Railroading the cash

Transport NSW Premier Mike Baird has announced two "projects of the century" which he hopes will boost the state's economy and solve its congestion. Others think smaller solutions might be the best way to proceed, writes Geoff Winestock.

Straddling a deep harbour, with at least five major business centres, there's no doubt Sydney has a transport problem. Traffic courses say it usually takes 60 per cent longer to drive in peak-hour traffic than in non-peak traffic, which makes Sydney the most congested city in Australia. Transplanted across the Pacific, it would rank as the sixth most congested in the US.

The problem has hung over NSW politics for decades but one question that should be asked about the announcement by NSW premier Mike Baird, of yet another list of road and railway projects to "beat congestion", is whether the best way to solve the problem is another round of Sydney-style monster projects.

It is a debate that is raging in numerous state elections, including in the Victorian election this weekend, where the argument's over the East West Link under central Melbourne.

With an estimated $35 billion national broadband network being a grandiose bid-winner and snowballer which Communications Minister Malcolm Turnbull has now ditched for some smaller local solutions, Prime Minister Tony Abbott loves to talk about the big road projects he is funding. Politicians love cutting ribbons and turning the first sod but that may not necessarily be the smartest solution in a digital age.

Baird announced at least two "projects of the century" on Tuesday: a $7 billion Sydney Rapid Transit metro network which includes a second harbour rail crossing and a new rail line under the business district of north Sydney, and the $4.5 billion "western harbour tunnel" freeway that will build a third harbour road crossing (in addition to the Harbour Bridge and the tunnel).

Baird released eye-catching videos to help voters visualize both projects and show exactly what he can buy with the $20 billion he'll raise with his grand plan of selling the state electricity distribution network. He needs to win support for the privatization of the poles and wires which will be the decisive issue at the next state election in March.

Based on modelling by Deloitte Access Economics, Baird says the extra infrastructure will boost the state's economy by 3.6 per cent by 2020 because "traffic transit time is making it easier for people to get to work and boost productivity. It will allow Sydney to cope with a population of 8 million.

But the economics of the plans are complicated and a maze of incremental and long-term solutions delivered carefully might be the better way to proceed.

The 2014 State Infrastructure Strategy released by Infrastructure NSW, a planning body chaired by Stockland chairman Graham Bradley, has issued a strong warning against any rash and Bradley has pushed hard for Baird to look at some much shorter term and potentially cheaper solutions.

Too often, governments place excessive emphasis on big-ticket infrastructure projects to the exclusion of lower cost alternatives even when evidence points to many lower-cost interventions delivering greater value, higher returns and being quicker to implement," the state planning agency said in its new infrastructure strategy.

Bradley's opinion matters because under a system Baird himself established, Bradley's agency has no approval major projects funded by the proceeds of privatization projects.

Infrastructure NSW has given preliminary backing to the two under-harbour projects but they are at this stage just big ideas. Bradley says he has not seen final business cases. "There is a lot more work to be done. Work will not start on the projects for at least three years and probably not until much later.

That's slightly inconvenient for Baird who is looking to make those projects the cornerstone of his campaign.

In the meantime, under Bradley's encouragement, Baird is backing some very micro solutions that might travel under the radar but which could help keep us in the next few years and perhaps ease the pressure for the bigger ticket projects.

Take the $7 billion Sydney Rapid Transit which will run from Erping to the north-west to the CIB, then back out to the Bankstown line in the south-west. The metro-style trains are supposed to push people quickly through the main CBD stations and on to the north shore.

But a final business case is not due until 2016 and it won't be completed until 2030. Baird has been using the money, which for some of the kilometres will follow and replace the under-used Bankstown line in the west.

Baird's pitch is that this one, hugely expensive line will take the pressure off the whole Sydney rail network which is forecast to hit peak capacity by about 2024.

But if NSW is concerned about how it will help much because it means some areas of the rail network where overcrowding is much worse. It might also make sense to wait to see what commuters think of the $59 billion north-west rail line, which NSW has just started building and which will feed into the northern end of the CBD.

NSW says, "Critical issues relate to the precise timing and sequencing of the project, the introduction of the technology and the future demand on transport services..."
First came the $1.2 billion funding, now comes the skimpish

From the visual arts to opera to ballet, culture has been embroiled in yet another fight for the March of the 2005 NSW election. The_colouring of the state's policy and wine network.

Premier Mike Baird confirmed on Tuesday that the high arts now have $500 million in its election campaign to net $2 billion for the electricity network.

The arts have been brutalized as well. A further $600 million has been earmarked for Sydney's sports stadiums.

It is part of a strategy to make the city a globally attractive destination. "Melbourne has very successfully invested in arts and sports. Brisbane too. They've been a good example," Infrastructure NSW chairman Graham Bradley told The Australian Financial Review.

But even the most grandiose of cultural and sports funding to $2 billion recommended by Infrastructure 2050 and formally adopted by Baird on Tuesday won't placate the compulsory issue if anything it raises the stakes of the war among the state's institutions.

