

# **“Why we have to supplement our heavy rail system before it sends us broke”**

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**AIRSHUTTLE  
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## **INTRODUCTION**

BY THE 1880'S MELBOURNE HAD ITS METRO TRAIN NETWORK, ALMOST ALL OF WHICH HAD BEEN BUILT BY THE PRIVATE SECTOR, STARTING WITH PORT MELBOURNE IN 1854.

THE STATE EVENTUALLY TOOK CONTROL OF ALL OF MELBOURNE'S TRAINS & TRAMS AND EVEN THE PRIVATELY BUILT GREAT OCEAN ROAD.

ONE CAN ASK THE QUESTION THEN, WHAT HAS THE STATE DONE WITH THIS EXTENSIVE SYSTEM WHILST THE POPULATION HAS SOARED FIVE FOLD AND IS PREDICTED TO RISE A FURTHER TEN FOLD BY THE MID 21<sup>ST</sup> CENTURY?

WELL, THE STATE ELECTRIFIED THE NETWORK AFTER WW ONE, BUILT THE GLEN WAVERLEY LINE IN 1930 AND THE CITY OF MELBOURNE RATEPAYERS CO-FUNDED THE CITY LOOP IN THE 70S. AND I NOTE WITH INTEREST THAT WE MAY GET ACCESS TO MOBILE PHONES IN THE LOOP SHORTLY.

AND THERE HAVE BEEN 3 SHORT EXTENSIONS SINCE WW 2  
- TO EPPING;  
LALOR; AND UPFIELD IN EARLY 60S; AND  
TO SOUTH MORANG IN 2012.

RECENTLY A HANDFUL OF NEW STATIONS WERE COMMENCED/PROMISED FOR THE NEXT 4 YRS. THATS ABOUT IT AS FAR AS ALL THE MANY, MANY NEW SUBURBS GO.

PLAN MELBOURNE IN MAY OF THIS YEAR FORECASTS A 75% INCREASE IN DAILY JOURNEYS FROM 14.2M TO 25M PA ONCE WE ARE A CITY OF 7.7M IN 36 YRS- I REPEAT, A 75% INCREASE!

AS KATE ROFFEY, THE CEO OF THE COMMITTEE FOR MELBOURNE STRESSED THIS IS THE KEY CONCERN.

### **SLIDE – PLAN MELBOURNE**

THE LAST ALP GOVT REFURBISHED THE MAIN REGIONAL LINES AND COMMENCED THE REGIONAL RAIL PROJECT BUT NEITHER OF THESE INVOLVED ONE KM OF NEW METRO TRACK.

IN ESSENCE VICTORIAN GOVTS OF ALL PERSUASIONS HAVE STARVED THIS HIGHLY URBANISED STATE OF NEW TRANSPORT INFRASTRUCTURE - THE LOWEST OF ALL AUSTRALIAN STATES FOR 30 YRS.

### **SLIDE – INFRASTRUCTURE SPENDING**

NO SURPRISE THEN THAT USAGE IN MY LIFETIME HAS REVERSED FROM 80/20 TRAIN & TRAM BASED TO 20/80 ROAD BASED OR WORSE. SUBURBAN WORKERS HAVE EXITED THE SYSTEM IN DROVES. THE STATE BUDGET IN MAY SHOWED 4000 ODD NEW SERVICES BUT 3000 OF THESE ARE BY BUS!

THIS 3:1 RATIO SAYS IT ALL...

MY TECHNICAL ADVISERS TELL ME THAT DUE TO THE HORRENDOUS PEAK HOUR ROAD CONGESTION IN MOST PARTS OF THE METROPOLITAN AREA PUBLIC TRANSPORT PASSENGER

GROWTH IS RISING AT 6-8% PA YET OVER 85% OF ALL TRIPS AND RISING, ARE NOW BY ROAD RELIANT CARS, TAXIS AND BUSES

PROF CURRIE OF MONASH UNIVERSITY POINTS OUT THE SOCIAL INEQUITY OF PUBLIC TRANSPORT IN THAT 30% OF MELBOURNIANS ENJOY 80% OF OUR PUBLIC TRANSPORT SERVICES.

SO WE FIND THE NON INNER URBAN VIC TAXPAYERS ARE SUBSIDISING FARES TO THE TUNE OF \$3B IE \$2 FOR EVERY \$1 DOLLAR IN PAID FARES IN VIC, PRIMARILY FOR TRAIN AND TRAM SYSTEMS

THE GOVT ANNOUNCED IT WOULD REFURB THE CRANBOURNE –PAKENHAM RAIL CORRIDOR AT AN ESTIMATED COST OF \$2.5b FOR 2 OF OUR 16 LINES...

