



Association Number A03958 | ABN 64 217 302 489

AUSTRALASIAN RAILWAY ASSOCIATION SUBMISSION

To

ACT Government

On

Light Rail Network Masterplan



THE ARA

The Australasian Railway Association (ARA) is a not-for-profit member-based association that represents rail throughout Australia and New Zealand. Our members include rail operators, track owners and managers, manufacturers, construction companies and other firms contributing to the rail sector. We contribute to the development of industry and government policies in an effort to ensure Australia's passenger and freight transport systems are well represented and will continue to provide improved services for Australia's growing population.

The ARA thanks the Minister for the opportunity to provide this submission to the ACT Government's Light Rail Network Plan. For further information regarding this submission, please contact Phil Allan, Chief Operating Officer via pallan@ara.net.au or 02 6270 4507.

Introduction

Better public transport in Canberra is vital for the social, economic and environmental well-being and productivity of the city and its wider region. Improving public transport accessibility to Civic and the Town Centres (Belconnen, Tuggeranong and Woden) are particularly important as these are places where high-value, high-skilled service sector jobs agglomerate to varying degrees. Additionally, Civic and the Town Centres are often integrated with or nearby key educational, medical, tourism, retail and commercial precincts. Further opportunities exist along corridors between Civic and the Town Centres to serve smaller Group and Local Centres and specialised activity centres, either directly with light rail or with integrated bus connections.

A recent study on the relationship between public transport and urban productivity identified Canberra's CBD (Civic) as one of a group of emerging "high value-service sector clusters" powering the Australian economy. In FY 2012-13, Civic was noted as contributing

\$5.6 billion to the nation's GDP and was the 15th most valuable location in Australia by gross output in FY 2012-13.¹

As the peak body of the Australasian railway industry, the ARA congratulates the ACT Government on the development of its *Light Rail Plan*. It also supports the development of better rail-based transport systems in Canberra and the region. The ARA recommends three critical investments the ACT Government can make in Canberra's public transport network to ensure a more socially, economically and environmentally sustainable future for Canberra:

1. Development of the Capital Metro light rail system
2. An improved bus network.
3. A better Canberra-Sydney passenger rail service

Capital Metro

The ARA expresses its continued support for the Capital Metro light rail project, its scope of works and methods of project delivery and operation. It supports the choice of route for Stage One from Civic to Gunghalin, connecting Canberra's CBD to the city's fastest growing residential area. The ARA also supports the ACT Government's extension of the scope of Stage One's route from Civic to Russell Offices. Connecting this major employment hub (and major interchange point on the ACTION bus network) to Civic by light rail will improve Capital Metro's patronage, its connectivity to the rest of the public transport network and public transport patronage overall.

The ARA also recommends the ACT Government from its next Budget and across the Forward Estimates to fund planning and early works (such as corridor protection/acquisition and utilities relocation) for future stages of Capital Metro. While not

¹ PwC for Tourism and Transport Forum (2014). *Better Public Transport. Better Productivity*, Sydney.

directing the ACT Government toward selection of any particular corridor for future stages of Capital Metro, the ARA concluded in its 2015 report *Capital Metro: Canberra's Light Rail project in a global context* that a number of corridors with high residential population and job densities would be supportive of future light rail expansion.² Such expansion would support both the ACT Government's land use priorities in the *Territory Plan* and the transport objectives of the *Light Rail Network Plan*. These corridors include:

- Kings Avenue/Wentworth Avenue (Barton, Kingston, Canberra railway station)
- Barry Drive/Belconnen Way/Southern Cross Drive (ANU, University of Canberra, Calvary Hospital, Belconnen)

There are also other corridors with lower adjacent residential densities along the corridor, but anchored by medium-density residential and employment clusters in existing Town Centres and significant specialised activity centres that could provide future extensions to the light rail system utilising existing high-quality, high-speed rights-of-way in arterial road corridors. These corridors could include:

- Adelaide Avenue/Yarra Glen (Parliamentary Triangle, Woden, Calvary John James Hospital)

There are also significant out-of-centre developments that are not part of the ACT Government's *Territory Plan* which could be served in future stages of light rail development in the Canberra region, including:

- Canberra Airport (around five kilometres from a light rail terminus at Russell Offices)

The ARA supports the development of future stages of Capital Metro to better integrate high-quality public transport with the development of increased residential densities and

² Australasian Railway Association (2015), *Capital Metro: Canberra's Light Rail project in a global context*, Canberra, p. 12. Viewed on 7 October 2015 at: <http://ara.net.au/UserFiles/file/Publications/Light-Rail-Canberra-and-around-the-Globe-FINAL%281%29.pdf>

supporting the enhanced development of business, educational, tourism and medical services in the ACT.

The ARA also supports the ACT using 'value capture' methods as part of the funding mix for present and future stages of the Capital Metro project. A 2014 study by the ARA found that proximity to quality public transport (such as heavy or light rail) has positive impacts on property values.³ Internationally, light rail is proven to increase the long-term average land values along light rail corridors and at stations by up to 20 per cent.⁴ Many overseas jurisdictions (particularly in the United States and United Kingdom) make use of value capture methods such as Tax Increment Financing (TIF) that captures some of the uplift in land values for public benefit. This helps fund the capital costs of present and future transport infrastructure. Such 'value capture' methods also have a long history of use in Australian jurisdictions, including the use of special rates and local levies on beneficiary land holders to help fund the construction of the Sydney Harbour Bridge, Melbourne's Underground rail loop and more, recently Stage One of the Gold Coast Light Rail.⁵

Should the ACT Government put in place specific budgetary measures to capture the long-term increase in land value along the route and around station of Capital Metro Stage One either through instituting special rates, local levies or Tax Increment Financing, a long-term stream of revenue to either offset the capital cost of Stage One construction or help fund future stages of Capital Metro would become available.

