

Summary

At least 3 key assumptions must be questioned as part of the review. These are:

- That widening Pennant Hills Rd is not an “acceptable” option;
- That construction through heavily built-up areas, national parks, or wilderness areas must be by way of tunnels;
- That the size of Sydney will continue to be restricted by a policy of urban consolidation.

These assumptions unduly limited the scope of the study such that “type C” options were not properly considered. Restricted by these limitations, the consultants had little choice but to recommend an underground “type A” corridor.

Given that tunnels cost several times more than surface roads, it seems likely that a much better outcome could be achieved at a similar cost by constructing a “type C” option with surface roads, together with grade-separating key intersections on Pennant Hills Rd and widening it where possible.

The review should properly evaluate such an option, taking into account all related costs and benefits, before making a final recommendation.

A political decision

Page 5-7 of the main SKM study report makes it clear that the assumptions referred to above are the result of political directives:

“The history of community concern over infrastructure proposals on Lane Cove National Park, led Ministers Anderson and Scully to announce at the outset of this study that no surface route would be allowed through Lane Cove National Park nor through important bushland areas. A further condition was given that widening Pennant Hills Road was not an acceptable option.

The study gives little indication as to how these conclusions were arrived at. They do not appear to be the result of a careful and objective consideration of all possible choices, taking all costs and benefits into account. There can be no confidence that these directions, leading to the recommendation for an underground “type A” corridor, represent the best use of taxpayer funds earmarked for national road-building.

Widening Pennant Hills Rd

In the study, the only reason put forward for discounting any option that included widening Pennant Hills Rd was that it was “not acceptable” as quoted above. That decision appears arbitrary and is not supported by sound argument in the study.

- **To address this, the costs and feasibility of widening Pennant Hills Rd must be investigated, so that objective data is available to inform the final decision.**
- **Other options which should be evaluated include grade-separating Pennant Hills Rd at key intersections, and the option of building elevated sections where widening is not feasible.**

Underground roads

On page 10-7 of the main SKM study report the decision that “no surface route would be allowed through Lane Cove National Park nor through important bushland areas” was expanded into:

- *Tunnels to be generally required below heavily developed areas.*
- *Tunnels to be generally required below National Parks/wilderness areas.*
- *Where the height of cuts and fills would exceed approximately 40 metres, it was assumed that tunnels or bridges would generally be used.*

The criteria that tunnels be generally required below heavily developed areas, National Parks, and wilderness areas, leaves little choice as to where surface roads could be located. It virtually mandates tunnels.

The sole basis of this decision seems to be “community concern”; however, that is far from being an objective decision about spending public money. The amount of “community concern” is neither quantified nor measured against the costs of tunnelling versus constructing surface roads. It is a very vague statement that lends itself to accusations of decision-making in the interests of some, but not in the interests of the wider community.

- **To address this, comparative figures should be prepared for each option that clearly show the difference in construction and maintenance costs between tunnels and surface roads.**

Urban consolidation

Most of the forecasts upon which the study relies are based on the assumption that the government will continue to restrict the geographical expansion of Sydney in accordance with the doctrine of urban consolidation as outlined in the Metropolitan Strategy.

However there are many who strongly disagree with this doctrine. Many believe that it unduly restricts their choices about where they wish to live and work. Others see that it leads to greater congestion. Others still are concerned with the way it concentrates power in the hands of bureaucrats and politicians, and appears to favour the interests of large developer groups.

Given the amount of resistance and resentment about the policy of urban consolidation, it is a very open question as to how much longer the government will be able to continue to pursue it, and therefore, how much longer the data presented in the Study will remain valid. In the face of this pressure, it is likely that the fringe areas, particularly in the northwest, will experience more growth than that assumed in the Study, adding support to arguments for a “type C” option.

- **To address this, a proper cost and benefit analysis should be prepared based upon Sydney expanding into areas serviced by a “type C” option.**

Economic benefits & costs

Because this Study narrowly defines the economic benefits of road-building, and does not put the costs into perspective, it is difficult to have confidence in the final recommendation.

On page 10-16 of the main SKM report, the “economic performance” of the various corridors is defined as follows:

“Economic benefits of transport corridors are measured by determining the total change in motorists’ travel time and distance travelled.”

New roads provide much greater economic benefit than this. They directly facilitate greater productivity, (better use of existing resources), and thus lead directly to greater prosperity. It is conceivable that such benefits might amount to hundreds of millions of dollars annually for a new road constructed along a “type C” corridor.

The same sorts of conclusions cannot be drawn for a “type A” option. Because it is not a new route, it will not have any greater benefit than the narrow definition provided in the study. It will add almost no additional traffic capacity to and from the north of the city. It will not contribute to the growth of Sydney as a world city. Wider benefits appear to flow only to a relatively small group – some residents living near the “type A” route; the operators of the M7/M2; and those involved in tunnel construction.

- **To address this, a proper cost and benefit analysis should be prepared that includes the wider economic and social benefits of a “type C” option.**

In terms of costs, the study focuses on total cost of construction, rather than the annualised amounts resulting from amortisation over the expected life of the project. This encourages misleading comparisons about the cost – that it is high in comparison to other demands for taxpayer funds, when in fact it is not. Even a \$5 billion construction cost would represent no more than \$50-100 million per annum when amortised over the likely life of the road (50-100 years).

Compared against the \$13 billion collected annually in fuel excise tax – a tax initially introduced and justified on the basis that it would be used primarily for road-building – and compared against the \$200 billion collected annually in federal taxation, the cost of constructing the F3 to M7 is relatively small. In terms of annual cost, it is substantially less than amounts distributed promptly to farmers affected by drought and cyclone; a tiny fraction of the amount by which the annual defence budget was recently increased with little public debate; and a very tiny fraction of the amounts spent annually on income support, education, and health services.

- **To address these concerns, costs should be presented on an annualised basis so that meaningful comparisons can be made with other demands on taxpayer funds.**

Closing remarks

Given that building infrastructure such as a “type C” option has the capacity to deliver very substantial benefits to both present and future generations, and given the relatively small amount of money involved, it is disappointing that no progress has been made. Why must Sydney continue to struggle with a 4-6 lane F3 as its sole northern access, while Brisbane, with only 1/3rd the population, has an 8 lane highway nearly all the way to the Gold Coast?

Over the last several decades motor vehicle ownership and use have both increased significantly. So have taxation revenues and population. However federal investment in road infrastructure has fallen well behind. It is currently only 1/5th of the amount collected in fuel excise, and only around 1% of total federal taxation revenues.

The result of this is widespread traffic congestion, making us all less productive and directly reducing our overall prosperity. It is irresponsible for the government to continue under investing in road infrastructure, especially at a time when taxation revenues are at such high levels.

In regard to the F3 to M7 corridor, there is no need for any further studies or procrastination. Now is the time for common sense and action. It is hoped that this review will recommend an immediate start on both a “type C” option, and a practical solution to the congestion on Pennant Hills Rd.