



Photo by Paddy Manning

## Is Nick Cleary's ambitious CLARA project the answer to Australia's fast-rail question?



It's the second-last "Joker Poker" raffle night at the Doodle Cooma Arms, and the crowd's getting happily sozzled. For now the bistro is flat out serving \$12 pizzas but next week the only pub in the New South Wales town of Henty, population 900, will close. The much-loved local has been on the market a while – offers over \$300,000 – but the owner's had enough. The local butcher, Trav, who's sitting at the bar, says he'd buy it himself if he had the money.

"Henty is dying!" says third-generation grazier Doug Meyer, the 71-year-old deputy mayor of the Greater Hume Shire, who desperately hopes to save his home town. The bowlo still looks busy, but given the age of the members its days are probably numbered too. Where there were seven bank branches before, now there's just one, a Bendigo franchise owned by the community. Despite a fitful "shop local" campaign, Henty's main street feels empty: everyone who needs anything heads off to Wagga Wagga, or Albury-Wodonga, both 45 minutes away by car.

Yet this is the heart of the Riverina, source of 70% of Australia's food, at the beginning of what should be a decades-long soft-commodities boom. City folk might have never heard of the place, but farmers have; every

# The Monthly

Q LOGIN

overseas, and there is plenty of water around (in some places, too much). The grass has never been greener.

Roughly halfway between Sydney and Melbourne, in the most settled corner of the country, Henty should be pumping. It isn't: farm aggregation and automation mean employment in agriculture is declining, even as production goes up. As is the case in most country towns, the kids from Billabong High soon head off to the big cities for jobs or degrees, sapping population growth. So it's last drinks at the Doodle.

It's a familiar tale. What's different now is that a private company, Consolidated Land and Rail Australia (CLARA), has turned up in Henty with a plan to build a city of between 250,000 and 400,000 people, five minutes out of town, on a site between Munyabla and Pleasant Hills. As if that's not ambitious enough, CLARA's plan is that Henty would be the fifth of *eight* entirely new cities it would develop over three decades, along the route of a new high-speed rail link between Sydney and Melbourne.

It's the \$200 billion dream of an entrepreneur from the NSW Southern Highlands, Nick Cleary, a one-time dairy farmer, financial adviser and auctioneer, who has assembled a consortium of corporate giants such as Hitachi and GE, a high-powered advisory board including former federal trade minister Andrew Robb and former state premiers Steve Bracks and Barry O'Farrell, and has crack teams at RMIT and CSIRO working up concept designs for his new compact, zero-carbon, water-recycling, fibre-connected "smart cities".

Never mind that Australia has no inland city of a quarter of a million people apart from Canberra. Or that Australia has been talking about a very fast train for more than 30 years. Cleary is powering ahead.

Unusually, the CLARA plan makes no call on government finances: it is 100% funded from what's called "value capture", tapping into the known increase in property value that occurs when land is rezoned and infrastructure such as fast rail goes in. Cleary has been running up and down the Hume Highway, doing secret option deals with farmers, agreeing to buy their paddocks for multiples of what they're worth now, providing he can get his plan up in the next four years. Cleary says he has about half of the land he needs sewn up, having struck deals with 73 farmers so far, but the clock is ticking. Often value capture involves government taxes and charges levied on developers, with revenue hypothecated back to fund infrastructure spending, but CLARA's plan is even simpler. If federal, state and local governments back the plan, Cleary and his co-investors will make so much money out of the hundred-fold uplift in property values that spending \$50 billion on a high-speed railway will be the least of their worries.

It's an extreme, privatised version of "build it and they will come", and is what happens when governments give up on the kind of nation-building that created our bush capital or the Snowy Mountains Hydro-electric Scheme. Instead of a railway built on sound engineering and rational economics, we get a route based on a series of joined-up land deals struck cheaply by an opportunist with "vision". It leads to some almost random outcomes. Henty, the furthest stop from Sydney or Melbourne, is the most unlikely site of CLARA's eight new cities, and Cleary admits it would be the last to be developed, perhaps in 2035. Henty was only chosen because it is equidistant from Wagga and Albury, which have been considered certain stops under most fast-rail proposals on the Sydney-Melbourne corridor, but are bypassed under CLARA's plan, and only serviced by secondary spur lines. Wagga and Albury representatives are miffed, wondering why one wouldn't capitalise on the investment in their existing cities instead of plonking a station in the middle of nowhere. "It's a *Utopia* moment," quips Albury's mayor, Kevin Mack, in a cutting reference to the ABC comedy series.

