



Annual Report

2019



BHP Iron Ore railway, WA © RailGallery
Cover image: Waratah B Series commuter train, NSW © RailGallery

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A Message from the Chairman

A timely journey for the ARA.

How fortunate I have been. To join the ARA as its Chairman just as the rail 'golden era' got underway and to have Danny Broad, ARA CEO join me as my partner to reform ARA to meet the challenges that flow from more than \$100 billion in rail investment from Australian governments.

The first step was a new ARA constitution providing for strong governance by a board drawn from each of the rail industry sectors — the passenger and freight operators, track managers, suppliers and manufacturers, consultants, other rail related bodies and those building the infrastructure.

A democratic process for the election of directors has ensured that all industry interests are well represented.

A top-line team of staff has helped to deliver outstanding results for the ARA — a strong balance sheet and financial performance, membership growth and policy input to best serve rail interests.

However challenges remain — high among them is for our governments to work in a more co-ordinated manner, working with the industry to address skill and resource needs, and harmonising differing standards which impede the industry's efficiency. Greater emphasis on



R N (Bob) Herbert AM

Chairman

emerging technologies and R&D must continue as agenda priorities.

So it is for the ARA to maintain its focus and to drive continuous improvement in all aspects of its service delivery. My term as ARA Chairman will conclude knowing the organisation is in good hands. A new CEO, Caroline Wilkie, is waiting in the wings to take the reins from Danny Broad, who as the incoming Chairman will ensure his experience will not be lost to the industry.

In particular I have huge confidence in the young talent now entering the industry. Into the future, the rail industry can be assured of a diverse workforce bringing forward imaginative ideas with the ARA's Young Leaders Advisory Board (Y-LAB) leading the way.

This augurs well for the future.

A Message from the CEO

I am very proud to present the ARA's Annual Report for 2019 on behalf of my very committed Canberra-based team.

As the rail industry in both Australia and New Zealand experiences a golden age from record increases in investment in new rail infrastructure and new rollingstock such as major metro and heavy rail projects in most capital cities, a renaissance in light rail developments and the continuing construction of the Inland Rail project, the ARA's membership has grown to over 150 companies representing all sectors of the rail industry.

This year has seen the culmination and consolidation by the ARA of various approaches, policies and strategies that have been under development over the last few years for the benefit of the industry.

Our year commenced with the formation of the Young Leaders Advisory Board (Y-LAB), who have provided a compelling next-generation input on the ARA's and the industry's priorities. Together with the ARA Board, Y-LAB representatives and my team, we developed the ARA's Strategy Map for the next five years.

Following the release of the BIS Oxford Economics Report in late 2018 on the industry's skills and resources challenges, the ARA together with twelve senior rail executives presented to the nation's Transport Ministers to advocate for a collaborative approach from all governments and industry to address these challenges.

The ARA also lodged seventeen submissions



Danny Broad

Chief Executive Officer

to government and parliamentary inquiries, promoting a better deal for rail and vigorously representing our industry's interests.

Technology and innovation are at the forefront of the ARA's focus with the formation of the Smart Rail Executive Committee to drive the implementation of the Smart Rail Route Map that was developed in 2018.

We ran a number of exciting programs to build a younger, more diverse workforce such as our Future Leaders Program, Young Rail Professional Forums, conference pitching competitions and scholarships and Women in Rail Pilot Mentoring Program.

Our events program continued to grow throughout the year with most events selling out. We hosted forty conferences, dinners, training courses, and industry forums providing platforms for our members to network, share ideas and experiences and learn of opportunities.

Enjoy the Report. My team and I look forward to catching up with you at AusRAIL PLUS in Sydney.

A Message from the Incoming CEO



Caroline Wilkie

Incoming Chief Executive Officer

Whether you catch a passenger train, tram or light rail in our cities or work for a business that relies upon the rail freight network, the rail industry touches the lives of so many in our communities in both Australia and New Zealand.

Sustainable, efficient and safe rail networks are essential to drive our economies, increase productivity and shape the development of industries across both nations.

Rail, as the backbone of our evolving freight and passenger transport networks, adds to the

social, economic and competitive fabric of both Australia and New Zealand, while addressing the challenges of increasing congestion in our cities and growing the efficiency of our supply chains.

As I read this annual report, I must say how impressed I am with the breadth of activity undertaken by the ARA.

The ARA is a strong advocate for its members and is the leading voice for the rail industry in Australia and New Zealand. It provides tremendous opportunities for its members

to share good practice, network and make connections.

There is already a strong focus on safety, skills development and the implementation of new technologies within the rail industry and I'm committed to leading these agendas and developing others on behalf of our members.

I look forward to meeting you at AusRAIL PLUS 2019 and commencing as ARA CEO in February 2020.

About Us

The Australasian Railway Association (ARA) is the peak body for the rail industry in Australia and New Zealand.

In 2019, we represented more than 150 member organisations, which included:

- passenger and freight operators
- track owners and managers
- suppliers
- manufacturers
- contractors
- consultants, and
- other rail-related organisations.

Our members include listed and private companies, franchisees and government agencies.

What We Do

The purpose of the ARA is to create vibrant cities, thriving regions and a stronger nation. We do this by facilitating the growth and capability of the rail industry while collectively adding to the social, economic and competitive fabric of Australia and New Zealand.

Specifically, we support and advocate for the rail industry by:

- providing strategic policy advice to governments
- engaging with ministers and parliamentarians and providing submissions to parliamentary committees and government agencies
- increasing industry collaboration, networking and information sharing for collective improvement
- enabling the sharing of best practice approaches
- building industry capability, and
- promoting industry career opportunities and pathways.



Sydney Metro, NSW © Alstom / RailGallery

Working with Members

We engage with our members via many avenues. Throughout the year, we provide multiple opportunities to unite our members and the industry more broadly.

