; premature commencement of a project, and application of pressure (successful or not).

If the Commonwealth is predisposed to provide (further) funds for the Sydney City etc. Metro, it should act only after further information comes to light.

My previous articles on NSW Government Metro suggested a public inquiry to clear the air. While those articles suggested the inquiry be conducted by the Parliament, Infrastructure Australia, as an instrument of the Parliament, could have taken the lead.[[23]](#endnote-23)

Given the importance of the matter, lack of plausible explanations and Infrastructure Australia not stepping up to the plate I suspect an open, thorough and independent inquiry into Metro will be an inevitability irrespective of whether Commonwealth funds are provided.

### 7.2 Principles

The in-principle reasons relate to perceptions of Infrastructure Australia’s independence. The Queensland Government’s claims of Infrastructure Australia being politically biased are hardly refuted by what has been published.

Similar claims have been made by more impartial observers; that despite the 2014 ‘reforms’ supposedly to make Infrastructure Australia more independent, the organisation took cues from the Government of the day, which was Conservative.[[24]](#endnote-24)

These claims, while having some sting, are in fact a secondary concern largely arising from Australia’s unique Constitution. The critical matter of principle is that Infrastructure Australia is, and is seen to be, independent of those who benefit from its advice; for example the infrastructure industry and especially State Governments.

Simply reciting or accepting State Government claims, or ignoring real questions about the accuracy or completeness of State Government information, is inconsistent with proper independence.

The East West link debacle should have been a warning of the potential consequences of failing to be seen to be fully independent of State Governments or other proponents. In that case Infrastructure Australia suggested it was favourably disposed to the project but there later emerged claims that the Victorian Government sought to withhold information from Infrastructure Australia.[[25]](#endnote-25)

## 8. Earth to Canberra:

Earth to Canberra – over to you.

Like the Sydney City etc. Metro assessment, another recent Infrastructure Australia matter had a low public profile; four members of Infrastructure Australia’s board were replaced in early August.[[26]](#endnote-26)

A word to the new directors: welcome!

J Austen

22 August 2017

1. <http://johnmenadue.com/john-austen-does-infrastructure-australia-understand-its-ideas-for-public-transport-franchising/>

   http://www.thejadebeagle.com/weird-scenes.html [↑](#endnote-ref-1)
2. <http://johnmenadue.com/john-austen-infrastructure-in-australia-the-continuing-policy-confusion-and-advisory-messl/>

   <http://www.thejadebeagle.com/earth-to-canberra.html>

   <http://www.thejadebeagle.com/sideshow-alley.html> [↑](#endnote-ref-2)
3. <http://infrastructureaustralia.gov.au/projects/files/IPL_170725.pdf>

   <http://infrastructureaustralia.gov.au/projects/files/20170727-Cross-River-Rail-Summary.pdf>

   <http://infrastructureaustralia.gov.au/news-media/media-releases/2017/2017_07_27.aspx>

   <http://infrastructureaustralia.gov.au/projects/files/Sydney_Metro_City_Southwest_Summary.pdf>

   <http://infrastructureaustralia.gov.au/news-media/media-releases/2017/2017_07_24.aspx> [↑](#endnote-ref-3)
4. <http://www.afr.com/business/transport/trains/brisbanes-54b-cross-river-rail-knocked-back-by-infrastructure-australia-20170727-gxjnl4> [↑](#endnote-ref-4)
5. More recently, the Queensland Government said it would go ahead with the project without Infrastructure Australia support; <http://www.couriermail.com.au/news/opinion/opinion-cross-river-rail-needs-to-come-before-a-public-transport-crisis/news-story/8e1556254d05edb8257ba5910fd39611> [↑](#endnote-ref-5)
6. For example: <http://johnmenadue.com/john-austen-the-sydney-metro-the-doubt-and-mess-continues/> [↑](#endnote-ref-6)
7. See for example:

   <http://www.thejadebeagle.com/toucheth-not-the-monorail-western-sydney-rail.html>

   <http://www.thejadebeagle.com/toucheth-not-the-monorail-metro-summary-business-case.html> [↑](#endnote-ref-7)
8. <http://www.thejadebeagle.com/western-sydney-rail-needs---submission-october-2016.html>

   <http://www.thejadebeagle.com/toucheth-not-the-monorail-western-sydney-rail.html>

   <http://johnmenadue.com/john-austen-badgerys-creek-testing-times/> [↑](#endnote-ref-8)
9. <http://infrastructureaustralia.gov.au/projects/files/Sydney_Metro_City_Southwest_Summary.pdf> [↑](#endnote-ref-9)
10. *Independent Public Inquiry into a Long Term Transport Plan for Sydney, Final Report,* May 2010 (Christie Inquiry) at: <http://www.catalyst.com.au/> [↑](#endnote-ref-10)
11. <http://www.smh.com.au/nsw/cabinet-leak-sydney-to-parramatta-in-15-minutes-possible-but-not-preferred-20170813-gxv226.htm> [↑](#endnote-ref-11)
12. Issues not raised elsewhere in this article include (following the headings of the summary):

    **2. Strategic context:**

    This section fails to:

    a. recognise the strategic context for the metropolitan area; instead it focuses on inner Sydney;

    b. inform that Metro projects reduce the connectivity within and to the global economic corridor: rail travellers must use Metro for the northern corridor segment between eg. Epping and Chatswood; may use Metro or commuter trains for the central corridor segment between Chatswood and Central; cannot use Metro but must use commuter trains in the southern corridor segment between Central and the Airport. Metro also makes commuter access to the corridor more difficult for example from Sydney’s west and south west.