BUT THE AGE ON 3 MAY - FRONT PAGE - ARGUES IT IS A \$5b+ COST ALL UP BASED ON THIRD PARTY FUNDING COSTS OF \$1M PER DAY FOR 20 YEARS! SO, IMAGINE WHAT ALL 16 LINES WOULD COST TO BE BROUGHT UP TO SCRATCH!

POSSIBLY IT WOULD COST \$30-40B TO REFURB ALL 16 LINES AFTER THIS CENTURY OF NEGLECT. THANKFULLY THE SYSTEM IS NOT 300 YEARS OLD AS THE MINISTER SAID IN THE PARLIAMENTARY COMMITTEE HEARING, 100 IS BAD ENOUGH!

THAT WOULD COVER HI CAPACITY SIGNALLING AND HIGH CAPACITY TRAINS, PLUS GRADE SEPARATIONS, BUT NOT INCLUDE THE COSTS OF THE BUDGET'S \$11B MELBOURNE RAIL LINK, AND THE URBAN FREIGHT CORRIDOR TO THE PROPOSED PORT OF HASTINGS, NEVER MIND THE GOVT'S PLAN MELBOURNE LINES TO DONCASTER & ROWVILLE.

#### **SLIDE – PLAN MELBOURNE – TRAIN LINES**

IT SEEMS LIKELY THAT ALL THESE PROJECTS COULD COST THE NEXT GENERATION ANOTHER \$30B, IE \$60B+ IN TOTAL! BELIEVE ME JUST THE BUDGET PPS WILL MAKE LABOR'S MUCH CRITICISED DESAL PLANT DEAL LOOK LIKE A TIDDLER IN ECONOMIC TERMS. THAT COSTS US \$1.8M PER DAY FOR 27 YEARS.

BY OUR CALCULATIONS WE ARE ALREADY LOOKING AT \$5M A DAY JUST TO FINANCE THE TWO NEW PPP'S FOR A SIMILAR PERIOD. THIS ON TOP OF THE \$8M PER DAY THE SYSTEM ALREADY LOSES.

DESPITE ALL THE RELATED REAL ESTATE DEVELOPMENT OPPORTUNITIES, (EVEN IF THEY MOSTLY ACCRUED TO THE TAXPAYER, WHICH THEY ARE MOST UNLIKELY TO), THE TRUTH IS THAT WE SIMPLY CANNOT AFFORD TO BUILD, MUCH LESS OPERATE, ALL THESE HEAVY RAIL EXTENSIONS, NO MATTER HOW FAST THE POPULATION GROWS.

REMEMBER - TRANSPORT IS IMPORTANT BUT IT IS ONLY A THIRD TIER STATE BUDGET ITEM, AND WILL NEVER HAVE THE EMOTIONAL CALL OF EDUCATION OR HEALTH SPENDING - ITS MAIN COMPETITORS. AS NOTED BY LEADER OF OPPOSITION, DANIEL ANDREWS EARLIER TODAY. NOW THAT THE FED GOVT HAS BURST THE FUNNY MONEY BALLOON IT IS EVIDENT TO ALL OF US THAT THE STATES ARE GOING TO HAVE TO CUT THEIR CLOTH TO SUIT THE POST GFC REALITIES.

IT WILL CERTAINLY BE TIME FOR THE NEXT MINISTER TO STOP, IN DECEMBER 2014, AND TAKE A HARD OBJECTIVE LOOK AT NEW

OPTIONS O/S, AND EMBRACE NEW LOW COST TECHNOLOGY FOR NON FREIGHT CARRYING LINES.

I HAVE READ THAT THE ALP ANTICIPATES SPENDING \$8-10b ON 50 GRADE SEPARATIONS ALONE, IN ITS FIRST AND SECOND TERMS - IF IT WINS GOVT IN NOV.

NO DOUBT A POPULAR POLICY. BUT ONE THAT WILL STILL LEAVE 120 LEVEL CROSSINGS TO GO...I POLITELY SUGGEST THEY NEED TO RETHINK AND EMBRACE A MORE HOLISTIC POLICY. TO HER CREDIT I AM TOLD BY THEIR TRANSPORT SPOKESPERSON JILL HENNESSY THAT THEY HAVE NO OBJECTION TO PRIVATE SECTOR INNOVATION SO LONG AS THEIR PLATFORM COMES FIRST.

I SIMPLY NOTE THAT SEVEN GRADE SEPARATIONS WOULD FUND A NEW TECHNOLOGY LINE TO ROWVILLE WITH NO GRADE SEPARATION ISSUES, FOR EXAMPLE.

