

**Submission  
No 6**

## **INQUIRY INTO RAIL INFRASTRUCTURE PROJECT COSTING IN NSW**

**Organisation:** Binary Consultants Pty Ltd

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Hon. Natasha MacLaren-Jones, MLC  
Chair General Purpose Standing Committee No. 3  
NSW Legislative Council  
Parliament House  
Macquarie Street  
Sydney NSW 2000

21. September 2011

Dear Hon. MacLaren

Thank for having invited me to submit my considerations on rail infrastructure project costing in NSW.

As a senior consultant in public transport, in particular in rail, I refer my contributions stated below to items (e) *tendering processes* and (f) *any other related matter*. Due to my professional activities all over the world but mostly in Switzerland and in Australia, I focus my submission on key conclusions taken out of my experiences from major rail infrastructure projects.

Rail infrastructures are long-term and expensive investments for sustainable transportation. The successful delivery of rail infrastructure projects within a given cost frame bases upon:

- (1) A long-term vision including an approved master plan, defining project base lines;
- (2) A comprehensive understanding of customer and operational requirements;
- (3) An integrated system approach including a profound understanding of interfaces between sub systems (e.g. electrical - electronic - mechanical or infrastructure – operation - rolling stock);
- (4) A consequent top-down approach from conception to planning, design, implementation, approval and putting into operation in the matter of a stepwise coherent fine tuning of project content and cost estimates within a given timeframe;
- (5) The will to go for functional (instead for technical) project specifications based on given norms and standards, as well as on approved type testing by acknowledged institutions and a minimum of project alterations during design and implementation phases;
- (6) A strict and professional project management taking into account correlations of deliveries, time and costs;
- (7) The capability of the responsible staff within the railway organisation for an integrated rail system approach, including dealing with contractors (project controlling, claim management).

Due to the long-term consequences of rail infrastructure projects with major financial implications, the role of the Parliament with respect to rail transportation has to be reconsidered. Major tasks should include:

- Approval of the findings of the Christie Report as a vision for further development of the railway network including subsequent mandatory long- and mid-term rail investment plans (ad 1, 2).
- Closer assessment of RailCorp's human resource management providing sufficient capable key staff at its own institution (ad 2, 3, 5, 7).

Kind regards

Dr Rolf Martin Bergmaier

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