

Australia: Sydney congestion

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Infrastructure Australia's priority list for 2018 is focusing on resolving congestion in Sydney, the country's largest city.

The independent advisory had forewarned of its focus on cities in February (2018), when it called on the federal government to take a more central leadership role in forming urban transportation policy. "Australia needs to start setting national objectives that allow our cities to realise their full potential and remain globally competitive," Infrastructure Australia CEO Philip Davies said at the time.

Beyond solving congestion in Sydney and the country's biggest cities, Infrastructure Australia said more than A\$55 billion (\$42 billion) will need to be spent on transportation across the country.

"These are the strategic investments recommended by the independent Infrastructure Australia board to best meet the connectivity needs of Australia's growing cities," Infrastructure Australia Chair Julieanne Alroe says.

Sydney's roads are one of the most clogged in the world, with average speeds of 73km an hour, not only slower than Melbourne, but also Boston, Philadelphia, New York and San Francisco, according to a January (2018) Austroads report.

Infrastructure Australia has identified six "High Priority" projects, four of them in Sydney. Of the six projects, five are meant to address urban congestion.

- M4 Motorway upgrade in western Sydney, NSW
- West Connex in Sydney
- Sydney Metro, City and Southwest, NSW
- Western Sydney Airport
- M80 Ring Road upgrade, Melbourne, Victoria
- Brisbane Metro, Queensland

Some are already moving forward. NSW is in the process of privatising 51% of WestConnex toll road. As *IJGlobal* has reported, [shortlisted bidders](#) are awaiting further information from the state government.

Shortlisted bidders – and their advisory – are understood to include:

- Transurban / AustralianSuper / Canada Pension Plan Investment Board – advised by Macquarie Capital, UBS and Morgan Stanley
- Pacific Partnerships (CIMIC Group) – understood to be advised by JP Morgan
- Plenary / Cintra / Caisse des Dépôt et placement du Québec – advised by RBC Capital Markets and Deutsche Bank
- IFM Investors – advised by Bank of America Merrill Lynch and Citi

Goldman Sachs is financial adviser to NSW on the auction.

The report also prompted NSW state government to released drafts for four future road and rail infrastructure corridors:

- North-South rail corridor, between Western Sydney Airport and the existing Sydney train network
 - Outer Sydney Orbital road and rail freight corridor
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- Western Sydney freight connection
- M7 road connection to the Bells Line of Road

Others, however, remain in limbo. The Victorian government has [pushed back procurement](#) of the North East Link road PPP near Melbourne until at least after the state government election, which has to take place by 24 November 2018.

More rail

Another key priority will be connectivity between the major cities by rail.

“As Australia’s population grows by around 1.5% a year, rail infrastructure will be the backbone to Australia’s growing passenger and freight needs,” Australian Railway Association chief executive Danny Broad says.

To that end, Infrastructure Australia has identified another 6 projects on the “Priority List”, with an implementation window of five years.

“The priority list identifies a number of additional opportunities to improve connectivity between capitals and neighbouring cities. This includes improvements to rail capacity on the Melbourne–Geelong and Brisbane–Gold Coast rail lines, as well as rail upgrades on lines from Sydney to the regional centres of Newcastle and Wollongong,” Alroe says.

- Beerburrum to Nambour rail upgrade, Queensland
- Northern Road upgrade, NSW
- Eyre Iron Road, South Australia
- Brisbane to Melbourne inland freight rail via NSW
- Myalup-Wellington water, Western Australia
- Hobart Science and Technology precinct, Tasmania

In addition, Infrastructure Australia has 24 projects under business case study. The full list [can be consulted here](#).

The latest Infrastructure Australia lists should result in infrastructure investments peaking in the years between 2019 and 2020, construction industry association Master Builders Australia chief executive Denita Wawn said.

“Existing government commitments to infrastructure are contributing to a surge in commercial activity over the next five years, with transport infrastructure investment expected to peak in 2019-20,” she said.

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