

Rural & Regional Affairs and Transport Legislation Committee
ANSWERS TO QUESTIONS ON NOTICE
Supplementary Budget Estimates 2015 - 2016
Infrastructure and Regional Development

Question no.: 73

Program: 1.1 Infrastructure Investment

Division/Agency: Australian Rail Track Corporation

Topic: Inland Rail Expenditure on Consultancies and Public Release

Proof Hansard Page: 77 - 78 (19 October 2015)

Senator Gallacher, Alex asked:

Senator GALLACHER: What was the expenditure on consultants in the preparation of the business case and the associated material?

Mr Wood: There are two parts to the consultancies. There were consultancies undertaken in the preparation of the business case, which was done by the ARTC, and then separately there were some consultancies that we contracted directly from the department. I will just see what information I have in relation to those. From the department's point of view, it was a total of \$990,182 over the 2014-15 and 2015-16 years. I am not sure if I have the precise details for the others.

Mr Mrdak: We will take that on notice and will issue a list of consultants and prices.

Senator GALLACHER: So you will give us a list of consultants which were used and for what tasks?

Mr Mrdak: For the inland rail implementation study.

Senator GALLACHER: There was only the one task, is that right?

Mr Mrdak: That is right.

Senator GALLACHER: Were there a number of consultants in that \$990,000?

Mr Wood: Yes, there were. I could give you an indicative list of those now if you want.

Senator GALLACHER: Is it four or five?

Mr Wood: No, about six or seven.

Mr Mrdak: We will give it to you on notice. We will give you a full list of them, and then also the ARTC consultants.

Senator GALLACHER: What was the expenditure on promotional materials associated with the 11 September 2015 inland rail announcement, like video, maps and all that sort of stuff?

Mr Wood: We need to take that on notice. In terms of the actual event, it was a press conference at Parliament House, and the expenditure would have been minimal. There were some printing costs for copies of the implementation report and the business case for the provision to ministers, et cetera. In terms of broader promotional material, there was no cost.

Mr Mrdak: There was production of maps in the development of the business case, but there were no promotional costs.

Senator GALLACHER: Perhaps on notice if we can provide that?

Mr Mrdak: Certainly

Answer:

Consultancies contracted by the Department of Infrastructure and Regional Development in the preparation of the Inland Rail Implementation Group Report to Government, the Inland Rail Programme Business Case and associated material are as follows:

Consultancy	Work Undertaken	Amount (\$ GST incl)
FY2014-15		
Deloitte Touche Tohmatsu Ltd	Validation of demand forecasts	221,967.90
SMEC Australia Pty Ltd	Cost estimate review	137,506.00
Pottinger Co Pty Ltd	Financing phase 1 – scoping of options	179,117.29
Aquasia Pty Ltd	Financing phase 2 – funding structures	195,966.54
Deloitte Touche Tohmatsu Ltd	Shepparton alignment viability	32,705.00
Ernst and Young	Inland Rail commercial structuring	77,288.31

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Total FY2014-15		844,551.04
FY2015-16		
Ernst and Young	Further review of Business Case	137,500.00
ProWritingCBR	Editing of the Inland Rail Implementation Group Report to Government	1,499.25
Aquasia Pty Ltd	Inland Rail Financing Investigations	44,033.46
SMEC Australia Pty Ltd	Cost estimate review	22,084.00
Allens	Inland Rail – Structuring Advice	16,500.00
Total FY2015-16 (to end Nov)		221,616.71
GRAND TOTAL		1,066,167.75*

* Please note: The total funding is different to that previously advised (\$990,000) due to further payments of contracts since Senate Estimates.

The consultancies contracted by the Australian Rail Track Corporation in the preparation of the Inland Rail Programme Business Case and associated material are at [Attachment A](#).

The expenditure on promotional materials associated with the 11 September 2015 Inland Rail announcement of the public release of the Inland Rail Implementation Group Report to Government are as follows:

Work Undertaken	Amount (\$ GST incl)
Printing: <i>Inland Rail at a Glance</i> brochure (100 copies)	212.45
Printing: 2x A1 maps	197.01
Photography	495.00
TOTAL	904.46

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Attachment A

The consultancies contracted by the Australian Rail Track Corporation in the preparation of the Business Case and associated material to end October 2015.