    The reference to the global economic corridor without these facts misleads the reader into believing Metro has some intrinsic benefit for connectivity;

    c. cite the various rail plans, or the inconsistencies / ambiguities / mistakes in them;

    d. refer to the history of Metro considerations in Sydney and independent reviews of strategic context...

    **3. Problem description**

    The problem of a lack of rail capacity approaching the CBD is wrongly described, incomplete, and misleading (in the sense that it ‘allows’ this problem to be solved by causing capacity problems elsewhere).

    It does not define capacity (lines, trains, seats, passengers, theoretical/scheduled, actual?) which is significant because different rail types eg. commuter, metro, light have different mixes of these elements – each can rightly claim to be higher capacity than the others on different criteria.

    Moreover depending on definition, capacity problems occur in various parts of Sydney, not necessarily the places described. For example, on board crowding is reportedly highest on the Western and Illawarra lines – which is left unaddressed by the project - and not on all approaches to the CBD; pathing capacity is likely to be more limited at major junctions including those used by freight trains than all CBD lines. The consequence of a lack of definition of capacity is that it is unclear what problem is being targeted.

    The operational complexity (negatively) referred to is an element of efficient capacity utilisation. Simplification and separation of operations/lines by definition reduces capacity; hence this element of analysis is wrong.

    The section fails to recognise the negative capacity implications of North-West Metro such as a reduced ability to balance commuter trains through the CBD.

    The section conflates unused (or surplus/available) capacity with capacity per se.

    There is no indication of any operational assessment of the proponent’s claims.

    **4. Proposal**

    This section does not adequately describe the proposal in particular how Metro differs from other rail types especially Sydney’s existing system.

    Its claims of Metro having high capacity are not supported, and in terms of commuting task are false (see above notes) as commuting capacity is generally assessed by seats.

    There is no presented basis or reference for the claim that network capacity will increase by 60%, and it is extraordinarily unlikely that this is factually accurate. There are parts of the rail network where it is clearly wrong.

    Even were this claim accurate the section does not indicate (even orders-of-magnitude) contributions of this project, the wider Metro scheme or other initiatives to the increase.

    The claims that the project will increase reliability (presumably punctuality) or resilience on a separated network are prima facie false and would require better explanation if they are to be believed eg. by reference to station passenger counts.

    The claim that the project will increase bus network capacity is false (it may reduce current capacity utilisation).

    The claim that the project will improve transport integration is false and misleading; it may increase integration in the limited examples cited but by definition must reduce integration by virtue of being a ‘stand-alone’ system.

    **5. Options** (see main body of this article)

    The claim of comprehensive assessment of station and route options is not supported by public information.

    The section did not refer to the most likely reason for station numbers (and therefore locations); to provide transit times ‘competitive’ with commuter trains eg. there are fewer metro stations per km than on the commuter network.

    This is a critical oversight because it indicates commuter service schedules are likely to be policy-degraded to enable metro to be competitive; for example some current ‘express’ commuter trains will need to stop at Erskineville and St Peters since the current ‘all stations’ trains will be replaced by Metro; Metro trains will not run on this line segment but only stop at a new station on another line.

    **6. Economic evaluation**

    Parts of this are unclear (is the Western harbour tunnel for a road or railway) and some parts appear to be puffery.

    There is insufficient information to assess whether the statements are supportable, and prima facie some are not. For example:

    . faster access to the CBD may be incorrect if commuter services are slowed (as per the above comment for example) or there are vehicle transfer and wait times;

    . public transport user benefits look to be high; around double the percentage used by the Independent Pricing and Regulatory Tribunal for Sydney trains;

    . the critical question of the distribution of these benefits over Metro and commuter train users is not addressed. The question is fundamental to any assessment as it would require: disclosure and analysis of operational plans for Sydney trains; consideration of the option of augmentation of the Sydney trains network; disclosure of key value variables and whether matters such as standing/seating, vehicle transfer penalties, delays, slower running of Sydney trains, and connectivity with other modes eg. aviation etc. have been considered;

    . the claim that a longer evaluation period would have a significant and positive impact on economic merit of the project is probably incorrect; this question turns on whether the City etc. Metro has alienated CBD corridors that may be needed for a commuter rail harbour crossing. If the City etc. Metro has done so, then longer appraisal periods would likely significantly reduce the BCR as the newly imposed constraints on Sydney trains are transmitted through its wider network and to the full extent of the metropolitan electrified area. [↑](#endnote-ref-12)
13. Folklore has Governments wanting to open infrastructure projects prior to elections to demonstrate ‘concrete’ progress is being made.