But former National Party leader and deputy prime minister Tim Fischer, a train aficionado who was a member of the High Speed Rail Advisory Group set up in 2013 by the then Labor government, tells me that CLARA's new station at Henty is far from crazy and "never has been". Almost 20 years ago, as a member of the Howard government, Fischer was championing a Sydney-Canberra high-speed rail line and, as opening speaker at one of Henty's field days, kidded that in the future a nearby station would allow farmers to arrive by very fast train. "From that point on," says Doug Meyer, "anybody that lived near the Henty field day site got nervous." Fischer blames a "lack of boldness" for Australia's failure to build high-speed rail by now.

Meyer knows a fast train to Henty won't happen in his lifetime. Indeed talking about it, he can barely keep a straight face. "Face facts, I'm not going to be here when this station has its grand opening." As someone who fought hard to get a resolution up at a local government conference last year to divert one of the northern rivers into the Darling, Meyer laments Australia's loss of get-up-and-go. "It won't go anywhere because the people of Australia these days don't think further ahead than what they can see. If the same attitude existed in the times of the Snowy Mountains scheme it never would've been built. We've changed from being nation-builders to being people more concerned with things that could go wrong."

Per capita, Australia is the third-richest nation on earth by economic output, according to International Monetary Fund figures from last year. We have \$2 trillion in superannuation funds, the fourth-biggest pool of

The route between Sydney and Melbourne, which is the fourth- or fifth-busiest air corridor in the world, has been identified as the single most lucrative high-speed rail opportunity globally. Foreign companies are lining up to build it. Central Japan Railway Company, who pioneered high-speed rail in 1964, has had an office in Sydney since 1988 waiting patiently for Australia to catch up. Yet today fast-rail networks are spreading out on every continent bar two: ours, and Antarctica.

High-speed rail has long been talked about as an alternative to aviation, which is still heavily dependent on fossil fuels. This is missing the point, says Cleary. It's the regional development along the way that matters most. Fast rail connecting our two biggest capitals would rebalance Australian settlement towards the inland, away from the coast where the majority live. Says Cleary: "Rather than two cities with millions of people sitting on the edge of the coast looking out to sea, with this vast landmass behind us, it's time that we started looking at [this] opportunity and opening it up."

The alternative is the unchecked sprawl of Sydney and Melbourne, where property prices are already astronomical, and where commuters spend up to three hours a day in cars just getting to work and back. Cleary calls them vampire cities: people leave home so early and get home so late that they only ever see one another in the dark. Meanwhile, prime farmland on the edge of the metropolis disappears under residential subdivision. On current projections, the two capitals will swallow up between 8 and 11 million of the 14 million new Australians expected by 2050. "I think if you said that to most people in Sydney and Melbourne they'd nearly die," says Cleary. "Because everyone knows that the system is already congested and it's overflowing."

Former tennis champion John Alexander is the Liberal backbencher who has chaired the yearlong Standing Committee on Infrastructure, Transport and Cities, looking at the role of transport connectivity. After all the feasibility studies over the years, he sees a "perfect storm of opportunity" to finally make high-speed rail happen, funded entirely by value capture. When Prime Minister Malcolm Turnbull was presented with the CLARA plan in March, he said it was "all my dreams come true", although he later added that things that looked too good to be true often were.

High-speed rail: it has to happen; it will never happen. Two sides of a coin, spinning around forever. Can Australia even *do* nation-building anymore?

**In the great Australian land-grab, we have had our share of visionaries who dreamed of building new cities** – from Boydtown to the Multi-Function Polis – only to come a cropper. The overly ambitious property developer is part of our psyche: at best we get NSW governor Lachlan Macquarie or Lend Lease founder Dick Dusseldorp; at worst we get Eddie Obeid or the syphilitic Tasmanian commandant in Richard Flanagan's *Gould's Book of Fish*, who winds up circling on his national railway, 200 yards long, admiring the backdrops painted especially for him.

We have also had stop-start, government-led attempts at regional development. Back in 1973, for example, Prime Minister Gough Whitlam invested almost \$100 million to make Albury-Wodonga home to 300,000 people by the turn of the century. Malcolm Fraser cut the decentralisation plan three years later, and the twin cities now have a population of around 90,000.

