

# EVERALD @ LARGE

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*Everald at Large* is published monthly as a personal commentary by Everald Compton on the **Politics of Infrastructure**.

Everald is Chairman of Australian Transport & Energy Corridor Ltd (ATEC), longtime proponents of the Inland Railway. He is also Chairman of Surat Basin Rail Pty Ltd and Steel Mississippi Pty Ltd, as well as being a Director of ATEC Freight Terminals Pty Ltd. He is a Certified Practising Accountant and a Certified Practising Marketer.

In his community life, Everald is Chairman of National Seniors Australia which represents 300,000 financial members in 180 branches across Australia. He is also Chairman of the Everald Compton Charitable Trust and an Honorary Senior Fellow of the University of the Sunshine Coast. He became a Member of the Order of Australia in 1993.

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The comments that he makes in *Everald at Large* are not necessarily the opinions of the Directors of the above mentioned companies or their joint venture partners.

## 1. THE BLUE MOUNTAINS

One of the more beautiful areas of Australia is the lovely strand of villages that are dotted down the Blue Mountains from Katoomba to Penrith.

Tragically, they are slowly being destroyed by the increasingly heavy traffic that passes through their midst every day, particularly trucks, to the extent that these Blue Mountains Communities will soon cease to be the splendid tourist destinations and peaceful retirement havens that they once were.

What is more tragic is that this desecration of beautiful landscape has been very obvious for more than a quarter of a century and very little has been done to improve the situation, despite strong local protests.

In more recent years, Blue Mountains' residents have been joined in their campaign by the leaders of rural industries located in every region of NSW west of Katoomba who need far better access to Sydney and Port Botany. Their trucks are forced to make a slow and costly trip down the Blue Mountains and they are very aware that they cause the residents to put up with enormous noise pollution and considerable environmental damage.

Their protests finally seem to be getting a hearing from both State and Federal Governments to the extent that studies are now being implemented, but the matter is not being acted upon with electric speed. It's the same old political game of smoke and mirrors. If you don't want to do something, you commission a study as this makes it look as if you intend to do something that you have no intention of ever doing.

The obvious solution to the problem is to construct a bypass highway through a largely unpopulated area and the popular choice appears to be a route down what is known as the Bells Line. This is being promoted by an organisation known as the Bells Line Expressway Group, chaired by former NSW Government Minister, Ian Armstrong, and strongly backed by major food exporter, Roger Fletcher of Dubbo.

As usual, a significant breakthrough depends on determining who will pay for it. It could cost three billion dollars or more and is clearly a task that should be undertaken by a Public Private Partnership as there are very interested investors waiting in the wings. It only needs the Federal and NSW Governments to decide whose responsibility it is. The short answer is that both are long overdue to put their hands up.

This situation very much resembles the problem that Toowoomba faces with its much needed bypass highway – glaringly obvious, but very frightening to politicians and bureaucrats.

One day, history will indelibly record that, following World War II, Australia spent more than half a century ignoring its infrastructure needs while we all slept at the wheel. The failure to act on the Blue Mountains and Toowoomba Bypass Projects will be recorded as two of the more disgraceful examples of this neglect.

The tragedy is that there are so many more neglected projects that we could prepare a very formidable list.

## **2. PORT KEMBLA**

No one can understand why it is that Port Botany, located as it is in overcrowded Sydney, has to be the main port of NSW when Port Kembla has the capacity to take over that role, much to the benefit of Sydney residents who daily battle their way through the heavy freight traffic that heads to their port for no valid reason.

A significant part of the problem is that Port Kembla can be accessed only by an atrocious railway that goes almost to Sydney and then comes back again because no one will build a short direct railway of less than fifty kilometres from near Picton, which will cut the travel time for freight trains by a couple of hours and reduce congestion around Sydney.

The thought of building this new line has been on the books for years. Studies have been done and parliamentary enquiries have made positive recommendations. All to no avail; a similar fate to that of so many glaringly obvious railway projects right across Australia, such as the Ardglen Tunnel near Newcastle. They are studied to death, and then buried by apathy.

As is the case with the Bells Line Expressway, there is an active group lobbying governments to build the Port Kembla Access Railway and their frustration is mounting.

But, if they wait for governments to act decisively, they will be very disappointed.

I have strongly recommended to them that they should raise capital from potential stakeholders in the Port Kembla Region and apply for recognition as an Unsolicited Public Private Partnership, just as ATEC did to get the Mandate for the Surat Basin Railway and is currently doing for the Border Railway.

My experience is that community investment, backed by local voter power, gets infrastructure projects up. This is where democracy is exercised, not in Parliaments, where they preside over events, but rarely ever create one.

The fact is that the benefits that will flow from this railway will cause millions of dollars to be saved annually in fuel and labour costs, a significant factor in a world that is paying too much for oil and running out of it fast.

Of course, the construction of the track will create a need for considerable investment in new facilities at Port Kembla itself. The freight industry will gladly pay for this as the savings will be enormous when they scale down their activities at Port Botany and create a much better economic base at Port Kembla.

### **3. BRISBANE'S RAILWAYS**

I have written before about urban traffic congestion, but I now want to say something about Brisbane, the city in which I live. My impression is that road traffic clogs Brisbane more than any other Australian Capital because of abnormal population growth and the fact that no new suburban railways have been built here during my lifetime.

The existing rail lines serve only a fraction of the city and no effort has been made to build connecting lines that would enable commuters to access trains in many heavily populated suburbs not currently served by railways.

There are concept plans for an underground railway to be built in the City, Valley and South Brisbane at some future time, but no visible movement towards making it happen.

Light rail is supposedly on the map too, but no sign of action there either.

