




Speech By
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MEMBER FOR CHATSWORTH

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MATTER OF PUBLIC INTEREST

Cross River Rail

 **Mr MINNIKIN** (Chatsworth—LNP) (2.38 pm): There is a complete lack of transparency by the Labor government around the Cross River Rail project. It leads to the conclusion that the stated cost of delivery has been significantly understated. Key elements have been removed from financial scrutiny and so there is a great deal about the project costs we do not know. What is the full cost of delivering the Cross River Rail project? Quite simply, we do not know.

Let us try and develop a more complete picture of the full costs than the answer provided to question on notice No. 101 earlier this year which asked for the current estimated cost of delivering the entire project. The minister went on to indicate that the Palaszczuk government's commitment was \$5.4 billion. This figure seems to be significantly understated when we consider all the ancillary parts needed for it to deliver the stated objective of simply allowing more trains to run more often. Just like the state budget, disclosure of the full costs involved to deliver Cross River Rail continue to be hidden away.

Cross River Rail clearly involves much more than 10 kilometres of new rail lines and a couple of tunnels. These are simply the foundations of the project, if you like—just like the foundations for a new house. We all understand that a new house needs a frame, a roof, electrical wiring, insulation and landscaping to make it fit for purpose. Similarly, to be fit for purpose and to activate the network, the Cross River Rail project will require new rolling stock, a signalling and train control system, an upgraded automatic train protection system, new underground stations as well as upgrades to existing stations, additional station/portal work, servicing the public-private partnership costs for operations—without even mentioning the provision for general cost overruns.

I do not have the resources that the responsible minister and the Cross River Rail Delivery Authority have available. Nevertheless, given my business background, I have endeavoured to assign some indicative costings to the ancillary works required to enable more trains to run more often. For more trains to run, it is patently clear that we need to purchase more trains. New rolling stock of up to 40 new NGR train sets would cost in the vicinity of \$3 billion.

With the new train sets operating on the CRR, a new signalling and control system will be required. This is essential for signalling and rail traffic management. The European Train Control System, ETCS, will initially be rolled out between the Milton and Northgate and the Northgate to Salisbury track sections which incorporates the CBD surface and underground stations. The ETCS is estimated to cost \$2 billion.

To ensure the integration and safety of the system, an automatic train protection, ATP, system will still be required for the legacy QR fleet to continually check that the speed of a train is compatible with the permitted speed allowed by signalling, including automatic stop. The cost to bring all this up to speed and to be compatible with the ETCS will involve a further \$1 billion. The estimated cost of \$2 billion for the PPP operations over the life of the tunnel have not been factored into the project cost, it would appear.

The reason behind the need for CRR was to free up the network, particularly the bottleneck created on the Gold Coast line between Kuraby and Beenleigh. Without this upgrade, it is not possible to get above the current number of trains crossing this side of the river. The cost of the major upgrades for this section is estimated at up to \$2.8 billion.

It is not apparent that specific provision has been made for general cost overruns, estimated to be in the order of \$2 billion. Beyond this, upgrades to many other stations will also be required to ensure their compliance. There will be more trains with more impact. Without the removal of these level crossings, motorists will obviously be stuck at these crossings for much longer than is presently the case. Assigning a cost for these would again be in the billions of dollars.

Whilst I would be happy for the government to challenge or correct these figures, it would seem the Cross River Rail project could end up being closer to \$20 billion rather than the \$5.4 billion as stated. Queensland is the only state to cancel its budget. This means the Palaszczuk Labor government has no economic plan. With no budget it means Labor is flying blind through the biggest economic crisis in almost a century. This can equally be ascribed to the financial situation of the Cross River Rail project.

In Auditor-General's report No. 11, it says at page 1 that the financial performance of the Queensland government has been reduced over the last two financial years. The taxpayers of Queensland have the right to know the true cost of the CRR project. It is time for this Labor administration to come clean on the project costs to avoid a Cross River Rail fail. Today, I have written to the Queensland Auditor-General and requested he arrange for an urgent performance audit of the project so that Queenslanders will know how much of their money is to be spent. I now table a copy of this letter for the benefit of the House.

Tabled paper. Letter, dated 14 July 2020, from the member for Chatsworth, Mr Steve Minnikin MP, to the Auditor-General, Mr Brendan Worrall, regarding Cross River Rail [1143](#).