Our busy events calendar is structured to regularly bring the industry together to network, share knowledge and address common challenges whilst complementing our program of work more broadly.

Committees and Working Groups

The ARA Board collaborates through its four Executive Committees, which represent the key industry sectors:

- Rail Industry Group (RIG)
- Rail Contractors Group (RCG)
- Rail Freight and Ports Group (RFPG)
- Passenger Transport Group (PTG).

Additional regular working groups and committees are formed for various purposes, including tackling common challenges, exploring emerging policy areas, developing innovative ideas and solutions, and implementing initiatives. They provide a forum for members to share knowledge and input to policy priorities.

In 2019, we managed 16 active committees and working groups. The groups determine their agenda, focus and remit in accordance with our strategic priorities.

Industry Events

Our industry events provide networking and business development opportunities. These events help connect member companies with government agencies, operators, consultants, contractors, suppliers and manufacturers both locally and internationally.

We give members significant discounts on all ticketed events and provide sponsorship opportunities for brands to further increase their exposure.

In 2019, we facilitated multiple industry events including five major rail conferences in cities across Australia and New Zealand, three standalone networking dinners as well



as partnering with other industry bodies to deliver another successful Australasian Rail Industry Awards Gala Dinner.

Professional Development

The ARA runs a variety of one and two-day courses to provide industry employees with a better understanding of the rail industry, as well as specific technical areas such as rail signalling, rollingstock engineering and track engineering.

Recognising that the younger generation and a more diverse workforce are the future of our industry, we also run specialist programs for young rail professionals, young leaders, and women.

Promoting Rail Careers

We market the rail sector and its array of career opportunities to attract new entrants into the industry. As part of this initiative, we support rail careers through our railcareers.net.au website and also manage Rail Careers Week, promoting the range, variety and number of career opportunities available in the rail sector, encouraging people of all ages and experiences to consider working in rail.

In 2019, the ARA together with member representatives presented at seven careers seminars briefing High School Careers Advisors around the country on the career opportunities in rail.

ARA's Strategic Imperative

In 2018, the ARA Board in collaboration with ARA staff, developed the following ARA Strategic Imperative:

Facilitating the growth and capability of the rail industry while collectively adding to the social, economic and competitive fabric of Australia and New Zealand through:

- freight rail, as the backbone of the nation's supply chain, connecting to domestic and international markets

- passenger rail, as the spine of multi-modal travel, connecting people within cities and to regions
 - suppliers, manufacturers and consultants capitalising on the opportunities to engage and deliver, and
 - contractors, underpinning rail infrastructure.
- All benefiting from a diverse, capable and well-trained workforce.

Strategy Map 2019 - 2024

To ensure the effectiveness of the organisation, members of the ARA Board, the Young Leaders Advisory Board (Y-LAB) and ARA staff contributed to the development of a new Strategy Map earlier this year which identifies seven Strategic Outcomes the ARA will work

to achieve by 2024, five Strategic Objectives that sit above these outcomes as key guiding priorities, and nine internal milestones the ARA will work to achieve over the first 12 months. These were endorsed by the ARA Board and are being actively implemented by ARA staff.

Strategic Objectives

The five Strategic Objectives the ARA is working to achieve by 2024 are:

- ARA has a Strong and Influential Voice
- ARA Publicly Influences Public and Media Perceptions
- ARA Conducts Valuable Research and Policy
- ARA Engages in Effective Collaboration with Members and Other Relevant Bodies
- ARA Provides a Strong Member Value Proposition

Strategic Outcomes

The seven Strategic Outcomes the ARA is working to achieve by 2024 are:

- Strong and Favourable Public Awareness and Support
- Enduring Political and Policy Support
- Consistent and Manageable Pipeline of Projects
- National Approach to Standards and Procurement
- Optimised and Customer-Centric Multi-Modal Transport Solutions
- Leading Innovator and Adaptor of Technology and Smart Solutions
- Attractive and Safe Industry to Work In

ARA Board



R N (Bob) Herbert AM
Independent Chairman,
Australasian Railway Association



Danny Broad
Chief Executive Officer,
Australasian Railway Association

Directors



Steve Butcher
Executive General Manager -
Rail, John Holland Group



Howard Collins OBE
Chief Executive,
Sydney Trains



Louise Collins
Chief of Operational Planning,
Pacific National



David Franks
Chief Executive Officer,
Keolis Downer



John Fullerton
Chief Executive Officer,
Australian Rail Track Corporation



Paul Larsen
Chief Executive Officer,
Arc Infrastructure



Michael Miller
Group Head - Government and
Defence, Downer Group



Anna Squire
Australasia Rail Business
Leader, Arup



Leah Waymark
Chief Executive Officer,
Metro Trains Australia

Industry Sector Directors



Chair of the
Rail Industry Group
(RIG)

Michael McLellan
Managing Director,
Knorr-Bremse



Chair of the
Rail Contractors Group
(RCG)

Julian Sharp
Project Director,
CPB Contractors



Chair of the
Rail Freight and Ports
Group (RFPG)

Caryn Anderson
Executive General
Manager, Port of
Melbourne



Chair of the
Passenger Transport
Group (PTG)

Nick Easy
Chief Executive Officer,
Queensland Rail

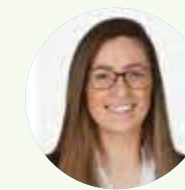
Young Leaders Advisory Board



Neysa Arland
Transdev Auckland



Tegan Ball
Queensland Rail
to 12/9/2019



Jessica Ghaleb
Jacobs



Jane Gillespie
Arup
from 18/9/2019



Mike Groves
Network Rail Consulting



Abdul Jamal
John Holland Group



Amy Lezela
Metro Trains Melbourne



Liam O'Shannessy
Downer














Jamie Ross-Smith
Unipart Group

Reserves: Toby Briggs, Martinus Rail; Josh Steed, SNC Lavalin; Charlotte Moss, Rio Tinto