For sheer audacity, the CLARA plan to build eight new cities trumps them all, and Nick Cleary is a most unlikely proponent. Now 40, Cleary grew up on a dairy farm in Bowral, some 100 kilometres south-west of Sydney. After leaving school he did a farm apprenticeship, but instead of working for his dad Cleary struck out on his own, managing the properties of Sydney-based absentee farmers, subcontracting the work out, and making a margin. Meanwhile, he studied business and finance, and worked as a financial planner. After getting married and starting a family, Cleary bought his own dairy in 2004, with 500 cows, but ran into debt within a couple of years as fuel and feed prices doubled, and milk prices halved. With interest rates on business loans skyrocketing, four young kids and another on the way, the Clearys were completely wiped out in the financial crisis. They lost the dairy, their home, everything except a second-hand Ford they bought for \$2500. The family company is named after the car's number plate, WHA-240, now framed at home. Then in his early 30s, Cleary had to work four jobs to get back on his feet, and for a while he woke at 2 am each morning to deliver newspapers. Eventually he went into business coaching and then real estate. His Twitter account, sprinkled with inspirational quotes from Gandhi and Confucius to Lincoln and Mandela, turned into a picture-stream: Cleary on his feet, auctioning off homes all over Sydney, rolled-up contract held tightly in hand. Sold! Sold! Sold!

Five years ago, Cleary had a really big idea: he chose what he thought would be a perfect site for Sydney's second airport, near Sutton Forest, south of Bowral, and took an option over it. An option to buy land is a handy tool for developers with a grandiose scheme and no means to pay for it yet. It is simply a contract to pay a set price

# The Monthly

Q LOGIN

made much more sense than building the airport at Badgerys Creek on the fringe of Sydney's heavily populated south-western suburbs. But Cleary, a long-time member of the National Party, had misread the political debate. After 50 years of delay, the Badgerys option was firming, and the vision faltered.

Not to be discouraged, Cleary saw new potential for the Sutton Forest site, which would later become the first stop under CLARA's even bolder high-speed rail plan. In the lead-up to the 2010 election, in a deal to win Green preferences, the then transport minister, Labor's Anthony Albanese, had promised a \$20 million feasibility study into high-speed rail on the east coast. Three years later a comprehensive 'High Speed Rail Study: Phase 2 Report' led by consultants AECOM came up with an optimal route: one costing \$50 billion, from Sydney to Melbourne, with a spur line off to Canberra; and another, from Sydney to Newcastle to Brisbane, with a spur line off to the Gold Coast, costing \$64 billion. The 534-page report remains the most authoritative look at high-speed rail in Australia, although there is still plenty of debate about its assumptions and conclusions. The most pressing need, the report found, was to protect the corridor. Each time high-speed rail has been studied over the years – in the 1980s it was the Very Fast Train, in the 1990s there was the Speedrail consortium – the projected cost of construction has gone up as more of the corridor is built over, meaning more expensive tunnelling under the cities. When Labor set up its heavyweight High Speed Rail Advisory Group, it put aside \$50 million to establish a planning authority, including the states, to reserve the corridor. After the 2013 election, Tony Abbott, who wanted to be known as the "infrastructure prime minister" but preferred to fund private tollways, abolished the advisory group, and counted the \$50 million as a budget saving. High-speed rail was dead in the water, again.

Not for Nick Cleary, who only saw opportunity. The impetus came from a chance meeting with John Alexander in Wahroonga, northern Sydney, in 2015, where Cleary was the auctioneer at a Rotary Club charity dinner. While in Opposition, Abbott had put Alexander in charge of a taskforce on sustainable cities policy, and another on a 2020 vision. Chatting over dinner that night, Cleary told Alexander of his dream to link Sydney and Canberra by high-speed rail, via the Southern Highlands and Goulburn, all privately funded. "Why stop there?" Alexander asked. It was a light-bulb moment. Fired up, Cleary spent the next six weeks poring over the Sydney–Melbourne high-speed rail corridor identified in the Phase 2 Report. Then, rather than wait for federal and state governments to declare the corridor officially, Cleary decided to roll the dice and put his foot on key sites along the way.

