

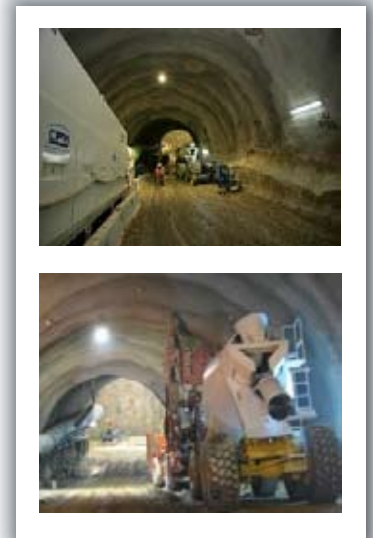
# ANOTHER PUBLIC-PRIVATE PARTNERSHIP DISASTER

## Australia: North-South Bypass Tunnel

The North-South Bypass Tunnel in Brisbane is another 3P disaster from around the world – a disaster much like the failures (SR 91 and SR 125) that have cost California taxpayers hundreds of millions more than they should have. Because they are so profitable, it is not a surprise that multi-national companies and Wall Street investment houses want to bring more such 3Ps to the “lucrative” California market.

### ***What the experts say:***

**The *Courier-Mail* reports that the cost of Brisbane’s North-South Bypass Tunnel is over \$3 billion – not the “\$2 billion plus” figure quoted by Lord Mayor Campbell Newman. The true figure more than triples the original tunnel cost estimate. To account for runaway costs, proposed toll rates have more than doubled and the tolling period has been extended from 35 to 45 years. The tunnel doesn’t even open until 2010.<sup>1</sup>**



## The Public Interest Alternative

- Require competitive bidding.
- Require public oversight, design and inspection to ensure public safety and cost controls.
- Utilize tax exempt public financing which is as much as 35 percent lower than private borrowing.
- Tolls should be reinvested in our transportation and other public infrastructure.
- Prohibit non-compete clauses and cash payments that prevent improvements to competing public roads, increasing congestion.

<sup>1</sup>The Courier-Mail, “Tunnel Price Tops \$3B,” May 24, 2006.