ARA Committees



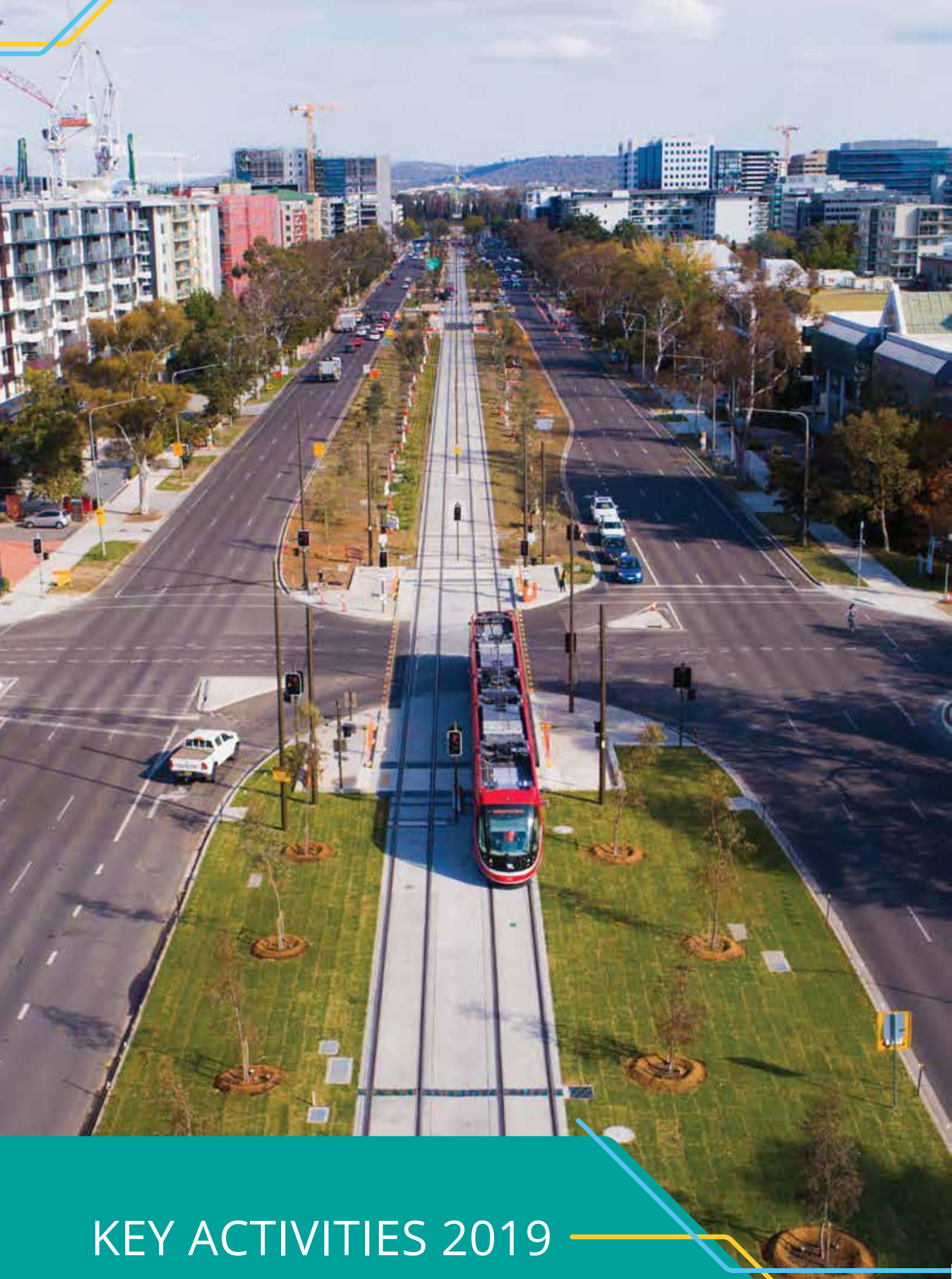
Our Staff

 Danny Broad Chief Executive Officer	 Emma Woods General Manager - Passenger and Corporate Services	 Natalie Currey General Manager - Suppliers and Workforce Programs	 Robert Wilson General Manager - Workforce Development
 Malcolm Larsen Public Affairs and Government Relations Manager	 Maria Morozova Senior Project Manager	 Janet Cameron Events Manager	 Aidan Lewis Communications and Marketing Officer
 Cindy Russell Project Officer	 Jeanne Lean Finance Officer	 Kathy Chandler Support Services Officer	<i>* General Manager Rail Freight - Currently vacant</i>

TrackSAFE Foundation

 Naomi Frauenfelder Executive Director	 Sara Ross National Corporate Affairs Manager
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KEY ACTIVITIES 2019

ARA's 2019 Submissions

In 2019, the ARA provided 17 public submissions to government inquiries and reviews as follows:

- 1

To the NSW Environment Protection Authority to Inform the Development of Environmental Protection Licences for Railway Activities – Rolling stock Operations
- 2

To Austroads on its Motorised Mobility Devices Discussion Paper
- 3

To Freight Victoria on its Port Pricing and Access Review
- 4

To the Australian Communications and Media Authority on Proposed Area-Wide Apparatus Licences
- 5

To the Australian Human Rights Commission on the 'Federal Guidelines: Equivalent Access to Public Transport' Issues Paper
- 6

To the National Transport Commission on the Rail Safety National Law Amendments (Refining the Definition of Rail Safety Work)
- 7