Category	Consultancies	Work Undertaken	EXPENDITURE (\$ GST incl)
Business Case including Port of Brisbane extension studies			5,131,378.88
	PricewaterhouseCoopers	Business Case including demand assessment and financial/ economic evaluation	
	KPMG	Business Case Wider Economic Benefits Review	
	Ernst & Young	Business Case Peer Review	
	ARUP	Port of Brisbane extension studies	
	Deloitte Access Economics	Port of Brisbane Demand Modelling	
	Palazzi Rail	Port of Brisbane Study - Strategic Advice	
Engineering & technical assessment			8,304,425.89
	Parsons Brinkerhoff	Engineering, environmental & technical	
	SMEC Australia Pty Ltd	Tunnel Technical Services	
	Leafcutter	Technical Peer Review (Tunnelling)	
	Lycopodium	Below Rail Maintenance Estimate	
	Indec Consulting	Operational Modelling Peer Review	
	Maloney Field Services	Property Assessment	
Scheduling, procurement & risk management			1,878,654.66
	Advisian	Scheduling, Project Control	
	Everything Infrastructure Group	Procurement/Delivery Strategy	
	Aquenta Consulting Pty Ltd	Risk Management	
	Armstrong Construction	Estimate Review Services	
TOTAL			15,314,459.43

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Question no.: 74

Program: 1.1 Infrastructure Investment
Division/Agency: Australian Rail Track Corporation
Topic: Inland Rail break down of costs
Proof Hansard Page: 78 (19 October 2015)

Senator Gallacher, Alex asked:

Senator GALLACHER: How much is for upgrades of existing track?

Mr Wood: Again we can do that on notice unless Mr Fullerton can give you specific numbers.

Mr Fullerton: No. It has all been calculated, but we would need to take it on notice in terms of being able to break that between the new corridors and the upgrade of the existing corridor.

Senator GALLACHER: How much is for the new track construction? How much for loading and unloading infrastructure? What other expenditure is there, such as signalling and new stations? You say the work has been done, but you just do not have it at your fingertips?

Mr Fullerton: No. There is a cognitive breakdown of all the components of the work for the track from Melbourne to Brisbane.

Senator GALLACHER: How long will it take for us to get that breakdown?

Mr Fullerton: It is a part of what we do to go away and break it down into the items that you are seeking.

Senator GALLACHER: All right. You are going to take it on notice, but we will get it before 4 December, will we? That is the time for the questions on notice.

Mr Fullerton: We will certainly attempt to do that, yes.

Answer:

Of the total estimated cost in the Inland Rail Programme Business Case of \$10.7 billion (at the 'P90' contingency level), \$2.5 billion (24 per cent) is estimated for upgrades of existing track and \$8.1 billion (76 per cent) for new 'greenfield' construction.

A further disaggregation is shown in the table below:

	New 'Greenfield' Construction \$ millions	'Brownfield' Upgrades to Existing Track \$ millions	Total Inland Rail Programme \$ millions
Earthworks and civil works	2,423	473	2,896
Structures (bridges, viaducts etc)	1,784	797	2,581
Track	1,080	849	1,929
Tunnels	1,518	0	1,518
Road bridges, crossings and access ways	1,139	109	1,248
Train control & signalling	170	314	485
TOTAL (P90)	8,115	2,542	10,657

Figures are inclusive of escalation and P90 contingency

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Question no.: 75

Program: ARTC

Division/Agency: Australian Rail Track Corporation

Topic: Inland Rail Spending

Proof Hansard Page: Written

Senator Gallacher, Alex asked:

- (i) How much was spent by ARTC on the Inland rail project in 2014-5?
- (ii) How much has been spent so far in 2015-6?
- (iii) What is the budget for Inland Rail work in 2015-6?
- (iv) What is the budget for work in Inland Rail in the following years:
 - i. 2016-7?
 - ii. 2017-8?
 - iii. 2018-9?
 - iv. 2019-20?

Answer:

- (i) Expenditure by ARTC on Inland Rail in 2014-15 was \$22,803,888
- (ii) Expenditure by ARTC on Inland Rail in 2015-16 (to end October 2015) was \$8,803,084
- (iii) The budget currently allocated by the Australian Government for Inland Rail in 2015-16 is \$100,000,000
- (iv) The budget currently allocated by the Australian Government for Inland Rail in future years is:
 - i. 2016-17: \$100,000,000
 - ii. 2017-18: \$69,090,000
 - iii. 2018-19: \$0
 - iv. 2019-20: \$0