However, Cleary soon had to depart dramatically from the corridor identified by the experts, which proposed seven stations between Sydney's Central Station and Melbourne's Southern Cross: at Holsworthy in Sydney's south; Mittagong; Civic in Canberra; Wagga Wagga; Albury-Wodonga; Shepparton; and the northern Melbourne suburb of Campbellfield. Cleary couldn't option cheap land in those places, where tracts were already cut up into small lots. He needed to negotiate with a minimum number of parties, over big parcels of land – between 5000 and 10,000 acres for each of his new cities. Cleary says he never told the owners why he wanted to buy their land: "We didn't want it to get out into the media because we see one of our major assets is to have the land under our legal control. What we did tell our landowners was that it was a significant infrastructure project that was going to mean jobs to their region. We couldn't tell them any more about that at that point in time."

Since going public, Cleary says the response from landowners has been overwhelmingly positive. "Certainly none of them have asked for a better price."

Cleary needs his landowners onside, and has to pay them an annual fee to keep his option alive. The result of Cleary's acquisition spree, which has so far cost CLARA just under \$3 million, is eight of the greenest-of-greenfield sites you could imagine: Sutton Forest; Marulan, east of Goulburn; Jerrawa, east of Yass; the junction of the Hume and Snowy Mountains highways, south of Gundagai; Mynyabla, west of Henty; Tocumwal, on the Murray River; Tallygaroopna, north of Shepparton; and Nagambie Lakes. Each site is a 5- to 15-minute drive from anywhere, but Cleary sees this as a selling point. He's not wrong: under CLARA's plan, apart from becoming outposts of a nearby larger city, the heritage and character of existing towns along the corridor will be preserved. Just as the locals like it.

Semi-retired real estate agent Peter Curlewis, who has agreed to sell CLARA his 311-acre farm at Jerrawa, told me how the negotiation went down. Curlewis is 76, and says his wife prefers their flat in Canberra nowadays, so she can go to the galleries and shows. Curlewis' son is too busy managing the family's real-estate agency to keep up the running of the farm. One day, Curlewis received a letter from CLARA and, curious, he made an appointment to meet Cleary. Land near Yass sells for \$1500–\$2000 an acre, but Cleary was offering to pay him two or three times that. (The figures are confidential.) Curlewis agreed, and also offered to help sign up local farmers through the family agency. "Initially there was a fair bit of surprise and scepticism," he says. "I think there's now a realisation that it's probably going to happen."

Farmers are not necessarily telling their neighbours about their decision to sell to CLARA. At the site south of Gundagai, I walked up the driveway of one property to ask about the plan. A city of a quarter-million people

# The Monthly

Q LOGIN

CLARA relies on the more obscure sites like Henty or Tocumwal. They have to build all eight cities, Cleary tells me, to fund the whole line. "The eight cities [plan] works because it's only got 400,000 people [per city]. Some people say, 'Why have eight cities? Why not just have four cities?' If we had four cities of 800,000 people the pressure would be so great it'd be inefficient. Or they'd be so wide that we'd get urban sprawl and defeat the whole purpose of what we're trying to achieve. There are certain metrics that will make this work. If we were to cut out certain cities we can't pay for the whole thing. That's the reality of it."

CLARA's plan is technology-agnostic: the choice of engineering partner will determine whether the line will be steel on wheel, magnetic-levitation technology, or involve something else entirely. The assumption is that on average the trains will travel at 450 kilometres an hour or more, meaning Sydney to Melbourne will take less than two hours. CLARA envisages a roll out in three phases: first, Melbourne to Shepparton, which will be documented and submitted to the Victorian government early next year as an unsolicited or market-led proposal; second, Sydney to Goulburn; third, Yass to Canberra. Or something like that. Cleary admits it's a moveable feast.

Roughly, CLARA's numbers go like this: farm land bought for an average of \$1000 per housing lot is transformed into eight cities with roughly 165,000 lots in each, sold at the equivalent of \$150,000 per lot (8 x 165,000 x \$150,000 ≈ \$200 billion). Of the \$149,000 uplift per dwelling allotment, \$80,000 is for civil infrastructure, \$35,000 will fund the rail, and \$34,000 is CLARA's profit margin. The plan is to sell down CLARA in stages (mainly as non-voting shares to retain control), culminating in a \$4 billion-plus float after the scheme has all necessary approvals and construction is set to begin, scheduled for 2021. Based on the market capitalisation of other listed developers, the float should value CLARA at more than \$30 billion. With a stake of roughly 30%, Cleary alone would be worth a cool \$9 billion. He plays that down. "There would be plenty of money to go around but I haven't even thought about that," he says. "It's certainly not the driving factor. If you did this because you were going to get a big payday you'd be mad ... My aim here is to make a difference, to provide a solution, and to implement that solution. And if we do all right out of it? Great."

