



Association Number A03958 | ABN 64 217 302 489

AUSTRALASIAN RAILWAY ASSOCIATION SUBMISSION

To

The Northern Territory
Transport and Infrastructure Council

On

The National Remote and Regional
Transport Strategy



THE ARA

The Australasian Railway Association (ARA) is a not-for-profit member-based association that represents rail throughout Australia, New Zealand and Indonesia. 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 Northern Territory Government and the Transport Infrastructure Council for the opportunity to provide its submission to the National Remote and Regional Transport Strategy. For further information regarding this submission, please contact Scott Martin, Manager Rail Policy via smartin@ara.net.au or 02 6270 4511.

The role of rail

The ARA supports the aims of the Draft National Remote and Regional Transport Strategy (the Strategy). The provision of fit for purpose transport infrastructure, services and regulation to non-metropolitan regional and remote Australia is an important issue for Australia in the 21st Century.

The ARA views the role of rail in any transport strategy for remote and regional Australia as providing a superior transport 'spine' in terms of fuel efficiency, hauling capacity and resilience when compared to alternative transport systems. Rail already provides an important component of the transport network in remote and regional Australia, particularly with the world-class heavy haul railways connecting mines to ports in the Pilbara and the role that the Adelaide – Darwin and Mt Isa – Townsville railways play as spines for mining and general freight.

The development of rail along key corridors serving regional and remote Australia (such as the Adelaide – Darwin, Brisbane – Charleville, Esperance – Leonora and Townsville – Mt Isa) provide vital land transport links between Australia's coasts and the interior, linking primary production areas of agricultural and extractive industries to export ports and processing plants. Rail corridors also give settlements along the corridor potential to play an important role as railhead 'hubs' for road transport serving off-corridor communities in regional and remote in Queensland, Northern Territory and Western Australia.

It is also recognised that there are gaps in the provision of rail haulage in remote and regional Australia, most notably a rail connection for agricultural and mining produce from the Kimberley to either the Pilbara or Darwin railways; and the rail 'missing link' between Mt Isa and the Darwin railway at Tennant Creek. The ARA believes that transport policy makers need to ensure rail occupies the role it does best: as the long haul/heavy haul transport 'spine' in remote and regional Australia. This allows road infrastructure with its lower cost and broader reach than rail to act as a complementary 'feeder' mode moving agricultural, pastoral and mining products to rail 'hubs' for transfer on to rail for processing or export. The ARA views this 'spine and hub' transport model as being achievable in remote and regional Australia through rational, balanced transport policies that allow both road and rail freight transport to perform the roles they are best suited for. For rail, this involves upgrading existing lines to higher speeds and carrying capacities and new approaches to intermodal transfer of freight between road and rail.

To ensure that existing rail links are fit for purpose, modally competitive and are able to reduce long-haul truck usage on regional and remote highways and other roads, many of the vital rail links to inland Australia need upgrading to modern standards of axle loading, track condition and alignment. Projects that the ARA has identified to improve railway lines serving regional and remote Australia in its *Freight Infrastructure Priorities List* include:

Adelaide – Darwin line

- Re-railing on the Adelaide – Darwin line to remove the last 100km of lightweight (41kg/m) rail between Marla, SA and Kulgera, NT. This will allow an increase in track speeds from 40km/h to 115km/h and reduce derailment risk from rail failure (Estimated cost \$35 million).
- NT Crossing Loops package – Construct five new 1800m long crossing loops and/or minerals loading loops in the Northern Territory. This project will increase the track capacity of the railway by providing additional locations for trains to cross in opposite directions or overtake. It will also provide new opportunities for remote area mineral traffic to be loaded onto rail (Estimated cost \$30 million).

Brisbane – Charleville line

- Increase track capacity for agricultural and minerals traffic from SW Queensland to Port of Brisbane by improving the existing railway across the Toowoomba Range to the Port of Brisbane. The project involves increasing clearances in 11 tunnels and constructing two 1250 metre passing loops. Will create 20 additional train paths a week across the Toowoomba Range & remove 200 trucks a day off highway. Important interim measure to

increase rail freight transport options ahead of the completion of Inland Rail (Estimated cost \$50 million).

- Upgrade bridges and tracks to increase axle loads from 15.75t to 20 t and increase lengths of crossing loops and sidings. This will allow heavier, longer trains to be carried which is particularly important for bulk agricultural commodities like grain or cattle. (Cost unknown)

Esperance – Leonora line

- Upgrading of track, sleepers and formation on the entire line to accommodate heavier axle loads, lengthen crossing loops to accommodate 1800m long trains. New train control system required to increase track capacity and improve rail services. (Cost unknown)
- Realign rail line to go around the city of Kalgoorlie-Boulder to improve urban amenity and train operations as part of a broader Kalgoorlie rail bypass project. (Cost unknown)