WHILST THE GREAT THING ABOUT THE CRANBOURNE PAKENHAM CORRIDOR PACKAGE IS THAT IT IS HOLISTIC, IT IS STILL HUGELY EXPENSIVE IN CAPEX & OPEX TERMS. NO ONE IN THE PUBLIC SECTOR CONSIDERS THE WHOLE OF LIFE PROJECT COST...WHICH I BELIEVE IS A HUGE FAILING.

ANY ACCOUNTABLE PUBLICALLY LISTED CORPORATION WOULD BUILD NEW C 21<sup>ST</sup> TECHNOLOGY SYSTEMS FOR THE SAME MONEY AND CONSEQUENTLY SLASH THE LONG TERM OPERATING COSTS.

#### **SLIDE – NOTHING IS NEW**

AS THIS SLIDE SHOWS NOTHING IS NEW.

SO WHERE ARE WE AT NOW. WELL, PETER WATSON AND HIS TEAM HAVE DONE A GREAT JOB IN REDUCING THE ORIGINAL COST OF THE AWARD WINNING REGIONAL RAIL PROJECT BUT IT IS STILL COMING IN AT JUST UNDER \$5B-OF WHICH THE FEDS PAID \$3B. THIS LARGESSE WILL NOT BE REPEATED.

THE ANNUAL BASE MAINTENANCE COST IS \$25M IN THE STATE BUDGET WHICH WOULD BUY A LOT OF BUS SERVICES PUTTING ASIDE THE OPPORTUNITY COST OF THE \$5B-AT SAY EVEN 5% IT IS \$250M PA.

THE FACTS OF LIFE WERE POINTED OUT TO ME BY FORMER VIC SECRETARY OF THE DEPARTMENT OF PREMIER & CABINET, THE CAPABLE TERRY MORAN A DECADE AGO WHEN I CHALLENGED HIM ABOUT PUBLIC TRANSPORT CAPEX BEING LIGHT ON. HE PROMPTLY TOLD ME TO STICK TO VIABLE PROJECTS WHEN I MET HIM, LIKE THE NORTH BANK AND THE SOUTH WHARF PROJECTS I WAS HEAVILY INVOLVED IN. IN FACT, HE TOLD ME THAT PEOPLE LIKE ME DID NOT UNDERSTAND THAT SPENDING A BILLION IS ONE THING BUT GETTING A MULTI HUNDRED MILLION BILL EVERY YEAR THEREAFTER TO KEEP IT RUNNING WAS ANOTHER, AND WOULD SEND THE STATE BROKE!

THAT WAS THE LAST TIME I DISCUSSED PUBLIC TRANSPORT WITH A MANDARIN OR A POLITICIAN UNTIL THE MINISTER FOR PLANNING, MATTHEW GUY ASKED ME TO ASSEMBLE AN EXPERT TEAM TO WORK OUT HOW THE THREE PLAN MELBOURNE LINES COULD BE ECONOMICALLY BUILT AND OPERATED IN OUR LIFETIMES, GIVEN THE PUBLIC SERVICE REFUSED TO THINK OUTSIDE THE VERY EXPENSIVE SQUARE THAT OUR BRITISH FORBEARS HAVE BOXED US IN TO.

IT WAS A WASTE OF THEIR TIME SINCE THE GOVERNMENT HAS SHUNTED THE AIRPORT OFF FOR

A DECADE, AND THE DONCASTER /ROWVILLE LINES ARE NOW BURIED DEEP IN “LONG TERM” WHICH MUST BE FAR INTO THE FUTURE IF TEN YRS IS CURRENT. IT SEEMS THAT THE OPPOSITION ARE ALSO IN FAVOUR OF DEFFERING THESE NEW LINES UNTIL THE METRO TUNNEL IS COMPLETED SO IT WOULD SEEM BOTH MAJOR PARTIES ARE ALIGNED.

YES, I KNOW THIS GOVT HAS SPENT CIRCA \$500M ON TRANSPORT STUDIES OF ALL KINDS, KEEPING THE CONSULTING FIRMS OF MELBOURNE BUSY LOOKING AND RELOOKING AT EVERY ASPECT OF ALL THE ABOVE MENTIONED PROJECTS AND THEN SOME. AND IT HAS JUST REPLACED ITS DONCASTER METRO RAIL TUNNEL & ROWVILLE PROMISES WITH NEW ONES LIKE MELBOURNE RAIL LINK.

WE ALL KNOW THAT MOST OF THE STUDIES AND THE PROMISES ARE POLITICALLY DRIVEN, AND THAT STUDIES FOR DONCASTER STARTED IN 1890 AND FOR THE AIRPORT & ROWVILLE WHEN I WAS IN HIGH SCHOOL.