Even where there are railways, train services are nowhere near as regular as they should be. There should be trains every few minutes from any station anywhere in the city, just like the schedules available in the London Underground, but the current wait is usually half an hour. This makes residents decide that they can get to the city in their cars in that time, but no one in government has woken up to this glaring truth.

There has to be a major solution to inadequate railways as we have to get traffic off the roads within the next decade or my home city will become paralysed.

A very obvious plan would be for the State Government to give QR additional capital to build new lines, another would be to pay shadow tolls to QR to finance train services every few minutes rather than invest in more roads. Another will be to ban cars, other than taxis, from the inner city areas so as to force people on to trains. This would mean that the underground and light rail systems must be built first as current train stations are too far away from the main streets.

While all of the above may sound a bit simplistic, I want to be even more simplistic and suggest that a Master Plan be drawn up which would give Brisbane the world's best metropolitan rail system in the long term, no matter what the cost, and then progressively inject capital into a partly privatised city rail corporation, ie 50% government and 50% private, with a charter designed to operate at a profit by providing a service that is so good that no one would ever think of driving their car or taking a bus.

It will cost billions, but it has to be done. A good quality of life is worth billions and if Brisbane's commuters are required to pay higher train fares to finance it, then I reckon they will.

As will commuters in every other capital city of Australia that decides to bite the bullet also.

### **4. THE NORTH WEST MINERAL PROVINCE OF QUEENSLAND**

This remote part of Australia, based around Mt Isa and Cloncurry, is so rich in resources that it could become a prosperous nation in its own right if given the chance to secede from the rest of Australia.

Right now, that prosperity has very little prospect of being fully achieved as it is so poorly served by rail and power that its growth is stunted. New mines of great potential don't open because the existing rail system is too poor to get the minerals to a port and power supplies are pathetically inadequate.

The region needs a totally new standard gauge railway from Mount Isa and Cloncurry to Townsville and Bowen. It can be joined at Mount Isa by a new line of standard gauge across the Barkly Tableland to Tennant Creek where it would join the Adelaide/Darwin line and get rail access on to the Port of Darwin.

A transcontinental track such as this one across the north of our nation could become the most heavily used and profitable in the world if it could be established via a PPP and governments would legislate to initially allocate all mining royalties to the railway for the first five years of the life of a new mine that it caused to open.

ATEC has already done a preliminary rail study of this region and we have found that a railway from Townsville all the way to Darwin is well worth a look at. The cattle industry would cheer as well because it has been poorly serviced by transport for more than a century.

It is long overdue for Australia to invest heavy funding in its northern frontier.

## **5. A DEBATE ABOUT FREIGHTLINK**

My comments on FreightLink in the June Edition of Everal@Large brought me a stern rebuke from the management of that company who exercised their right to dispute the accuracy of my comments. I must admit that I sometimes make errors of judgement, but my comments were based on personal discussions with people who actually participated in the construction, financing and politics of the project. Nevertheless, if I made an error, I apologise.

However, I should report also that, at the same time as FreightLink contacted me, I received a spate of emails and phone calls on this topic and took part in a wide range of media interviews about it. These people expressed opposite views to those of FreightLink and called on me to abandon my decade long dream of an Inland Railway through the eastern states to Darwin, because, in their view, the experiences of FreightLink proved that I was doomed to preside over a failure. A couple of people even suggested that my article was biased towards FreightLink.

Rather than reply to each viewpoint individually, let me conclude this debate by saying to you all that the main thrust of my article about the current position of FreightLink was to lay responsibility clearly at the feet of governments, not the management of FreightLink, who have performed well above expectations in quite difficult circumstances.

The undeniable fact is that, at the time of Federation a century ago, South Australia was promised that an Adelaide to Darwin Railway would be built as a condition of joining the Federation. For no valid reason, this promise was not fulfilled until a century had passed and then the Federal, South Australian and Northern Territory Governments honoured it in a very half hearted fashion, making utterly inadequate grants to the project in the full knowledge that they would be insufficient.

My firm belief is that those governments now should be required to heavily contribute more capital to cover their sins of omission so that the railway can be given a genuine chance to prove its long term viability.

I, for one, am prepared to campaign strongly for this to happen. It's not an unreasonable request as they will only be honouring a deal that they ratted on a century ago.

The Northern Territory has suffered badly over a long period of time as the result of the dishonouring of the Federation Agreement. It is now time for its full potential to be realised by more investment.

In the meantime, I recommend to those interested in learning more about FreightLink, that they should contact the CEO, John Fullerton, at his Adelaide Office on 08 8245 9100.

## **6. NEXT MONTH**

My initial thoughts are that I will chat with you about the isolation of the Kimberley, a new port for Central Queensland, the Ardglen Tunnel in New South Wales and the inadequate access to the Port of Melbourne.

All of these are issues that severely retard the progress of the nation.

In addition, if you disagree with anything that I have written in this or previous editions, let me know as I intend to have a section each month that is devoted to debating your thoughts on the issues that I have raised.

## **7. THE DATABASE OF EVERALD@LARGE**

Every month, an increasing number of people send me their e-mail addresses and ask for Everald@Large to be sent to them regularly; so I invite you to send us your address also, plus those of your friends, and I will happily add them to the list that already exceeds one thousand.

If you would like copies of all previous issues, let us know and we will email them to you. We only commenced publishing in March of this year, so this is only the fifth edition.

I look forward to your involvement as the more of us who rise up and challenge governments about our lack of infrastructure, the better it will be for the future of Australia, so long as we all then put some effort into creating constructive and purposeful partnerships with governments that will achieve results.

Yours at large,

Everald Compton

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