Supplementary Submission No 8b

INQUIRY INTO RAIL INFRASTRUCTURE PROJECT COSTING IN NSW

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Rail infrastructure costs inquiry NSW Legislative Council

It occurs to me that cost planners are in a position to be prime drivers of rising costs of projects. While it is important that costs are controlled, cost planners can drive the elements to be included in projects. Trading off various ways of constructing rail projects is part of the design process. What is the relationship of the project's designers to the cost planners??

The use of external cost planners implies the government does not possess a capacity to know the cost of project elements. ARTC appears to know the cost of project elements down to a few percent. RailCorp and NSW Treasury appear to have little idea of what rail projects should cost.

Railway Gazette International website 23 September 2011

Australia: NSW Department of Transport has appointed Turner & Townsend to provide cost planning services for the 23 km North West Rail Link project in Sydney.

ARTC has awarded an alliance including Leighton Contractors a A\$150m contract for the final stage of the 36 km South Sydney Freight Line.

Peter Egan