Townsville – Mt Isa line

- Upgrade Mt Isa line to full concrete sleepers and 60kg/m rail along with two additional crossing loops and four holding roads to accommodate 1000m length trains at heavy axle loads. This program is based on traffic levels at 8 million tonnes of freight per annum. (Estimated cost \$488 million)
- Investigate construction of the 'missing link' between Mt Isa and the Adelaide – Darwin line at Tennant Creek. If found to be feasible, this link will provide new rail transport options for pastoral and mineral producers on the Barkly Tableland, western Queensland and the Northern Territory with alternative export port options to those currently available. (Cost unknown)

The ARA wishes to express that the rail industry views the recent proposal for a new standard gauge rail corridor connecting the Mt Isa - Townsville railway and the Adelaide – Darwin railway as a vital long-term transport link to improve the transport network of remote and regional northern Australia. Should such a line proceed to construction, it will provide a valuable addition to the national transport network, linking agricultural, mining and pastoral producers in northern and north-eastern Australia with domestic and international markets, while providing a resilient, all-weather transport link to complement existing road infrastructure.

Comments on the Draft Strategy

The following section of this submission provides the ARA's comments on the themes and proposed actions set out in The Strategy.

Proposed Actions – Transport Infrastructure

Draft Action 1: The ARA supports the development of a national framework for facilitation of non-public sector investment in transport infrastructure and services. It also supports private sector investment in a range of ways, including direct investment in infrastructure and services, or recovering public sector infrastructure spending through user charges for private sector beneficiaries. The ARA recognises the need to acknowledge the difficulties in attracting private sector investment in regional and remote area transport infrastructure and services unless investment is tied to particular projects (such as minerals or extractives).

Draft Action 2: The ARA supports this draft action. It does note that in a competitive environment for infrastructure where resources are allocated through objective appraisal methods, regional and remote transport infrastructure projects will compete against more bankable urban infrastructure projects. There is a danger that assessment methodology and funding streams dedicated to regional and remote infrastructure may be considered as a way for governments to fund non-viable infrastructure projects that fail to satisfy objective project evaluation methods or as vehicles for political 'pork barrelling' to non-urban constituencies.

Draft Action 3: The ARA supports this draft action as a very high priority. When whole of life costs and sustainability are considered as part of infrastructure project design, better project evaluation and selection could take place, particularly in selection between road and rail projects. Progress on this action could also better inform the development of user charging regimes, particularly in development mass-distance-location charging for heavy road freight vehicles. The rail industry already uses similar whole-of-life methodology in project evaluation and in pricing rail access to the interstate rail network and other lines (such as the Adelaide – Darwin line).

Draft Action 4: The ARA provides qualified support to the development of a national rural and remote arterial road development plan. It supports such a plan as part of forming an integrated transport network built around a spine of heavy rail for line haul of freight with arterial roads feeding into railhead hubs.

Proposed Actions – Transport Services

Draft Action 1: The ARA has no comment to make on this draft action.

Draft Action 2: The ARA has no comment to make on this draft action.

Draft Action 3: The ARA supports this draft action, but does note that in the case of the rail industry, long-term investment in maintenance and service provision tends to occur in capital cities or regional cities. With increasing mechanisation and remote monitoring of railway functions (such as train control, signalling and track maintenance), there are relatively few opportunities for dispersed rail maintenance or service provision in regional or remote locations.

Draft Action 4: The ARA supports this draft action.

Draft Action 5: The issue of telecommunications planning for the transport sector across Australia is important to the ARA, particularly the allocation of radio spectrum to ensure the rail industry is not 'crowded out' of key bands of spectrum, particularly on the interfaces between urban, regional and remote areas of Australia. The rail industry has invested heavily in radio-based voice and data communications, an investment which is endangered by the Federal Government's sale of radio spectrum that may effectively lock out rail from operating in a consistent area of the radiofrequency spectrum across remote, regional and urban Australia. As such, the ARA strongly supports this action.

Proposed Actions – Transport Regulation

Draft Action 1: The ARA strongly supports the adoption of regulatory approaches to achieve consistent accreditation and operation across state and territory borders. Over the past two decades, the rail industry has progressively moved away from compartmentalised and transactional state-based regulation toward a harmonised national regulatory regime and risk-based regulation, particularly with the development of model national rail safety legislation and the formation of the Office of the National Rail Safety Regulator in 2013. The ARA is actively calling on Queensland and Western Australia (jurisdictions with considerable rail activity in regional and remote areas) to enact the *Rail Safety National Law* provide consistent rail safety legislation across Australia.

Draft Action 2: The ARA supports this proposed action as this helps to underpin the rail industry's social licence to operate in many parts of remote and regional Australia. The importance to the rail industry of ensuring appropriate native title and cultural heritage legislation is in place was demonstrated during the construction of the Alice Springs to Darwin railway in the early 2000s where native title and other concerns were dealt with fairly and

equitably to produce better outcomes in cultural heritage, indigenous education and training and ongoing involvement in the operation of the railway.

Draft Action 3: The ARA has no comment to make on this draft action.