YES 3000 MORE BUS SERVICES ARE PLANNED TO CARRY THE LOAD BUT WE CANNOT AFFORD TO BUILD MANY MORE FREEWAYS BEYOND THE NTH/EAST RING ROAD COMPLETION

I THINK ALL OF THE EAST-WEST PROJECT WILL ULTIMATELY COST CIRCA \$18B . AND WE HAVE DISCOVERED JUST HOW TERRIBLY EXPENSIVE TUNNELLING IS IN MELBOURNE BE IT FOR UNDER ROYAL PARK OR THE METRO RAIL TUNNEL.

REMEMBER MOST OF YOU IN THE AUDIENCE WILL LIVE TO SEE MELBOURNE AGAIN BE OUR LARGEST CITY AT 8M BY MID CENTURY. MORE BUSES WILL NOT CUT IT THEN, TUNNELS OR NO TUNNELS.

AS THE PRIME MINISTER SAID WHEN ANNOUNCING BADGERYS CREEK AIRPORT IN APRIL, ENOUGH OF THE ENDLESS STUDIES, WHAT IS WANTED ARE DECISIONS AND AFFORDABLE OUTCOMES.

WE ARE SO FAR BEHIND THE MODERN RAIL GAME IT IS NOT FUNNY. IT IS IMPACTING BOTH OUR MUCH VAUNTED QUALITY OF LIFE AND OUR ECONOMIC PRODUCTIVITY, WHICH HAS ENOUGH CHALLENGES ALREADY. AND STILL THE POPULATION INCREASES AT 2% AND PUBLIC TRANSPORT DEMAND AT 3-4 TIMES THAT. EVERY YEAR.

PROF CURRIE DESCRIBED IT AS A FAILED RAILWAY SYSTEM UNDER EVER INCREASING PRESSURE.

AS I AM ADVISED, EVEN IF WE IMPLEMENT HI SPEED SIGNALLING ACROSS THE SYSTEM IMMEDIATELY, WHICH WOULD BE \$1.5b WELL SPENT, IT WILL ONLY GIVE US A BREATHER FOR A DECADE.

BUT WE ARE NOT EVEN TAKING THAT LOW HANGING FRUIT, WE ARE BEING DRIVEN SOLELY BY POLITICAL EXPEDIENCY/POLLING. THE GOVT SEEMS TO BE HELLBENT ON ONE LINE FROM CRANBOURNE TO THE AIRPORT AND A SHORT METRO TUNNEL.

THE OPPOSITION IS FOCUSED ON LEVEL CROSSINGS AND A BIGGER METRO TUNNEL. NEITHER WILL RAMP UP THE METRO WIDE SYSTEM/SERVICES FAST WHICH IS WHAT COMMUTERS ARE CRYING OUT FOR.

AND ALL THINKING SEEMS TO BE BASED ON OUR COLONIAL LEGACY SYSTEM. ITS NOT THE TEN COMMANDMENTS! WE NEED TO DIVERSIFY AND TO SUPPLEMENT OUR LEGACY.

## **WHAT TO DO**

THE AIRPORT LINK IS A PARTICULAR CASE IN POINT;

### **SLIDE – NO NEW TRCHNOLOGY**

BASED ON THE UNHELPFUL OBJECTIVE OF THE MELBOURNE RAIL LINK STUDY THAT IT SHOULD *“IDENTIFY ALL HEAVY RAIL OPTIONS FOR A RAIL LINK BETWEEN MELBOURNE AIRPORT AND MELBOURNE CBD”*

HOUSTON WE HAVE A PROBLEM!

MELBOURNE’S PREOCCUPATION WITH ITS CENTURY PLUS OLD HEAVY RAIL SYSTEM IS ACTUALLY A BIT OF A JOKE WHEN YOU DIG INTO WORLDS BEST PRACTICE OF THE LAST DECADE.

WE CANNOT AFFORD TO REPAIR IT, MUCH LESS OPERATE IT WITHOUT HUGE DEMANDS ON THE TREASURY WHICH FACES EVEN MORE PRESSING NEEDS IN EDUCATION AND HEALTH ETC.

THE FED BUDGET LAST MONTH MAKES IT CLEAR THAT THE STATES WILL HAVE TO FOREGO FED \$\$ AS IT TRIES TO BALANCE AN ENDLESS RUN OF DEFICITS - ONLY INCREASING THE GST WILL SAVE THE STATES, ALTHOUGH THEY BLEW THE ORIGINAL GST REVENUES IN 2000 ON AV INCREASES IN PUBLIC SERVANT NUMBERS OF 25%, NOT INCL SERVICE DELIVERY PEOPLE. SO INFRASTRUCTURE \$\$ WILL LIKELY STRUGGLE EVEN WITH A WIDER +/-OR HIGHER GST. YOU CANNOT RELY ON THAT. REMEMBER THAT 61% OF FEDERAL GOVERNMENT INCOME TAXES ARE SPENT ON SOCIAL PAYMENTS.