What he doesn't want is a federal government call for expressions of interest or a tender that would consider all comers on an equal basis. Rivals are emerging, from Chinese and Korean consortia to the American "Hyperloop", brainchild of Tesla's Elon Musk, which would send cars of 24 people down vacuum tubes at near-supersonic speeds. Quicker than a plane, Hyperloop technology is straight out of science fiction. Sydney to Melbourne would take less than an hour; Sydney to Newcastle, ten minutes; Melbourne to Shepparton, five. In late October, Hyperloop One executive Alan James told John Alexander's Standing Committee on Infrastructure, Transport and Cities, "if you connect A and B with a railway, you get A plus B. If you connect A and B with a Hyperloop, you get 'AB-ville'; effectively, a single economy where it does not really matter where you live or work."

With such powerful competitors breathing down his neck, Cleary wants CLARA's plan picked up right now, as he told the same standing committee. If the fast-rail planning process is opened up to all comers, "the risk is that we do not get started. [That] is a risk that we do not want to take. There are opportunities there ... We are not looking for money. We are not looking for any legislative changes. We are looking for the existing planning framework to be placed on top of our sites ... [We have] a unique idea and a tremendous vision that can be implemented with the land we have, and with the opportunity that exists."

He urged the government to "show leadership" and warned that a tender process would take years.

With CLARA having its foot on the land, Cleary imagines it is in the box seat. But that is true only if governments agree to his corridor. Some days after Cleary's appearance, Alexander told me that his job was to look at the national interest, not CLARA's interest, and the committee was quite likely to recommend a call for expressions of interest.

**Cleary doesn't mind being called a dreamer, or even crazy. People said the same thing about his hero, Maha Sinnathamby, the Malaysian immigrant of Tamil descent who has spent the past 25 years building a new city, Springfield, on the outskirts of Brisbane. Cleary says Sinnathamby, worth more than \$900 million according to the BRW Rich List and certain to be crowned a billionaire, was an "absolute inspiration of mine" since the very beginning. He devoured Sinnathamby's biography, *Stop Not Till the Goal Is Reached*, published in 2012, and went to Springfield, which he describes as a "magnificent achievement". Cleary once tried to get a meeting with Sinnathamby, but admits, "I was a bit too much of a dreamer at the time, and maybe I just couldn't get through the PA."**

Sinnathamby's success, while overcoming deep-seated racial prejudice, is one of those rare demonstrations that Australia can be a land of opportunity. It is easy to see why Cleary would find in him a kindred spirit. Like

# The Monthly

Q LOGIN

government to spend \$400 million to put a rail link out to his site. That made all the difference. [That] meant that he could get a site that was probably very low density – even rural-residential almost – and convert that to much higher density and a viable, almost inland, city ... [CLARA] is just a bigger version really of what Maha has achieved. It's in action now. They've got 30,000 people there; it's just amazing."

When I visit Springfield (not named after the Simpsons' home town), the middle of it is still a vast construction site where monolithic office and apartment towers are springing out of the ground, and earthworks are underway for new health and education precincts. Aside from the Springfield Land Corporation's own headquarters, there is a data centre and a building for GE, and lots of cars. To me the place feels more like a sprawling business park than a city. But between the two train stations and the big shopping centre, the hospital and a University of Southern Queensland campus, there are people everywhere and it looks busy. Some of the housing looks established, nestling up to man-made lakes or the Greg Norman-designed golf course, and resale prices are said to be healthy. There is no urban fabric, to the eye at least, but Sinnathamby is honest enough to admit a city's culture takes a long time to develop, and the process can't be forced. "You can't pump it," he says. "It's not natural." Importantly, Sinnathamby says, there are jobs at Springfield, where the unemployment rate is 3%. Sinnathamby was determined not to build a dormitory city, full of commuters to Brisbane. By focusing on education, health and technology, Springfield has emerged as a rival to Ipswich, which is increasingly jealous of its neighbour's success.

Sinnathamby is sympathetic to Cleary's plan. "I admire his courage and enthusiasm ... I think as far as a [high-speed] rail line goes between Sydney and Melbourne, it is very important to have that, we all recognise it and somebody has to do it." But Sinnathamby laughs, with a convincing mania, when he says that he and his team have worked 24 x 7 for 25 years to make Springfield, population 34,000, what it is today. Sinnathamby says building eight cities from scratch along the Sydney–Melbourne corridor, each ten times bigger than Springfield, would take "a superhuman effort". Unlike in India or China, he says, people can't be moved around at will.