To the Productivity Commission on the Issues Paper for the Inquiry into the National Transport Regulatory Reforms
- 8

To the Federal Department of Environment and Energy on the Review of the Carbon Credits (Carbon Farming Initiative – Land and Sea Transport) Methodology Determination 2015
- 9

To the National Transport Commission on its Issues Paper 'A Risk-Based Approach to Regulating Heavy Vehicles'
- 10

To the Federal Department of Environment and Energy on its Fuel Security Review
- 11

To the Australian Transport Safety Bureau on its Proposed Rail Safety Reporting Amendments
- 12

To the National Transport Commission on the Barriers to the Safe Use of Innovative Vehicles and Mobility Devices
- 13

To the Australian Communications and Media Authority on its Class Licensing Updates: Supporting 5G and Other Technology Innovations
- 14

Two joint submissions with the Freight on Rail Group to the Office of the National Rail Safety Regulator Fatigue Review
- 15

To the Australian Government Treasury for the 2019/20 Pre-Budget Submission
- 16

To the Federal Department of Employment, Skills, Small and Family Business on the Review of the Australian Apprenticeships National Skills Needs List
- 17

To the Senate Standing Committee on Rural and Regional Affairs and Transport Inquiry into the Management of the Inland Rail Project by the Australian Rail Track Corporation and the Commonwealth Government

P14 image: Canberra light rail, ACT
© Canberra Metro / RailGallery

Advocating for Rail

In 2019, the ARA undertook a range of work to support its members and the rail industry more broadly. This work aligns with our Strategic Imperatives.

The ARA continued its work to advocate for rail funding, enabling policy and regulatory reform. We engaged with Australian Government and state members of parliament, local government and public service officials. Some highlights of this work during the year follow.

Briefing Transport Ministers on Skills Shortages

Following continued advocacy to put rail skills shortages onto the national agenda, the ARA presented to Transport Ministers on the impact of skills shortages in rail construction, operations and maintenance, consistent with the BIS Oxford Economics report released in late 2018. The ARA identified existing barriers to skills development and made recommendations for action.

In response, governments are developing a National Rail Action Plan overseen by a working group incorporating the ARA.

Rail Safety National Law Definition

The ARA successfully advocated for the National Transport Commission (NTC) to explore and make amendments to the Rail Safety National Law definition of Rail Safety Work.

2019 Federal Election

The ARA set out its policy priorities to both major parties competing for government at the 2019 federal election.



Deputy Prime Minister Michael McCormack MP addressing AusRAIL 2018.

Accessibility

Via multiple avenues, including during meetings with the Deputy Prime Minister, the ARA continued to advocate for accessibility to be elevated onto the national transport agenda. This year, accessibility has been elevated onto the Transport and Infrastructure Council's (TIC) agenda and the approach to modernise the Disability Transport Standards for Accessible Public Transport (DSAPT) has been amended.

To contribute to the modernisation process, the ARA engaged Monash University to complete a desktop review of the DSAPT and Premises Standards, to provide a credible perspective for rail amendments.

Parliamentary and Government Inquiries

The ARA made 17 submissions to parliamentary and government inquiries on wide ranging transport policy issues. ARA officials appeared before Committee Inquiries to discuss policy positions on passenger and freight rail.

MoU with UK Rail Industry Association

The ARA signed a Memorandum of Understanding with the UK Rail Industry Association (RIA) that will lead to greater co-operation and collaboration between our industries.



ARA CEO Danny Broad, Board Member Caryn Anderson, SA Minister for Transport, Infrastructure and Local Government Stephan Knoll MP, Chairman Bob Herbert and Frauscher Sensor Technology MD David Townsend in Adelaide.

Networking, Learning and Celebrating

In 2019, the ARA conducted 40 events across nine cities, attended by more than 5,000 rail professionals and featuring more than 430 expert speakers.



CEO Danny Broad speaks at AusRAIL 2018 in Canberra.

AusRAIL 2018

AusRAIL 2018 was held in Canberra with more than 800 attendees and over 100 companies exhibiting. To capitalise on the rail industry's presence in Canberra, the ARA hosted a 'Rail on the Hill' networking event, bringing together ARA members, Australian Government MPs and Senators at Parliament House.

Australasian Rail Industry Awards

The 2019 Australasian Rail Industry Awards Gala Dinner was held in Sydney, with a record crowd of over 500 professionals celebrating our industry's achievers and innovators. More than 120 nominations across the thirteen award categories were received.

The Awards Organising Committee consists of representatives from the ARA, Institute of Railway Signal Engineers (IRSE), Railway Technical Society of Australasia (RTSA), the Rail Track Association of Australia (RTAA) and the Permanent Way Institute (PWI).

Industry Conferences

Conferences held on Light Rail (Melbourne), New Zealand Rail (Auckland), Heavy Haul (Newcastle), and the ARA/ Australian Logistics Council Inland Rail Conference (Toowoomba) brought together executives from these key areas of the Australasian rail industry with delegates eager to hear about the successes, opportunities, innovations and challenges in each sector.

Young Leaders Advisory Board

At the start of the year, the ARA established the Young Leaders Advisory Board (Y-LAB), of eight emerging industry leaders to give the ARA Board strategic advice and insights from the next generation on issues facing the industry.

Women in Rail

Women in Rail Lunches held in Melbourne and Brisbane promoted the value of gender-balance within the rail workforce, acknowledged the challenges, and discussed strategies to overcome them. The strong patronage at these events by men and women is testament to the commitment throughout the industry to support a more diverse and balanced workforce.

Diversity Champions Campaign

The 'Diversity Champions Campaign' promoted rail industry diversity champions via our website and social media platforms, highlighting the diversity that already exists within the industry and encouraging further growth.