WE CERTAINLY CANNOT AFFORD TO EXTEND HEAVY RAIL TO THE LIKES OF DONCASTER OR ROWVILLE, AS THE FIGURES EARLIER DEMONSTRATE AND THE AIRPORT PPP PLAN PROVES. THE PREMIER’S OFF THE CUFF DECISION TO GET MTR TO LINK IT WITH AN ELECTRIFIED HEAVY RAIL IS FRANKLY ELECTORAL PANIC AND ECONOMIC MADNESS. BUT BETTER THAN HIS “PLAN A” DIESEL IDEA.

I HAVE ASKED CH2MHILL TO ADVISE JUST WHAT DOES COMPRISE A MODERN SUCCESSFUL AIRPORT RAIL LINK EVEN A DIESEL ONE.

### **SLIDE – CH2MHILL**

YOU CAN READILY SEE WHY THE CIRCA \$3b LEGACY RAIL LINK PROPOSED BY THE PREMIER IN APRIL WITH NO DETAIL FAILS TOTALLY AND IS AN ABSOLUTE WASTE OF MONEY

IF WE REALLY CAN AFFORD TO DIVERT THE ECONOMIC RESOURCES NECESSARY TO SERVICE \$3b+ FOR THE AIRPORT THEN WE WOULD BE FAR BETTER OFF SPENDING IT ON STAGE ONE OF THE PROPOSED HIGH SPEED RAIL LINE TO CANBERRA AND SYDNEY. THAT WOULD TAKE 12 MINUTES AND BRING US INTO THE 20<sup>TH</sup> CENTURY AT LEAST. HEAD OF THE ARA, BRIAN NYE AND THE MINISTER FOR TRADE HAVE CONFIRMED THAT JAPANESE COMPANIES ARE PREPARED TO BUILD SEVERAL SHORT HIGH SPEED RAIL LINES IN AUSTRALIA RIGHT NOW FOR A LONG TERM COST OF 1% INTEREST.

OR WE SHOULD TELL THE AIRPORT TO FUND ITS OWN LINE WHICH IT COULD READILY DO GIVEN THE STRENGTH OF ITS MAJOR SHAREHOLDERS. JEFF KENETT HAS RECENTLY WRITTEN ABOUT THIS.

## SLIDE – JEFF KENNETT QUOTE

AS JEFF SAYS IN PART:

*“MY RESERVATION IS AROUND ITS FUNDING. I WILL BE VERY DISAPPOINTED IF THE STATE — THAT IS, YOU AND ME — IS GOING TO PAY FOR IT ALONE”*

IF THEY OR OTHER PRIVATE/SUPER FUNDS WANT TO BUILD THE LINE YOU CAN BE SURE THAT IT WILL USE NEW MONORAIL TECHNOLOGY THAT WILL COST \$1b PLUS CONTINGENCIES AND WHICH CAN BE FUNDED BY PATRONAGE. INDEED THEY ARE ALREADY CONSIDERING THIS TECHNOLOGY FOR THEIR MEDIUM TERM INTRA AIRPORT NEEDS.

OR SHOULD WE DO AS THE ALP PROPOSES AND GET ON WITH HIGHER PRIORITIES ELSEWHERE. GIVEN TRANSURBAN ARE WIDENING THEIR ROAD, BUSES WILL BE FINE FOR A WHILE YET.

THERE REALLY IS NO CASE AT ALL FOR THE STATE DIVERTING MULTI BILLIONS FROM FAR WORTHIER PRIORITIES IN FAVOUR OF A SECOND RATE COMMUTER SERVICE THAT WILL NOT ONLY BE SHUNNED BY BUSINESS AND TOURISTS, (NOTE BOTH BRISBANE 5% MARKET SHARE AND SYDNEY 16% SHARE LOST THEIR DEVELOPERS HALF A BILLION IN CAPITAL, IE \$1b IN TOTAL)...BUT WHICH WILL KILL OFF ANY FUTURE CHANCE OF A MODERN FAST EXPRESS SERVICE WITH BAG CHECK IN FACILITIES ETC.

SIR ROD EDDINGTON, A STRONG SUPPORTER OF AIRSHUTTLE, (AS IS HIS INFRASTRUCTURE AUSTRALIA SUCCESSOR, MARK BIRRELL) ACKNOWLEDGES THAT IT WILL BE A CENTURY BEFORE WE GET A MODERN AIRPORT LINK IF THE CURRENT PROPOSAL GOES AHEAD.