Obviously, Cleary hopes to become as rich as Sinnathamby is, except his timelines are much shorter: he wants to do it in five years.

## **Sometimes it seems CLARA's wheels are already coming off. Its first managing director, financier**

Jay Grant, quit in July, and Cleary won't say why. Grant's firm, Newhaven Wealth, has since sold out of its shareholding in CLARA – whether at a profit or loss is unclear. Announcement of a replacement managing director was apparently imminent at time of writing. Meanwhile, Steve Bracks and Barry O'Farrell have both resigned from the advisory board. They were only ever going to be involved at the launch, Cleary says, and remain supporters of the project. Neither returned calls from the *Monthly*. Andrew Robb, who remains on the advisory board, which meets by phone, was overseas and also unavailable for comment. Cleary is raising \$35 million to fund the first stage of the project, and that process, originally expected by the end of 2016, will not be finalised until March–April. When I asked the prime minister's office and those of the NSW and Victorian premiers about CLARA's plan, there was no comment. ACT chief minister Andrew Barr has already said he is "very wary" of CLARA's plan. Decentralisation, after all, is not really in Canberra's interest.

At this stage it's not even worth picking holes in the CLARA plan. It's almost all hole. Without the most basic details – like where, or when – local mayors whose shires might host one of CLARA's new cities are scratching their heads. Their in-principle reactions range from doubtful to enthusiastic, but the conversation occurs in the same way one might talk about living on Mars. The new mayor of Wingecarribee Shire, Ken Halstead, ponders whether residents of the toney Southern Highlands want a quarter of a million refugees from Sydney shoehorned into their district. On his own stomping ground, Cleary admits, "We've had a mixed review here, to be honest with you." The new mayor of Goulburn Mulwaree, Bob Kirk, points out how many years it took, and how much money was spent, to put in just one new water pipeline to supply an expected 30,000 residents by 2030, in a city whose dams got below 3% during the millennium drought. Kirk's predecessor, Geoff Kettle, who pulled together a coalition of 18 councils supporting high-speed rail when Labor was in government, is very supportive of CLARA, but questions whether it has the right end of the stick, and should be doing Sydney–Canberra before Melbourne–Shepparton. Shepparton mayor Dinny Adem, who spoke at CLARA's launch six months ago, is a big fan, although he says a decent heavy rail service to Melbourne – like Bendigo's – is a much higher priority. Agribusiness after all is a highly globalised industry, on the cusp of a boom, and recent free-trade agreements open up massive opportunities for the area. Adem has struck a deal to export nectarines directly to China; apples and pears, apricots and plums are next. Having said that, Shepparton almost lost its famous SPC cannery a few years ago and was looking shaky even in November.

# The Monthly

Q LOGIN

one of the councillors I spoke to dismissed the CLARA plan. Anything to give country towns a boost, an economic imperative, and stop the kids leaving. Even those who haven't met Cleary endorse his ambition.

**While researching this story I contacted the Australasian Railways Association, whose** spokesperson, Emma Woods, at one point said that the obvious first steps for high-speed rail in this country were to protect the corridor and choose a technology, so that smaller, more affordable networks that grew organically from the major capitals – whether from Melbourne to Shepparton, Sydney to Newcastle, or Brisbane to the Gold Coast – could eventually be joined up with confidence. “All it takes is for federal, state and local governments to work together,” she said. At which point I had to laugh.

Even if our creaking federation can be made to work, nothing will kill off a long-range project more effectively than politics as usual. In 2013, former Goulburn mayor Geoff Kettle was at Parliament House for an industry get-together on high-speed rail, on the very night Kevin Rudd deposed Julia Gillard. The suits fell to their phones as texts and emails announced another prime ministerial knifing. The conference unravelled.

Our most recent experience in nation-building, the National Broadband Network, is not going well. Can we do better next time? For Angus Taylor, Liberal MP for the Southern Highlands seat of Hume and the federal assistant minister for cities, nation-building is somewhat personal. Taylor's grandfather, the engineer William Hudson, was manager of the Snowy Mountains scheme for almost 20 years. Taylor knows its history intimately, and has no doubt Australia can still do nation-building, but he adds: “The Snowy wasn't created from a grand master plan on day one, let me tell you, it evolved over time. It had to get some early successes – Guthega Dam was in fact its earliest success – to then move on from there. The idea that you can come up with a nation-building project on the back of a serviette, and then demand that it be done, is just crazy.”