Women in Rail Mentoring Program

In 2019, the ARA launched a Women in Rail Pilot Mentoring Program. The six-month program is designed to support, guide and retain women currently employed in the rail industry through careers and leadership development and advancing professional knowledge.

Networking Dinners

Rail industry networking dinners held in Sydney, Adelaide and Melbourne provided opportunities for the industry to share innovative ideas and network with Ministers and other expert speakers. With an average attendance of 300 plus, ARA member networking dinners provide the perfect opportunity to meet colleagues from within the industry and establish enduring, positive working relationships.



Attendees at the Melbourne Women in Rail lunch are addressed by Dr Bridie O'Donnell.

Industry Forums

Forums on Customer Service, Anti-Social Behaviour, Telecommunications, Rail Suppliers, Rail Accessibility, Rostering and Scheduling and Revenue Protection topics offered members working in these specific areas the opportunity to share initiatives, discuss lessons learned and workshop common challenges and effective solutions.

Training Courses

Training courses continue to be held for rail industry professionals, ranging from the two-day Understanding Rail Course with speakers drawn from senior levels of the industry to the one-day introductory courses on signalling, rollingstock and track (in conjunction with the IRSE and the RTSA).

Support for Rail Careers

In 2019, the ARA undertook a range of activities to attract and retain youth to our industry, to promote rail careers and help address skills shortages.

Young Rail Professionals Forums

Young Rail Professionals Forums were held in Adelaide, Auckland, Brisbane and Melbourne to recognise and support the value, importance and qualities of young professionals in the rail sector. Featuring presentations and panel discussions from senior rail executives combined with the opportunity for job seekers and interested candidates to ask questions, these free forums are a fantastic interface between the industry and potential employees.

ARA Future Leaders Program

Following the success of the ARA Future Leaders Programs in 2017 and 2018, the program was run for the third consecutive year. Aiming to create and retain talented leaders throughout rail, the program is designed for emerging leaders under the age of 35.

Structured across three workshops, this year's program encouraged personal development whilst providing participants with a broad understanding of the industry, creating a diverse cross-industry network and seeing participants complete and pitch group projects that addressed an opportunity or challenge facing the industry.

The program was expanded this year to include global perspectives on contemporary leadership with the introduction of the two-day 'Dare to Lead' certification developed through the research of Dr Brené Brown.

This year's 35 participants will join the growing Future Leaders Alumni upon completion of this valuable program at AusRAIL PLUS 2019.

Research into Young People's Attitudes to Rail

We commissioned research into the attraction, recruitment and retention of young people to rail to better understand the drivers and barriers that may impact young people considering a career in rail. The research will inform a major campaign for 2020 and beyond, aiming to re-position rail as an industry of choice for younger workers.

Outreach Programs

The ARA implemented a range of programs to engage with industry, schools and teachers to promote rail employment.

We conducted Rail Careers Week, coordinating industry initiatives to promote careers in rail.

ARA staff participated in career advisor seminars in Sydney, Melbourne, Brisbane, Adelaide, Perth, Canberra, and the Gold Coast briefing high school and tertiary career advisors across on the diverse career opportunities that exist in the rail industry and the training and employment pathways available for interested applicants.

The ARA Worked with MyFuture, a collaborative project, supported by industry and both federal and state governments assisting young Australians with career planning, career pathways and work transitions.

The ARA continued to utilise and refine the Rail Careers website, ensuring a digital presence for career information regarding our industry as well as a job vacancies portal allowing member organisations to list available positions.



P21 image: Flash butt welding at Woburn, NZ
© Martinus Rail / RailGallery

POLICY PRIORITIES

Addressing Rail Skills Shortages



Randwick maintenance facility, NSW © Alstom / RailGallery

In November 2018, the ARA released the BIS Oxford Economics (BOE) report that analysed labour force capability in rail over the next 10 years.

The report found that if left unaddressed, the industry would have significant shortages in skills and resources across a range of critical occupations, which would undermine the ability of industry to deliver for the forecast \$100 billion of project commitments over the period.

In response to this research, the ARA developed a 12-point plan (based on the report's 41 recommendations) and engaged extensively with State, Territory and Commonwealth Ministers and officials to promote the report and its recommendations.

The ARA also presented with industry leaders to the Transport and Infrastructure Council (TIC) Ministers meeting in August 2019 on the workforce challenges that industry is currently facing and the responses needed to address them. The recommendations to TIC included:

- developing a pipeline of new rail infrastructure and rollingstock projects,
- requiring the establishment of a formal mechanism to collaboratively progress matters with industry and governments including the 12-point plan to implement the BOE Skills Crisis: A Call to Action Report,
- adopting procurement policies and contracts that support skills development and training, and
- establishing rail centres of excellence that are not duplicated across the country.

The TIC Communique released after the meeting applauded the work already underway by industry to address the skills challenge and

noted that the two critical issues raised in the rail industry engagement session that needed support from Commonwealth and State and Territory governments are the supply of skilled labour and further harmonisation of rail standards (including rolling stock).

The Council tasked the National Transport Commission (NTC) through the Transport and Infrastructure Senior Officials Committee (TISOC) to develop and circulate an Action Plan to help address these priority areas.

The Council agreed for Victoria to lead the work in partnership with the Commonwealth, while actively consulting other jurisdictions. At the request of the NTC and the Commonwealth Department, the ARA prepared a subsequent Action Plan focused on skills/labour and harmonisation of standards.

The NTC has since developed a Draft National Rail Action Plan based upon the ARA submission and input from other parties. It includes the formation of a Working Group to drive the skills strategy. The draft will be considered by Ministers at the November 2019 TIC meeting. The ARA has already started to take action to help address rail skills shortages and enable longer-term harmonisation of standards through:

- increased promotion of industry employment to younger workers and high school, VET and University students,
- partnerships with education institutions and industry to develop relevant programs and
- a signed MoU with the Australian Rail Track Corporation on the establishment of an Inland Rail Skills Academy focused on boosting skills training in rail construction, rail operations and maintenance, business participation, and capacity building.