Improving the bus network

The ARA has identified improvements to the ACT's bus network as vital to Canberra's light rail future, with improved, high-quality bus services able to act as a driver for public

³ Australasian Railway Association (2014), *Innovative Funding and Financing of Public Transport*, Canberra, p. 12.

⁴ SGS Economics and Planning (2015), <http://www.sgsep.com.au/insights/insights-bulletin/canberra-insights-bulletin/light-rail-understaning-the-urban-impacts/>

⁵ Australasian Railway Association (2014), *Innovative Funding and Financing of Public Transport*, Canberra, p. 13-14.

transport patronage growth. On key public transport corridors, patronage growth and improved service quality provide an important precursor for conversion to light rail in the medium to long-term. Such a strategy of bus improvement is currently being pursued by Queensland's Sunshine Coast Council as part of its long-term strategy to develop and implement light rail in the region.⁶

The ARA supports the ACT Government's actions to improve the performance of the ACTION bus network in its *Transport for Canberra* policy, particularly the development of a package of traffic signal and bus priority measures alongside high-speed, segregated rights-of-way on key bus corridors between Civic and the Town Centres.⁷

Ensuring the successful design and operation of high-quality bus 'spines' along arterial road corridors such as Barry Drive/Belconnen Way and Adelaide Avenue/Yarra Glen will help build the long-term case for extension of Capital Metro in future stages to reach Belconnen and Woden Town Centres. The case for light rail will be built by attracting new and existing bus network users through car-competitive transit times aided by with signal and intersection priority for buses along these corridors. The improved infrastructure can then be readily 'upcycled' for conversion to light rail at the appropriate time.

The ARA also recommends that the ACT Government undertake planning work and investment in improving service provision and service quality across the bus network to create an overall public transport 'mobility package' for Canberrans. Such a mobility package would provide a viable alternative to the car for a range of work and leisure trips. This could mean that walking, cycling, bus and, ultimately, light rail are integrated to provide a mobility system for residents that allows households to reduce car ownership and car usage, further improve the liveability of the Canberra and achieve a broader range of the ACT Government's goals around social inclusion, public health and access to jobs, education and other services.

⁶ Hassell for Sunshine Coast Council (2014), *Sunshine Coast Light Rail: Shaping our Future*, Maroochydore, p. 30-1.

⁷ ACT Government (2012), *Transport for Canberra*, Canberra, p. 25-7.

Finally, greater integration also needs to occur between the ACT public transport network and NSW bus operators servicing the broader region. The lack of service integration and integrated fares and ticketing means relatively easy opportunities to improve public transport by increased service frequency and connectivity are foregone, particularly on the 'Eastern Connections' (serving Queanbeyan) and 'Gunghalin to City' (serving Murrumbateman and Yass) corridors that connect the relatively more affordable housing precincts across the border in NSW to the full range of employment, medical, retail and educational opportunities available in Canberra.⁸

Improved rail services to Sydney

The ARA recommends that the ACT Government's *Light Rail Network Plan* takes into account the potential development of an improved Canberra-Sydney rail service in planning the development of Canberra's light rail network.

Given the high likelihood that any East Coast High Speed Rail (HSR) network between Brisbane and Melbourne (via Sydney and Canberra) will not enter service until at least the mid-2030s, there is a 20-year window of opportunity to improve existing passenger rail services between Canberra and Sydney to pave the way for a future HSR system on Australia's east coast.

The existing rail service between Sydney and Canberra has advanced little over the last 50 years. Although transit times were lowered (to a current average of 4 hours and 10 minutes), frequency is low (three daily return trips). The railway is built to relatively tight engineering standards meaning low average speeds. As a result, the current service cannot compete on gate-to-gate travel time with either private cars and frequent express bus services (3-3.5 hours) using the fully duplicated Federal/Hume Highways or commercial

⁸ ACT Government (2015), *Transport Canberra, Light Rail Network: Delivering a modern transport system for a growing city*, pp. 16-17, 28-9.

aviation (50 minutes). However, relatively low-cost improvements (compared to a full HSR build) could reduce transit times to a road-competitive 2.5-3 hours within a decade.⁹

Canberra's future light rail network could readily accommodate an improved Canberra-Sydney rail service, either through an upgrade to the existing line to increase speeds and reduce transit times or a new-build HSR system. An upgraded existing rail service with road-competitive transit times using the current terminus at Kingston would be easy to serve with a stop on the Wentworth Avenue section of the 'Eastern Corridors' option¹⁰; while a light rail interchange with the preferred Civic station site as identified in the Stage Two East Coast HSR report could be future proofed as part of a broader suite of HSR corridor preservation works potentially contained in a future update of the *Territory Plan*.¹¹

The ARA supports improvements to the Canberra – Sydney passenger rail service. The ARA recommends that the ACT Government ensures protection of a future HSR/light rail interchange in Civic occurs as part of a broader suite of HSR corridor protection works in a future revision of the *Territory Plan*. It also recommends that planning for a light rail stop adjacent to the existing Kingston railway station be undertaken as part of the 'Eastern Corridors' planning process.

⁹ Michell, M; Martin, S & Laird, P (2014), 'Medium Speed Rail: Bringing Australian High Speed Rail closer', *Railway Digest*, August, p. 30-33.

¹⁰ ACT Government (2015), *Transport Canberra, Light Rail Network: Delivering a modern transport system for a growing city*, p. 28-9.

¹¹ AECOM for the Australian Government (2013), *High Speed Rail Study: Phase 2 Report*, Canberra, p. 216.