AS WE HAVE CALLED ON THE GOVERNMENT IN OUR UNSOLICITED PROPOSAL - STOP! AND DO THE COMPARATIVE STUDIES FOR 90 DAYS - WHAT ON EARTH IS THE RUSH?

WHY ARE THEY AFRAID TO HAVE A PUBLIC/PRIVATE SECTOR FEASIBILITY STUDY TO GET TO THE TRUTH OF THE MATTER? AFTER ALL

THE BOX THEY WANT TO TICK FOR THE ELECTION OF 29 NOV HAS A 5 MONTH WINDOW?

AND SURELY \$3B+ WARRANTS TRANSPARENT PUBLIC TENDERS? THIS IN A GLOBAL MARKET WITH INFRASTRUCTURE INVESTORS SEEKING SECURE LONG TERM INVESTMENTS AND GLOBAL TECHNOLOGY COMPANIES KEEN TO INVEST. EVEN THE PRIME MINISTER WAS TALKING TO CANADIAN PENSION FUNDS ABOUT INVESTING IN AUSTRALIAN INFRASTRUCTURE LAST WEEK AND YET VICTORIA READILY ACCEPTS UNSOLICITED BIDS FROM TWO EXISTING FRANCHISE HOLDERS.

IT IS NOT GOOD ENOUGH TO SMEAR THE PRIVATE SECTOR WITH COMMENTS LIKE “\$1B SOUNDS VERY OPTIMISTIC” WHEN IT IS OUR MONEY THE PREMIER IS SPENDING!

I SPENT 25 YEARS LEADING THE SME CHAMBER MOVEMENTS FIRST HERE IN VICTORIA AND THEN NATIONALLY AND I HAVE PERSONALLY HAD ENOUGH OF THIS UNWARRANTED / UNINFORMED HUBRIS.

THE FACTS ARE THAT NEW LIGHTWEIGHT MONORAILS CAPABLE OF OPERATING AT GRADE, BELOW OR ABOVE WITH A TURNING RADIUS OF 40M AND 12% CLIMBING CAPACITY ARE BEING

SUCCESSFULLY USED AND BEING BUILT ON THREE CONTINENTS BY AT LEAST THREE LONG ESTABLISHED TRANSPORT COMPANIES.

WE CALL THE TECHNOLOGY "AIRSHUTTLE" FOR SHORT, BECAUSE MONORAIL IS A DIRTY WORD IN THE PROVINCES. BUT WE ARE TALKING ABOUT THE NEW GENERATION SYSTEMS THAT DATE FROM MOSCOW 8 YRS AGO.

NOT THE 50 YR OLD MODEL THAT STARTED ON THE TOKYO-HANEDA AIRPORT LINE IN 1964.

THEY ARE AS DIFFERENT AS MY NEW TOYOTA HYBRID SUV IS FROM MY FIRST CAR, A 1970 HEMI VALIANT TANK.

BY END OF 2014 THERE WILL BE 30 PUBLIC TRANSPORT MONORAIL SYSTEMS OPERATING GLOBALLY AND HALF AS MANY AGAIN BEING COSTED. THE MUCH IMPROVED 21<sup>ST</sup> C MODELS WILL SOON OUTNUMBER THE OLD AS THEY IMPROVE ANNUALLY WITH EACH NEW MODEL

VERSIONS OF THE NEW GENERATION TECHNOLOGY STARTED IN RUSSIA. IT IS BEING ADOPTED IN BRAZIL, CHINA, ITALY, KOREA, SAUDI ARABIA AND ELSEWHERE.

#### **SLIDE – VARIOUS TECHNOLOGY**

COMPANIES LIKE BOMBARDIER OF CANADA, INTAMIN TRANSPORTATION OF SWITZERLAND, SCOMI OF MALAYSIA AND URBANAUT OF USA ARE ACTIVELY SERVICING CURRENT COMMUTERS AND SUPPLYING FUTURE ONES SUCCESSFULLY IN AFRICA, ASIA, EUROPE AND LATIN AMERICA

#### **SLIDE – MONORAILS OF THE WORLD**

THE BOLOGNA AIRPORT LINE WILL EVEN BE SOLAR POWERED, AND WITH AUTO OPERATION NEW LINES IN AUSTRALIA WILL BE ABLE TO OPERATE FOR A FRACTION OF OUR HEAVY RAIL DINOSAURS

#### **SLIDE – BOLOGNA – SOLAR POWER**

ON LINES THAT DO NOT NEED TO CARRY FREIGHT. THESE TRAINS ARE "GREEN", SILENT RUBBER TYRED AND COMPETITIVELY PRICED AT TURNKEY RATES OF ABOUT \$30M PKM INCLUDING CIVIL WORKS. IN EFFECT A THIRD OF THE COST OF OUR CURRENT SYSTEM.