Rail Freight

Fair Rules for Rail Freight

The domestic freight task has increased 50% over the 10 years between 2006 and 2016 and is forecast to grow another 26% by 2026. Meeting Australia's rapidly growing freight task is one of the most significant challenges facing governments in Australia.

Under the philosophy of 'the right mode for the right load,' the ARA is working with governments and industry to increase the amount of freight transported by rail, and to improve the efficiency and productivity of Australia's rail freight supply chains.

Achieving modal shift to rail is critical in order to foster economic growth, improve the liveability of our cities and regions. Modal shift from road to rail will reduce road congestion, pollution and emissions and improve road safety.

As far as possible, domestic rail freight markets should operate on an even footing with other modal choices. This requires an environment with equitable regulatory settings to enable competitive neutrality between competing modes of transport. The ARA made a number of submissions to this effect during 2019.

Inland Rail

Inland Rail is the largest freight rail project in Australia. Once completed in 2025, the 1,700km rail line, running west of the ranges through Victoria, NSW and Queensland will directly connect Brisbane to Melbourne. It will enhance the competitiveness of rail freight along the East Coast corridor, reducing rail costs for inter-capital freight travelling between Melbourne and Brisbane by \$10 per tonne. It will lead to more freight being carried on rail, taking around 200,000 truck movements off our roads. This, in turn, will reduce road congestion, heavy vehicle emissions and improve road safety.

It will enhance connections of regional Australia to national and international markets, providing a connection between Queensland and the southern and western States. The project will have many benefits for regional towns.

Inland Rail will facilitate the operation of double-stacked freight trains with transit times of less than 24 hours. It is anticipated to create 16,000 new jobs and contribute \$16 billion to GDP over the next 50 years.

The current project has the Inland Rail line ceasing at Acacia Ridge. The ARA calls for a commensurate project to ensure a freight rail line continues all the way to the Port of Brisbane. Research undertaken by Deloitte shows that building a dedicated freight rail connection to the Port of Brisbane could achieve a 30% rail modal share, which would remove 2.4 million truck movements from the local road network.

With construction of the line already underway, the ARA believes the time for review is over and calls for full support for the project.

Freight and Supply Chain Strategy

In August 2019, Transport Ministers endorsed the National Freight and Supply Chain Strategy and National Action Plan.

The Strategy and National Action Plan focuses on four critical areas:

- smarter and targeted infrastructure investment,
- enabling improved supply chain efficiency,
- better planning, coordination and regulation, and
- better freight location and performance data.

The National Action Plan details a range of actions that will be progressed through to 2024 to achieve a set of agreed outcomes.

Ministers will be required to report back to TIC outlining each jurisdiction's arrangements for implementing the Action Plan.

The ARA has long campaigned for a systematic, evidence-based and strategic approach to infrastructure planning and investment in freight supply chain projects and will work to ensure the strategy delivers this.

Advocating for National Transport Regulatory Reform

The ARA works closely with its members and the Office of the National Rail Safety Regulator (ONRSR) to continuously improve the regulatory environment for the industry.

During the last 12 months, the ARA has worked with members and ONRSR on the following reforms.

ONRSR Fatigue Review

ONRSR conducted a review into the management of fatigue, releasing a discussion paper in May 2018, holding industry workshops in June 2018, followed by a consultation paper with three proposed recommendations for TIC in January 2019.

Currently, rail operators must manage fatigue with a holistic, risk-based approach. In addition, legislation variations in NSW and QLD require operators in these states to work within prescribed shift limits for train drivers. The shift limits differ between each state with no evidence to support the different arrangements. These different fatigue management approaches affect 44 of 186 accredited rail operators in Australia.

The ARA was a member of the reference group for the project, provided joint submissions with the Freight on Rail Group (FORG) to both ONRSR papers and participated in ONRSR fatigue workshops.

Throughout the review, the ARA and FORG advocated for the removal of the NSW and QLD variations that prescribes differing train driver hours and sought the adoption of a nationally consistent, risk-based approach to fatigue for all rail safety workers, regardless of jurisdiction.

To strengthen the ARA and FORG position, in collaboration with FORG, the ARA commissioned Deloitte to quantify the productivity implications and costs borne by rail operators to comply with the current fatigue variations in NSW and QLD.

This confirmed that prescribed shift limits for train drivers create costs by reducing the flexibility of rail operations for no proven safety benefit.

Unfortunately the NSW and QLD Governments both maintained policy positions to continue their variations for prescribed train driver hours in their respective jurisdictions and ultimately, ONRSR recommended no changes from the process.

The ARA views this as a missed opportunity for regulatory reform that would have provided significant benefits to industry without compromising safety.

Cost Recovery

Transport Ministers have directed ONRSR to establish a national cost recovery model based on 'risk and regulatory effort'. The aim is to replace the current cost recovery

model where accredited operators pay a set accreditation fee plus a state-based fee for train and track kilometres. ONRSR has been developing a model to best determine the risk profile and therefore regulatory effort of accredited operators since mid-2018. The ARA and its members continue to participate in the process, advocating for no cross-subsidisation.

Amending the Rail Safety Worker Definition

Since 2007, the definition of rail safety work within the Rail Safety National Law (RSNL) has presented issues for the industry. The industry believes the definition:

- is too broad and encompasses a range of people who are adequately covered by Work Health and Safety (WHS) law,
- does not provide sufficient clarity for the industry to assist in determining whether the

work assigned to each employee requires additional safety measures for 'rail safety work' beyond those required under WHS law, and

- imposes a cost and regulatory burden that is unnecessary, inequitable and unfair.