Cheap shot or otherwise, Taylor has a similar critique of the former Labor government's approach to high-speed rail: “When Albo did his \$20 million business planning for the Brisbane–Sydney–Melbourne high-speed rail link, regional development or urban development or city building got a paragraph. It got a paragraph! In a \$20 million project! ... When there was an opportunity to think really hard about building great cities, it was just absolutely missed.”

Albanese hits right back at Taylor, who he says is all talk: “When he's built something, anywhere, he can be critical.” While the PM likes to tweet pictures of himself on public transport or opening new railway lines, Albanese fumes that they were commissioned by Labor. “This is a government who haven't laid a metre of new rail track, anywhere, but have been quite happy to attend openings of projects like Regional Rail Link [in Melbourne] and Moreton Bay rail line [in Brisbane] ... and pretend that they had anything to do with it. They're now in their second term, they still haven't commenced a single passenger rail project anywhere in Australia.”

So the debate threatens to sink back into a tennis match. But with high-speed rail there is a glimmer of hope. Albanese is persisting with his private member's bill to establish a high-speed rail authority, with representatives from state and local government, at least to protect the corridor once and for all. Thankfully it is not an especially high-profile bit of legislation – greater media attention does not seem to help with these things – and the politics are not especially hard. With a smidgin of goodwill, perhaps, one day soon, something like Albanese's bill might pass parliament. Industry minister Greg Hunt returned from a November trip to China and Korea and declared “now is the moment” for high-speed rail in Australia, and the cabinet would be taking it forward.

John Alexander's standing committee is preparing its final report, which at the time of writing is scheduled to be released before the end of 2016. Alexander is hopeful that the report will not gather dust, like so many others, and says the prime minister chose a standing committee of the lower house precisely because he was hoping for some bipartisanship. “We have to elevate ourselves above political debate,” says Alexander. His own back-of-the-envelope numbers are both more and less aggressive than CLARA's: capturing \$100,000 in value from the sale of 50,000 lots per year for a decade would be enough to fund a \$50 billion railway, he says.

Albanese says value capture has become a sort of panacea for many in the Turnbull government, who think it means infrastructure can be built for free. What's more, while he's convinced of the merits of high-speed rail in Australia, he doesn't believe that the development of eight entirely new cities along the Sydney–Melbourne line is feasible. “I don't think a [high-speed rail] system in itself will create eight new cities. It will assist development of cities where they are now, including places like Albury–Wodonga and Canberra, dare I say it [but] the idea that eight cities will come from scratch is, I think, very ambitious.”

**The closure of another country pub is not nothing. It is hard enough driving past them, boarded up,** often right across the street from each other, grand old pubs with vast balconies that still sing of long hot raucous

# The Monthly

Q LOGIN

regional Australia. The diokes just sit at home and drink, and they get depressed ... they just sit at home and worry."

The continuing depopulation of inland Australia raises the question: have the settlers actually failed to make an attachment to this land? Australians crowd around the edges of the continent, hemmed in between a hotter, drier, angrier landmass and the rising seas, leaving FIFO workers and robots run by multinationals to mine and farm the interior.

It's an admittedly bleak scenario.

Nick Cleary is much more upbeat. "The way to motivate yourself," he says, "is to have something to aim for and to actually prove to your kids that things can be achieved and this nation is a great nation and it is a lucky country and there's so much opportunity here.

"To me, there were some dark times. [But then] when we had a site selected for the airport, we went about optioning it and that dream in itself was an opportunity [and] would re-energise me ... Now we're looking at an opportunity over 35 years to make a difference to 2.8 million to 3 million people's lives ... What spurs me on is that you can have that sort of impact. And you can, but you've got to be bold enough to do it."



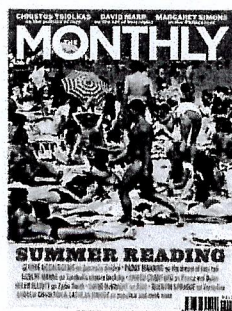
## PADDY MANNING

Paddy Manning is a contributing editor (politics) at *The Monthly*. He is a writer and journalist who has worked for the ABC, Fairfax, *Crikey* and the *Australian*. He is also the author of three books, including *Bogonaire: The rise and fall of Nathan Tinkler*.

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