OPERATING COSTS ARE RUNNING AT 2-4% OF INVESTMENT, WITHOUT AUTO OPERATION AND SOLAR POWER SAVINGS. IN THE NEXT 2-3 YEARS THE BATTERY STORAGE CONUNDRUM WILL BE SOLVED AND COMMERCIALY AVAILABLE. OPERATING COSTS WILL CONTINUE TO DROP.

EACH SYSTEM HAS ITS FEATURES AND CLEARLY TAILOR MADE COMPETITIVE TENDERS FOR EACH APPLICATION ARE ESSENTIAL.

BUT THERE IS NOW AN ANSWER TO THE TERRY MORANS OF THIS WORLD, EVEN IF IT IS STILL A STATE SECRET IN SLEEPY OLD OZ!

THESE TRAINS CAN CARRY 100 PASSENGERS IN EACH OF 7 or 8 WALK THRU CARRIAGES DEPARTING EVERY 90 SECONDS OR YOU CAN JUST RUN A COUPLE OF CARRIAGES CONTINUOUSLY SO FREQUENCY IS UNBEATABLE.

#### **SLIDE – CARRIAGE DESIGN**



IT SEEMS ONLY TRANSPORT ENGINEERS WITH OVERSEAS EXPERIENCE ARE REALLY ACROSS THIS ECONOMIC BREAKTHROUGH DESPITE IT BEING ALMOST A DECADE OLD.

MY QUESTION FOR THE ECONOMISTS AND ENGINEERS IN THE ROOM TODAY IS SIMPLE.

“HOW LONG WILL IT TAKE FOR MELBOURNE TO EVEN OBJECTIVELY ASSESS, NEVERMIND ADOPT THIS PROVEN LOW COST COMMUTER TECHNOLOGY AS AN ESSENTIAL SUPPLEMENT TO OUR LEGACY NETWORK?

MY FRIEND JIM MC MECHAN TELLS ME THE NEW SYDNEY TRAINS BEING LET IN JULY WILL BE AUTO AND THE LIGHTEST WEIGHT YET IN NSW - HE SAYS THAT AIRSHUTTLE IS THE NEXT LOGICAL STEP.

UNTIL YOU GET THE WHOLE OF LIFE ECONOMICS RIGHT WE WILL NEVER BE ABLE TO PERSUADE THE TAXPAYERS TO FUND NEW LINES THAT HAVE BEEN TALKED ABOUT SINCE ADAM WAS A BOY.

THE SIMPLE REASON IS WE ARE A SMALL STATE OF UNDER 6M, WE CANNOT AFFORD TO RUN THESE CLUNKERS AT TODAY'S ENERGY AND LABOUR COSTS. MUCH LESS NEW MAGLEV & HIGH SPEED RAIL.

IF WE ARE TO EVER CATCH UP AND AFFORD A COMPREHENSIVE TRAIN NETWORK FOR 5,6, 7 & 8 MILLION MELBOURNIANS WE HAVE TO CHANGE OUR THINKING.

WE SIMPLY MUST SUPPLEMENT OUR BUS, TAXI, TRAIN & TRAM MODES WITH A FIFTH MODE THAT WE CAN AFFORD TO BUY AND TO OPERATE USING INTERMODAL KEY STATIONS BASED ON STH'N CROSS STATION.

ANY ONE WHO TRAVELS OVERSEAS REGULARLY KNOWS IT IS NO BIG DEAL TO INTEGRATE MULTI TRANSPORT MODES BE IT EUROSTAR OR SHINKANSEN OR HSR.

ALTHOUGH IT SEEMS TO BE BIG NEWS HERE WHEN SAY FRANKSTON PASSENGERS HAVE TO CHANGE TRAINS - WE NEED TO GROW UP!

MOST OF OUR NEW LINES CAN BE AT GRADE, RISING ONLY WHERE THERE IS NO LAND OR WHERE REQUIRED TO CROSS INTERSECTIONS.

THERE IS NO WAY WE CAN TUNNEL OUR WAY OUT OF THIS TECHNICALLY OR FINANCIALLY, SO LETS GET USED TO A FEW AERIAL LINES OR PUT UP WITH THE CONGESTION.

WHEN I WAS A BOY IN NORTH ESSENDON OUR VISITORS WOULD CRINGE AT THE NOISE OF THE SO CALLED WHISPERING T JETS.

EARLIER WERE THE OIL BURNING LOCKHEED SUPER CONSTELLATIONS WHICH I VAGUELY REMEMBER... NOW WE SEEK OUT 380S TO FLY ON IF WE CAN.