To address this, in 2018, the ARA developed a proposal to amend the definition of rail safety work.

In November 2018, the ARA gained support from State and Territory Governments, ONRSR and the NTC to explore the ARA proposal to amend the legislation.

Following this, the NTC has proposed amending the RSNL definition of rail safety work. This will go some way to improving the definition. The changes will be supported by guidance material yet to be developed. The ARA and members will contribute to the development of these materials.



Double stack inter-modal freight, SA © RailGallery

Submission to the Productivity Commission National Transport Regulatory Reform Inquiry

On request from the Commonwealth Government, the Productivity Commission embarked on an inquiry to assess the economic impact of national land transport reforms, or, for rail, the establishment of the National Rail Safety Regulator.

To prepare its submission, the ARA engaged Frontier Economics and held four workshops across Australia to engage members on their views. Almost 30 ARA member companies contributed to the ARA submission.

A summary of the submission follows:

- the ARA and its members support the current co-regulatory approach which facilitates the development of risk-based approaches to rail safety,
- the promise of national rail safety regulatory reform was built on a more efficient and effective regulator and better, more consistent laws and regulatory processes across jurisdictions. This is outlined in a series of regulatory impact statements prepared between 2008 and 2012,
- the reforms have undoubtedly led to some improvements in the regulatory regime. In particular, ARA members report that the national accreditation scheme has reduced compliance costs and changes to the accreditation processes for major projects has been beneficial. However, true national reform has not yet been delivered. The national regulator commenced in 2013, but it was not until July 2017 that the last state devolved all or some responsibility to ONRSR. Jurisdictional differences remain that have not been able to be resolved. These differences have thwarted the achievement of the full benefits of national reform. In some states, prescriptive regulations remain, which increase compliance costs and regulatory burden with no proven increase in safety,
- work undertaken by the ARA provides evidence that state prescriptions relating to train driver working hours also create significant productivity losses. These

productivity losses impact the rail freight sector's ability to compete with heavy vehicles, and

- in the ARA's view, for the full benefits of the RSNL to be achieved, governments must give renewed emphasis to national consistency of approach, through structural reform to devolve appropriate power to the national regulator to enable the regulator to focus its effort on key risks.

A draft report has been released by the Productivity Commission. The ARA will work with members to provide a submission. The final report is scheduled to be handed down to the Commonwealth Government by April 2020.



National Rail Safety Data Strategy

Current rail safety data reported to ONRSR is an amalgamation of the reporting systems of previous state-based regulators.

As ONRSR is now the national regulator, there is an opportunity to establish a new national rail safety data set that meets the needs of all stakeholders. To achieve this, the National Rail Safety Data Strategy was developed by the ARA, ONRSR, the Rail Industry Safety and Standards Board (RISSB) and ARA members to overhaul what, when and to whom rail safety data is reported.

The project is effectively 'wiping the slate clean' to establish a new national rail safety data set and will utilise an online portal. The objective is to support rail safety decisions by improving the consistency, quality and accuracy of rail safety data available to stakeholders nationally.

The ARA and ONRSR are co-chairing the project which is being directed by a Steering Committee comprised of the ARA, ONRSR, RISSB and rail industry representatives.



The RIW Program

The Rail Industry Worker (RIW) Program is a national competency framework for rail workers. It supports the rail industry by giving participant organisations full visibility of workers moving between projects and employers, maintaining a single electronic record about each worker's job roles, education, fitness for work and competencies.

It assists operators to ensure work is carried out by qualified people and enhances overall safety on rail networks across Australia.

The RIW Program is owned by the ARA and is endorsed by all its member organisations. The RIW Program also meets regulatory requirements and complies with the RSNL.

The RIW Program underwent significant change this year after a tender process was conducted to ensure the program continues to meet the expanding needs of the rail industry, particularly in respect to the ongoing competency management requirements of the growing rail project pipeline. The tender outcome led to a change of service providers from Pegasus to the new service provider Metro Trains Australia (MTA).

A new system was launched and new smartcards were issued. The new system provides an expansion of the RIW Program services, a tightening of key deliverables, and increased privacy and security measures.



Technology and Innovation

Smart Rail

The Smart Rail Route Map Report was unveiled at AusRAIL 2018. It provides a policy framework for technology transformation within the rail industry over the next 30 years.

This industry-owned initiative was spearheaded by the ARA and the Rail Manufacturing Cooperative Research Centre with support from Deakin University's Institute for Intelligent Systems Research and Innovation.

The ARA Board agreed to form the Smart Rail Executive Committee (SREC), which is a high-level strategic group tasked to prioritise and oversee the industry's implementation of initiatives and actions proposed under the project.

The SREC will collaborate with all industry organisations including Commonwealth and State transport authorities, RISSB, the Australian Centre for Rail Innovation (ACRI), freight rail operators and network managers, industry suppliers and key R&D organisations and institutions.

Project i-TRACE

i-TRACE is an industry-wide initiative that standardises the capture of data relating to all assets and materials in the rail industry. It uses a common, standards-based approach to identify and mark materials.

The technology will help improve efficiency, lower costs and deliver better customer service. The ARA, along with GS1, is spearheading this initiative.

i-TRACE provides critical building blocks upon which digital capabilities and automation of operational processes can be built. It will allow for predictive maintenance by leveraging data analytics, machine learning and artificial intelligence as these technologies continue to evolve over time.



The inaugural ARA Rail Accessibility forum in Melbourne brought together over 80 participants to explore this important subject.

Accessibility

Accessible public transport provides people with disability with independence and improves inclusion in our communities.

