

Talking Infrastructure

Generating Better Questions

CELEBRATING 40 YEARS OF ASSET MANAGEMENT IN 2024!



July 2024 Newsletter

Greetings!

Our 40 year celebrations in Adelaide, Brisbane, Sydney, Melbourne and the Blue mountains were great fun. Ruth and I are still in the process of digesting all we learnt and I am looking forward to catching up with all of you in Perth and Hobart come November/December.

I am now one third of the way through a six month Sabbatical and Ruth and I are considering what infrastructure problems Talking Infrastructure might put its collective mind to. Nick Hansen, Campaspe Shire Council, has suggested we could use a technique for handling multi-factor evaluation on small, council-sized, projects, done in a structured way and in-house. I think this is an excellent idea.

What other ideas might we also consider for tools that could help practitioners in their decision making for new assets? What is it that do you do that you think others could also try?

Another issue in need of attention - and it is not new - is the provision of capital by better funded levels of government (e.g. Federal) and the resultant imposition of ongoing maintenance, operations and renewal on lower levels (e.g. Local) which have very limited sources of revenue. These recurrent costs over the lifetime of the asset outstrip the initial capital costs by at least five to one. We know this. But how can we collect the data to prove it - and demonstrate it effectively?



This month's story.

Some 30+ years ago, I heard of a small Pacific Island nation being approached by the USA Government with an offer to build an airfield on its land. The Chief thanked the representatives and said he would discuss their offer with his people. After doing so, he said his people wanted to know whether the US would also be responsible for maintenance and upkeep. The US representatives were surprised (and probably a bit miffed) to find that what they considered an extremely generous offer should not have been immediately and gratefully accepted, but they replied. "Well no, we would let you do that." The Chief again spoke with his people and then said " We thank you for your offer, but I am sorry, we cannot afford to accept it." I have always thought that they were far wiser than many of us.

I am always happy to hear from you, and thank you for being a member of Talking Infrastructure.

Dr Penny Burns,
Chair, Talking Infrastructure
penny@talkinginfrastructure.com