WE ALL UNDERSTAND THE ECONOMICS OF MODERN PLANE TRAVEL WHICH IS WHY 8M AUSTRALIANS WERE ABLE TO AFFORD TO FLY O/SEAS LAST YEAR.

WE ALL UNDERSTAND THE ECONOMICS OF MODERN CARS AND HOW CHEAP THEY ARE TO BUY AND RUN IN REAL TERMS AS AGAINST MY VALIANT 42 YEARS AGO

WHEN ARE WE GOING TO WAKE UP RE THE ECONOMICS OF 21<sup>ST</sup> C COMMUTER TRAINS?

## CONCLUSION

YES WE NEED TO GET OUR SKATES ON WITH A HOLISTIC UPGRADE AND EXTENSION OF THE RAIL SYSTEM, DESCRIBED BY ONE MTR EXEC AS “MESSY” RECENTLY WHICH FRANKLY SUMS IT UP.

ONLY THE STATE CAN LEAD GIVEN THE HUGE COST THAT A CENTURY OF NEGLECT AND GROWTH HAVE RESULTED IN - AS WE ALL WELL KNOW. BUT IT CAN BE HELPED BY THE PRIVATE SECTOR IF IT WILL EMBRACE US.

YES WE NEED MANY MORE GRADE SEPARATIONS, THERE ARE 160 YET TO DO, BUT REMEMBER, AT \$150M EACH, SEVEN WOULD FUND A NEW AIRSHUTTLE LINE TO DONCASTER.

BEAR IN MIND THAT NEW MONORAILS WILL NOT NEED TO CONFRONT GRADE SEPARATION AND HI SPEED SIGNALLING COSTS BY NATURE OF THEIR LIGHT WEIGHT AND FLEXIBLE TECHNOLOGY.

AND DUE TO THEIR LOW COST AND MINIMAL OPERATING EXPENSES, THEY CAN BE FUNDED BY THE “PRIVATE” SECTOR ANOTHER DIRTY WORD IN SOME VIC PUBLIC TRANSPORT CIRCLES IT SEEMS. YET OUR AIRPORT IS PRIVATE AS IS SOUTHERN CROSS STATION. WE ARE EVENTUALLY GOING TO HAVE TO GET OVER THOSE OTHER DIRTY WORDS “MONORAIL” AND “ELEVATED”.

OR... WE CAN KEEP ON DOING THE SAME OLD SAME OLD, AND EVENTUALLY THE COST AND /OR THE CONGESTION WILL STRANGLE US AND THE NEXT GENERATION.

TOO BAD THE TREASURY RESPONDED TO OUR HUMBLE PROPOSAL FOR A JOINT 90 DAY FEASIBILITY STUDY WITH A PRO FORMA “RACK OFF”, NO Q&A, NO DISCUSSION WITH OUR EXTENSIVE TEAM OF EXPERTS, NO DIALOGUE WITH OUR FINANCIERS, NOTHING!

APPARENTLY WE WERE NOT IN THE PUBLIC INTEREST, HAD NO FINANCIAL, NO TECHNICAL NOR ECONOMIC MERITS, NO POTENTIAL TO ACHIEVE VALUE FOR MONEY FOR GOVT AND NO UNIQUE ASPECTS THAT WOULD JUSTIFY EXCLUSIVE NEGOTIATION! THESE OFFICIALS AND OLDER POLITICIANS ARE RISK AVERSE, ARSE COVERING AND UNACCOUNTABLE LUDDITES WHO ARE POISED TO BLOW OUR DOUGH ON SHOW PROJECTS/STRUCTURES IGNORING OVERDUE NEW LINES FOR OVER A MILLION COMMUTERS.

IT IS ALREADY TOO LATE FOR MY GENERATION AND THE CURRENT GOVT’S PPP PLANS WILL TOTALLY ABSORB ALL FUTURE TREASURY CAPACITY TO FUND MORE LINES FOR THE NEXT GENERATION.

THERE WILL BE NO FEDERAL MONIES - THEY WILL BE SOAKED UP BY SOARING DEMOGRAPHIC COSTS, HEALTH & TRANSFER PAYMENTS

SO OUT IN THE ‘BURBS GET USED TO EVER WORSENING ROAD CONGESTION AS THE SINGLE DIGIT % OF RAIL BASED JOURNEYS PLATEAUS AT BEST - OR CONTINUES ITS 60 YR DECLINE MORE LIKELY.

ITS CALLED ECONOMICS 101. EITHER SLASH THE COSTS OF YOUR HERITAGE SYSTEMS BY INNOVATION OR COP THE ECONOMIC CONSEQUENCES - THERE IS NO MAGIC PUDDING.

WE NEED GENUINE LEADERSHIP TO MAKE THESE THINGS HAPPEN.