DSAPT

In 2002, the Australian Government introduced the Disability Standards for Accessible Public Transport (DSAPT), requiring public transport to be fully accessible by 2022 and passenger trains and trams to be fully accessible by 2032.

In addition to infrastructure, train and tram upgrades, the rail industry adopts a holistic approach to continuously improve accessibility.

Accessibility Working Group

To lead the ARA's accessibility portfolio, the ARA has continued to coordinate the Accessibility Working Group (AWG) which brings together passenger rail operator and state-based government agency Accessibility Advisors to address accessibility issues, share ideas and lessons learned.

Third DSAPT Review

The Commonwealth Department of Infrastructure, Transport, Cities and Regional Development reviews the DSAPT every five years. Through the AWG, this year, the ARA made a submission to the 3rd DSAPT review. A final report is expected by the end of 2019.

Due to limitations in the DSAPT and the significant investment required to update historic rail assets, complete access and compliance with the DSAPT cannot be achieved overnight. Although Australian passenger rail networks actively continue to increase their compliance with the DSAPT, due to a number of reasons, no network that existed when the DSAPT was released in 2002 will meet the current DSAPT compliance timeframes.

Modernising the DSAPT

The modernisation of the DSAPT had been underway for many years with minimal progress. In 2019, in a change supported by the ARA, Transport Ministers endorsed the Queensland Department of Transport and Main Roads to lead the modernisation process in collaboration with the Commonwealth Government. A National Accessibility Transport Taskforce has been established with the ARA represented. Seven working groups have also been established to address certain elements within the DSAPT. The ARA is convening the working group on communications and will have representation on each of the other working groups to ensure rail is appropriately represented in the DSAPT modernisation process.

Monash University DSAPT Review

To contribute technical research to the modernisation of the DSAPT, the ARA commissioned Monash University's Institute of Railway Technology to undertake a desktop review of the DSAPT and Premises Standards. The Monash review makes many

recommendations specific to elements within both standards, but the overarching recommendation is to move to outcomes-based standards that allow innovation and a flexible approach to providing accessibility. Copies of the summary report were distributed to Transport Ministers, Heads of Transport Departments and other relevant stakeholders with positive response.

Inaugural Rail Accessibility Forum

To discuss the journey Australian train and tram networks are on to improve the accessibility of their networks, an inaugural Rail Accessibility Forum was held in August with the theme 'a journey together to accessible rail in Australia'. The event brought together more than 80 people with disability, disability advocates, industry and government representatives to discuss rail and its accessibility journey in detail.

Significant funds continue to be invested to improve accessibility on and around railways. The ARA will continue to contribute to the modernisation of the DSAPT and advocate for Commonwealth funding to support the infrastructure upgrades that are required.

Faster Rail

In March 2018, the Australian Government allocated \$20 Million to support the development of three faster rail business cases on the East Coast: Melbourne to Greater Shepparton, Sydney to Newcastle, and Brisbane to the Sunshine Coast. The ARA is awaiting the publication of these business cases and subsequent government decisions.

In 2019, the Government subsequently committed \$40 million to fund an additional five fast rail business cases, between: Sydney and Wollongong, Sydney and Parkes (via Bathurst and Orange), Melbourne and Albury-Wodonga, Melbourne and Taralgon and Brisbane and the Gold Coast.

In July 2019, the Government established the National Faster Rail Agency to work with jurisdictions to develop fast rail proposals, examine routes and begin the process of corridor planning and acquisition. The ARA is engaging with this new agency.

In October 2019 the Government announced a parliamentary inquiry into options for financing faster rail. ARA supports the utilisation of innovative financing and funding mechanisms such as ‘value capture’ development opportunities along rail corridors to help fund faster rail infrastructure.

In addition to supporting the establishment of new fast rail lines as a means to decentralise Australia’s population and support regional development, the ARA highlights that optimising our existing networks cannot be overlooked. A pragmatic approach to fast rail that recognises the need to plan for and invest

in elements such as modernised signalling systems, passing loops, track duplication, and other critical requirements to increase infrastructure capacity and speed of passenger services will ensure broad reaching benefits are achieved through the Government’s fast rail agenda.

High-Speed Rail

The ARA has long advocated for East Coast High Speed Rail linking Brisbane to Melbourne via Sydney and Canberra. As Australia’s population grows, reliable and efficient inter-city transport connections between our three largest cities and the capitals will become more important economically and socially.

There has been little progress on progressing high speed rail since the 2013, when the Government of the day released a High-Speed Rail Phase 2 study that recommended a High-Speed Rail route and corridor along Australia’s East Coast.

The largest construction cost anticipated in the 2013 study was tunnelling. Specifically 29% of the total estimated price tag was for 144km of tunnels, almost half of which (67 km) was to get in and out of Sydney. The longer high speed rail sits on the shelf, the further Australian cities will spread and as a result, the greater length of tunnelling, and therefore cost, will be required.

The ARA continues to advocate that corridor acquisition is the priority. Preservation of the corridor has been listed a High Priority Initiative in the 2018 Infrastructure Priority List.



N700A high speed train, operated by JR Central, Japan © RailGallery

Our Members

To effectively represent and advocate for the rail industry, the ARA needs to maintain and grow its member base, In 2019, the ARA welcomed 32 new members.

The ARA is a Company Limited by Guarantee with over 150 member organisations including passenger and freight operators, track owners and managers, suppliers, manufacturers, contractors and consultants. Members include listed and private rail-related companies, government agencies and franchisees, many of these are represented by their logos below.

We thank our valued members for their continued support of the ARA.







Disclaimer: All efforts were made to ensure this list is correct at time of print. Some logos were not able to be sourced and as such have not been included in this spread.

Back inside cover image: Next generation rollingstock, QLD © RailGallery





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