Leanne Herren, chief executive of the Sydney Opera House, will find much to retort in the culture and sports chapter in Bradley's document. But within estimated $600 million of work to be done over the next 10 years, poies and wines won't be enough. As such, Infrastructure NSW suggests a funding contribution from the Commonwealth government towards their share is "appropriate," Herren, and the building's many visitors, will help federal Arts Minister George Brandis in budgetary Art Gallery of NSW director Michael Brand will find promising words too. While as such, Brand has an assuredly funded $450 million plan for a new building for the gallery's visual art collection

Powerhouse Museum director Rose Horscok must have reached the chapter with a groan. The relocation of the science and technology museum to Parramatta, in Sydney's west, received a strong endorsement - despite her opposition.

"You can't just pick up a museum and move it," Horscok said in October. "We're here."

Also on the move may be the cramped Australian Museum. While it keeps its historic CBD location, its indigenous collection may be relocated to Barangaroo. The museum's incoming director, John Chinner, is leaving his office to push their case are the busy sports sites. The Sydney Cricket Ground and Randwick Football (aka its corporate moniker Allianz Stadium) received a tick, "The upgrade of the Moore Park precinct is critical," the report reads. But the future of the former Sydney Olympic (aka ANZ) stadium is less clear. NSW Infrastructure has yet to commit on whether Parramatta Stadium might not make sense.

WILL GLAISKEN

The BHP board also gets together in New York once a year. Why? Why not? Of course. The Knife also had former president Bill Clinton and George W. Bush address an intimate BHP function there in 2002. We hear it was quite the event - the Service Circle included.

What to its favourite firm? Tenex, set up by Clinton's former aide Doug Band and now run by a mate of Jack's, Deneen Kelle. 'For a time, Tenex was paid $500,000 per month retainee by BHP Billiton. And where is Tenex's office? Three blocks away on East 55th Street. That's the sort of arm's length of productively on display again.

Karina Keisler goes MIA

Returning to NSW's go public relations boss and Tuesday's Rear Window, former Premier Barry O'Farrell's chief of staff, Karina Keisler was on the list of Senate Estimates last week when the NSW Premier, Minister Stephen Conroy, asked why, despite his repeated requests for her to face the Environment and Communications Committee, she was absent.

"What is her excuse today?" Senator Conroy asked (without red indecipherable). "Is she doing her duty?" (Imagined). Tony Abbott had asked that question; (Disabbreviation) NSW chief financial officer Stephen Rose responded. "I basically have no idea what she's doing these days." Safe to say that wouldn't make much difference on any day.

We understand Conroy wants to ask Keisler to explain her opportunistic footprint on social media, where a public servant (let alone one responsible for publicly) might normally be more circumspect.

As respected industry figure David Haywood told her in September: "Tell your choices are yours."

The inaction of NSW Premier Bill Morrisow on Keisler's freelancing is truly remarkable.

Error of Miller's ways

Brisbane stockbroker (and a big fan of Perpetual's) Charles Green was hired to chair the Birkenheads AGM in Sydney on Tuesday.

As he were among an American courtroom drama, Green took chairman

The Brisbane Board also gets together in New York once a year. Why? Why not? Of course. The Knife also had former president Bill Clinton and George W. Bush address an intimate BHP function there in 2002. We hear it was quite the event - the Service Circle included. What to its favourite firm? Tenex, set up by Clinton's former aide Doug Band and now run by a mate of Jack's, Deneen Kelle. For a time, Tenex was paid $500,000 per month retainee by BHP Billiton. And where is Tenex's office? Three blocks away on East 55th Street. That's the sort of arm's length of productively on display again.

Leckie all dolled up

Lunch watch: Lunching conditions on Tuesday for Woolloomooloo's Finger Wharf were heavy at lunch. At China Doll, Seven Group executive director Michael Leckie was dining with his young passengers, Michael Pefi, Sunrice's executive producer. The great man was conversing charmingly about the stroller-cookers being removed from Seven's green bottle. Wool Wharf, Qh, and the designer printer settings being changed to black and white.

Austral of the Year Adam Goodes briefly grace us with his presence, too.

Musical lobbying chairs

Gentle lobbyist (and former MGM chief) Craig Simonetti is disembarking Andrew Parker to the country's Mean and heading off to be Transamerica's pointman at the NSW government under corporate affairs boss Andrew Head (who worked for former NSW Liberal leader Peter Collins). Parker worked for federal Liberal Leader and ALP deputation chair John Hewson.

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a new, making the (cheapest floor space ever heard of) one of the most expensive buildings in the world? BHP says it relocated two investor relations staff there in 2003, despite less than 15 per cent of the register being US-based. The Banks have never been fans of diversified mining stocks. The arm of productivity is as wise as it is brief.

From this prestigious perch, Jac can take the lift down to lunch at The Four Seasons and even run into his hero Jamie Dimon - a fellow Salomon trader and chairman of JPMorgan Chase. What a pear... Jac Nassar, New York office...