



JO CLAY MLA



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21 April 2022

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Dear John, David, and Richard,

Thank you for your thoughtful and considered correspondence, which has been forwarded to me as the ACT Greens spokesperson for Transport. I will do my best to respond to each point in the order you have presented them.

You state that “other Australian jurisdictions have moved away from Light Rail because it has been found to be not cost-competitive.” Other jurisdictions make many decisions based on many factors and I do not have a full insight into their choices. However, I note several jurisdictions are pursuing rail and Light Rail.

- The Gold Coast is in the process of developing its fourth stage of Light Rail, which has the support of their local council, state and federal governments.
- Newcastle completed its Light Rail line in 2019 and the government is considering expansion, noting the city also has an existing heavy rail network.
- Sydney has constructed multiple Light Rail lines in the last few years, is in the process of developing a Light Rail line to Parramatta and is expanding their heavy rail network by developing Sydney Metro.
- Brisbane and the Queensland Government are building Cross River Rail, another heavy rail project which will integrate with their existing and well-used heavy rail network.
- The Victorian Government is undertaking record rail investment with their Suburban Rail Loop which will expand and integrate with their existing very popular suburban rail network.
- The Western Australian Government is spending significant amounts on rail network infrastructure.



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These cities have existing rail systems with high patronage. I understand they are expanding their systems to make sure they support their public transport network. In many of those places, the heavy rail system delivers many of the same benefits as our Light Rail system. The rail system plays a different role from a bus network and is designed to act as a full and complete network that is more useful than the individual stages. Linking multiples stages of our existing Light Rail system is important and we need to consider this when discussing expansion and alternatives to any one stage.

Your letter states that experts say Stage 2 will cost \$3.8 billion. Can you tell me where that figure comes from? I note that Stage 1 of Light Rail came in under forecast budget of \$783m and cost \$675m.

Transport is always a large component of our Budget. For instance, roads cost a lot. I understand that the pipeline of current road duplications in budget or completed currently is at least \$947m. Future projects are budgeted at \$375m. The cost of maintaining our existing roads network and various other projects add further expense. Building road infrastructure also contains high hidden costs by shifting a significant cost burden onto the individual driver as well as society via congestion, car-based infrastructure like roads and parking, and the environment. Transport must be carefully managed, no matter what form is chosen.

You noted concerns about fares not meeting direct costs. Similarly, fares do not cover the cost of our bus network, nor does revenue collected from private vehicles (such as through vehicle registration) cover the costs of our roads. The ACT Government does not build or fund public infrastructure or fund public transport on a privatised or purely cost-recovery basis. The ACT Government provides services based on public need and public benefit. Climate change, congestion, a growing population and the need to provide convenient car-free public transport that suits Canberrans are all strong reasons to provide this service. However, Light Rail fares represent a higher proportion of the running costs than the bus network due to Light Rail's high patronage.

Thank you for identifying the Auditor-General's report. I am really glad we have an independent Auditor-General to provide scrutiny, particularly for major projects like this one. The [ACT Government](#) has responded and agreed with most recommendations. The ACT Government response sets out the context in which the 2019 business case was developed and released and changes that have occurred since including progress on the design and the \$132.5 million of Commonwealth funding for Stage 2A. The response notes that the ACT Government will provide updated information on project costs through established reporting, procurement and public disclosure channels once procurement and negotiations are concluded.



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I encourage you to monitor those channels. If you have specific questions raised by the Auditor-General that have not been answered, I encourage you to raise those directly with the Minister for Transport, Chris Steel, or the Chief Minister, Andrew Barr.

Thank you for raising concerns around tree removal, earthworks and associated infrastructure like roads, bridges and concrete. Canberra is a growing city and we need more housing and infrastructure to meet our population's needs. The impacts of these changes need to be considered against the infrastructure that goes into developing new greenfield suburbs in bushland and grassland and major road and highway networks to connect those. The development of transit-oriented development as infill along our Light Rail corridors has significantly lower financial costs to the future residents and government than developing new greenfield suburbs on the city's outskirts.

Compact development like this is also much less environmentally damaging and produces fewer construction and ongoing climate emissions. ACT Government is considering new ways to reduce Scope 3 embedded emissions on projects like this and I will be following this closely to make sure we reduce our embedded emissions. It is also worth reiterating that all stages of development have been, and will continue to be, subject to environmental assessment processes under both the ACT Planning system and the Commonwealth under the *Environment Protection and Biodiversity Conservation Act 1999* (EPBC Act). This will ensure ecological and heritage values are protected.

I am pleased to hear your support for electric buses. The ACT Greens are also strong supporters of electric buses. We took a commitment to the 2020 election to phase out diesel buses and buy no new diesel buses. ACT Government is following through on that commitment. Electric buses will continue to play an important role in our transport future and the expansion of our bus network. Improvements to frequency, reliability and reductions to public transport journey times are all goals the ACT Greens are working towards. We are working towards increases in the number of buses and drivers in our network too as well as a more rapid transition to a fully zero-emissions bus fleet.

Buses work well in conjunction with the Light Rail. They do not have the same capacity nor the same patronage. They play a different role. The fixed nature of the Light Rail system is one of its benefits. It allows people to make choices about where to live and work and form car-free transport habits knowing that their network will remain there forever. The fixed network and its' certainty is a key benefit.



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Light Rail Stage 2 will include wire-free running and onboard batteries. This reduces risks about overhead wires leading to network closures. However, even for sections of the network with overhead wires, I understand that these risks are minimal.

The construction of the Light Rail spine down Adelaide Avenue and Yarra Glen will open up many more suburbs to our mass transit network. Most suburbs it runs adjacent to will have easy access via walking, riding or other micro-mobility options to get to the Light Rail Stations. The ACT Greens are also working to improve these active travel and micro-mobility connections.

We are working hard to ensure that as Stage 2a and 2b are developed that we get the best possible Light Rail system, one that runs to Mawson, enables transit-oriented development and gives nearby residents options to ditch the car altogether once it is completed. We also want to ensure that good active travel infrastructure is delivered as part of this project. We will advocate for all of these inclusions as well as ensuring transparency in the development of Light Rail Stage 2 over the coming years.

The ACT Greens and ACT Labor have a shared commitment to the delivery of Light Rail Stage 2 and beyond. The Canberra Liberals have now also stated strong support for Light Rail in the Legislative Assembly several times. Canberra has also had multiple elections with Light Rail as a major issue, and has repeatedly chosen to back it.

We have considered these issues and the ACT Greens continue to back this project. An integrated Light Rail network meets the needs of many Canberrans, allows zero-emissions sustainable transport and provides transit-oriented development without further urban sprawl.

However, I understand and respect that you have a fundamentally different view of this project. Please do let me know, any time, if you have further specific questions about this project, or feel free to contact the Ministers responsible.

Yours sincerely

Jo Clay MLA