    A concern with the North-West Metro is that its passengers bound for the city will need to change to commuter trains at Chatswood; for a further 25 minute or more journey into the CBD. Arising from this are questions about on-board standing/crowding, and crowding/platform crossing at Chatswood station.

    Passengers may be ‘sensitised’ to this by: the lead up to the opening of the North-West Metro during which (currently provided) rail services will be stopped for at least 7 months; any comparison with pre-Metro days in which passengers did not need to change at Chatswood (or Epping). See for example: <http://www.smh.com.au/nsw/longer-journeys-await-commuters-during-epping-to-chatswood-rail-closure-20170705-gx4z7c.html>

    Given these concerns, the NSW Government may be less eager than usual to open the North West Metro prior to the election and without a firm and visible commitment to undoing the inconvenience it will cause at Chatswood etc. A Metro compatible harbour crossing might be considered by some members of the public to be such a commitment. [↑](#endnote-ref-13)
14. The need to change trains, increased passenger standing levels and times, slowing of commuter trains, reduction of commuter train and traveller flexibility to and from routes including Epping and an $8.5 bn price tag mean the North-West Metro likely has a negative economic and transport effect, even if it does increase the geographic reach of rail in Sydney and even excluding major transitional costs such as the 7 month closure of the existing rail line. [↑](#endnote-ref-14)
15. A practice of assessing a left hand rail after a right hand rail has been installed on a new piece of track; in that case the right hand rail would be treated as a sunk cost and all benefits would be ascribed to the left hand rail i.e. the economic assessment of the track would be grossly distorted. A similar comment could be made in relation to ‘completion of a bridge’.

    A comparison of the Sydney City etc. Metro compatible harbour crossing in isolation – against the possible chaotic situation to emerge at Chatswood etc. because of the North West Metro – would be worse than assessing the addition of just the left hand rail on a new piece of track. It would entail elements more similar to assessing the addition of just the left hand rail – after the left hand rail was removed; the initial removal of the rail would degrade the track, making its reinstallation seem worthwhile.

    It would be poor public policy for independent project assessments to allow an induced degradation as a ‘base case’; not least because it would encourage proponents to degrade public services in order to make their proposals look good.

    There is no indication in Infrastructure Australia’s summary of how this issue was handled; however, the assessment of only the City etc. Metro segment places an onus on Infrastructure Australia to demonstrate its assessment was sensible. [↑](#endnote-ref-15)
16. Since 2011 Infrastructure Australia has published evaluations of 54 projects: <http://infrastructureaustralia.gov.au/projects/project-assessments.aspx>.

    Of these only two have a capital cost described as ‘pending’: Sydney City etc. Metro and Western Australia Armadale Rd; <http://infrastructureaustralia.gov.au/projects/files/Armadale_Road_upgrade.pdf>. Both were recommended by Infrastructure Australia.

    For the latter, Western Australia is seeking $116m from the Commonwealth – less than 7% of what is sought for Metro - for a project with a total cost of $180m and a claimed benefit cost ratio of 4.2:1.0 – more than twice as good as Metro.

    Both projects have evaluations dated 14 June 2017; prior to this all project assessments showed capital cost estimates.

    A joint States proposal for a national managed motorways program was one of the very few prior to June 2017 with approximate costs - $6bn – however in that case there was an expectation that individual projects in the program would be subject to further assessment; part of the funding sought was for project development. <http://infrastructureaustralia.gov.au/projects/files/QLD_National_managed_motorways_Brief2011.pdf> [↑](#endnote-ref-16)
17. <http://johnmenadue.com/john-austen-the-commonwealth-is-meddling-in-nsw-rail-at-last/> [↑](#endnote-ref-17)
18. <http://www.thejadebeagle.com/toucheth-not-the-monorail-metro-summary-business-case.html> [↑](#endnote-ref-18)
19. <http://www.thejadebeagle.com/western-sydney-rail-needs---submission-october-2016.html> [↑](#endnote-ref-19)
20. <http://www.westernsydneyrail.transport.nsw.gov.au/news-and-updates> [↑](#endnote-ref-20)
21. See note xi (above). [↑](#endnote-ref-21)
22. While acknowledged in the evaluation summary it is not in the list of projects underway; <http://www.westernsydneyrail.transport.nsw.gov.au/news-and-updates> [↑](#endnote-ref-22)
23. See for example: <https://johnmenadue.com/john-austen-and-luke-fraser-urbane-transport-police-part-3-of-3/> [↑](#endnote-ref-23)
24. <http://atrf.info/papers/2016/files/ATRF2016_Full_papers_resubmission_41.pdf> [↑](#endnote-ref-24)
25. Discussed in tar baby note 11: <http://www.thejadebeagle.com/roads-1-tar-baby.html>; and for example http://www.theage.com.au/victoria/east-west-link-business-case-revealed-56-years-to-pay-off-20141215-127dyq.html [↑](#endnote-ref-25)
26. <http://infrastructureaustralia.gov.au/news-media/media-releases/2017/2017_08_04.aspx> [↑](#endnote-ref-26)