

# Barnett eyes road to the poll

■ Gareth Parker  
Inside State



With confirmation by the Barnett Government yesterday that it would press ahead with Roe Highway stage 8 as part of \$1.6 billion of road building between the Kwinana Freeway and Fremantle port, it's tempting to say that the contours of the Liberal Party's 2017 re-election strategy are emerging in sharp relief.

It looks like this: knowing that Labor has a huge job to win the nine seats from the conservatives that it needs to take power, the strategy is to sandbag a host of seats with single digit margins by pumping billions of dollars of infrastructure spending in — whether those commitments match the plan outlined at the 2013 poll (or indeed the most highest priority projects for the city) or not.

The Liberal Party's nine most marginal seats, in order from smallest to widest margin, are Belmont (0.9 per cent), Forrestfield, Perth, Joondalup, Morley, Swan Hills, Balcatta, Jandakot and Riverton (9.2 per cent). Labor needs to sweep the lot to take power.

Yet in 2017 the Government will be able to point voters in Belmont and Forrestfield to work beginning on an airport rail tunnel, in Perth to Elizabeth Quay, in Joondalup to a completed extension of the Mitchell Freeway, and in Swan Hills a new Swan Valley bypass road taking trucks away from the vineyards.

Now, Mike Nahan, as the member for Riverton, will be able to claim he is getting trucks

off Leach Highway with the commitment to finally build Roe 8 as part of the Perth Freight Link, therefore delivering on one of the great political shibboleths of Perth's southern suburbs.

But let's take a step back from the politics to examine the project.

The Perth Freight Link, at \$1.6 billion for just 13km of carriageway, is WA's most expensive road project in history. Much of the cost is because of the difficulties of running an environmentally acceptable 6km section through Beeliar wetlands and

re-engineering the Roe Highway interchange at Kwinana Freeway, which was built as a terminus, not a throughway, by the former Labor government after Alannah MacTiernan deleted the Fremantle eastern bypass.

Ms MacTiernan reignited her opposition to Roe 8 yesterday on the grounds that Fremantle port would soon be full, meaning it was better to contemplate a new east-west freight link further south at Anketell or Thomas roads to accommodate the future development of a container port in Kwinana.

The business case summary released by the Government yesterday (flimsy as it is) contains container projections for Fremantle into the future that are higher than previously published estimates.

When it first emerged from the "infrastructure Prime

Minister" Tony Abbott's first Federal Budget, this road was going to be a PPP project (public private partnership) funded 60 per cent by the Commonwealth, with 20 per cent from the State and 20 per cent from the private sector (in return for the heavy vehicle toll).

What was announced yesterday deletes the "P" standing for "private": in effect, the State Government has stepped into the shoes of the private partner and so what the pointy-heads call "demand risk" (that is, will enough trucks be willing to use the road and pay the toll such that the project is repaid?) falls on taxpayers.

How that squares with the Abbott Government's demand that all new big infrastructure projects to attract Commonwealth funds must have private sector participation was not explained.

The upshot for WA taxpayers is that they will now contribute \$650 million to this project rather than \$275 million as flagged.

The Government said that once the road was open for a few years, it might look to sell the revenue stream to a private sector operator in return for a wad of cash up-front (which would presumably be used to pay down the debt).

What is fascinating about WA's first toll road is that the heavy vehicle charge will apply not only to this 13km link project but to the entire 85km freight corridor that is formed by the linking up of the \$1.2 billion Swan Valley bypass now known as Northlink and the \$1 billion Gateway project.

The Government says any user charge will be less than the benefit that the trucking industry receives in terms of time, fuel, maintenance and safety standards, but the devil — as always — is in the detail.

As usual the Government has refused to release the assumptions underpinning its business case, citing commercial sensitivities. As Victorian voters learned this week when their new Labor

Government released the business case for the cancelled East-West tunnel project, a business case without published assumptions can be

manipulated to say pretty much whatever you want it to.

So we are left with no choice but to treat the Government's 2.8-1 cost benefit ratio with scepticism.

And — as Motor Trade Association chief executive Stephen Moir noted yesterday — the fact the private sector has not taken its place in the original project delivery model is perhaps further evidence that the numbers are difficult to make work.

Industry has concerns that if the road is all it's cracked up to be, it will be choked with private vehicles who are not subjected to the toll.

“No truckie in WA would put his rig on the Mitchell Freeway in the morning peak,” Mr Moir said yesterday by way of illustration.

There are whispers in the industry that the heavy vehicle charge might merely be the thin end of a wedge that is later extended to all vehicles using the freight corridor.

That really would be a broken promise but at this point it is far off into the future and beyond the horizon of the next election.

By committing to this project the Liberals will tighten their stranglehold on the inner southern suburbs — whatever the financials say.



**Wary: Stephen Moir**



**Strategy: Colin Barnett**

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Sight of the past?: The Leach Highway heading east at 8.30 in the morning.

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