POLICY DEVELOPMENT PAPER

Rail - Creating vibrant cities, thriving regions and a connected nation

Federal Election 2019
In 2019 and beyond, rail is more important than ever.

As Australian cities continue to grow and our freight task increases, the pressure on our road network also increases. Avoiding and reducing congestion is one of the biggest benefits that can be achieved from moving passengers by rail and moving freight from road to rail.

Properly planned and funded rail, integrated with other transport modes can ease congestion, reduce travel times, increase commuters’ access to transport, making cities more liveable and our economy more productive.

New light and heavy rail urban passenger projects are underway or planned in most Australian capitals and Inland Rail is being built as the backbone of our national freight supply chain.

Fast and high speed rail projects are now under consideration to better link our cities and regions.

Rail is an important industry for the Australian economy, supporting hundreds of companies that build infrastructure and rolling stock, manufacture and supply goods and deliver professional services whilst employing more than a hundred and fifty thousand Australians, in our cities and regions.

Rail is a sustainable industry, with one peak hour Sydney train replacing 800 cars and one freight train removing 110 trucks from our roads, while reducing carbon and other polluting emissions.

The Australasian Railway Association, in consultation with the one hundred and fifty-one rail organisations we represent, has identified several important issues that the next Australian government must deal with to ensure Australia maximises the benefits of its considerable infrastructure investment. We have categorised the following priorities and developed specific policy proposals for consideration:

• Making cities liveable
• Connecting our regions
• Supporting employment
• Strengthening our economy
• National coordination to support industry

We look forward to working with government to realise the benefits our priorities will provide.

Danny Broad
CEO
MAKING CITIES LIVEABLE

CHALLENGE

Most Australians live in our major cities that are growing in size and population, putting increased demand on all modes of transport. Road congestion impacts quality of life and economic productivity.

Urban passenger and light rail form the foundation of integrated public transport networks, able to move large numbers of people quickly. Public transport is essential for young and elderly Australians, people on low incomes, and people with disabilities. It also provides health benefits associated with increased mobility.

POLICY PROPOSAL

The Australian Government must continue to increase its funding of urban passenger and freight rail projects which are essential to reduce road congestion, improve the quality of life in major cities and increase economic productivity.

ACTIONS

1. Co-fund new, extend or invest in existing passenger and freight services where there are demonstrated economic, social and environmental benefits.

2. Modernise the Disability Transport Standards for Accessible Public Transport and provide State Governments with funding assistance to comply with the Standards.


4. Allow Australians to salary sacrifice public transport tickets, placing public transport on an equal footing to car travel.
Connecting our regions

**CHALLENGE**

Regions have an important role to play in producing the food, goods and materials that Australia consumes and exports. 33% of Australians live outside capital city areas.

Rail has an important role to play in linking our regions. Reduced regional commuting times are essential to drive the decentralisation of our major cities while collectively adding to the social, economic and competitive fabric of our nation.

**POLICY PROPOSAL**

The Australian Government must plan and resource both inter-regional Fast Rail projects and East Coast High Speed Rail through a national planning agency.

**DID YOU KNOW**

Carbon emissions are 40% higher on roads than rail for each km

**ACTIONS**

1. Establish a Planning Authority for both Fast Rail and East Coast High Speed Rail to plan, develop financing options and acquire the corridors as required.

2. Co-funding improvements to regional rail lines where there are demonstrated economic, social and environmental benefits.
Supporting employment

CHALLENGE
Skilled labour shortages in rail threaten the delivery within budget and timeframes of new rail infrastructure and rolling stock projects as well as the industry's ability to efficiently operate and maintain rail networks.

Urgent action is needed to address market failure.

DID YOU KNOW
Rail contributes $26 Billion to GDP and employs over 150,000 workers

POLICY PROPOSAL
The Australian Government should lead the response to identified critical skilled labour shortages by formalising a high level taskforce of government, industry and the education sector to lead reforms, build partnerships and implement recommendations contained in the ARA report Skills Crisis: A Call to Action.

ACTIONS
1. Resource and empower the taskforce to undertake critical reforms to training and create partnerships to achieve change.
2. Resource the Australian and New Zealand Industry Pipeline to provide a comprehensive list of rail projects to facilitate national, state and industry investment planning.
3. Reform rail VET training to ensure both portability and fitness for purpose.
4. Establish formal education partnerships between government, industry and training providers.
5. Work with select universities to reinvigorate rail-related STEM disciplines.
6. Develop incentives for training, as well as trainers and assessors.
7. Support skills development via procurement and local content policies.
8. Develop rail related apprenticeship and cadetship programs, in construction, operations & maintenance with enhanced incentives for companies and apprentices.
Strengthening our economy

CHALLENGE
Continued population growth and economic demand will necessitate safer, more productive and sustainable solutions for efficient movement of people and goods between regions, cities and ports.

An efficient freight network is fundamental to maximising the benefits of trade.

POLICY PROPOSAL
Rail Freight is fundamental to maintaining the international competitiveness of Australia's export industry. Rail freight companies move thousands of tonnes of coal, iron ore and other minerals as well as agricultural and general freight around the nation.

The Australian Government should implement national mode-neutral freight strategies, policies and investment and independent price regulation of heavy vehicles to establish an even playing field between road and rail.

ACTIONS
1. Implement the National Freight and Supply Chain Strategy and incentivise jurisdictions to support its delivery.
2. Remove inconsistencies between road and rail in balancing safety with productivity objectives at the legislative and operational level.
3. Implement mode-neutral independent price regulation of heavy vehicles. Rail businesses, charged at full market rates to access infrastructure have endeavoured to compete with heavy vehicles that access publicly subsidised road networks.
4. Increase funding and authority of Infrastructure Australia to provide evidence-based business case project evaluation of major infrastructure proposals.
5. Continue funding for the Inland Rail project to ensure its timely delivery and undertake necessary studies to support the construction of efficient rail links to major ports.
6. The environmental and safety cost benefits associated with moving people and freight by rail rather than road need to be factored into project evaluation and pricing models.

DID YOU KNOW
1 peak hour train gets 800 cars off the road; 1 freight train gets 110 trucks off the road.
National coordination to support industry

CHALLENGE
Rail contributes $26 billion to the national economy supporting hundreds of small to medium size enterprises.

But its efforts are dissipated by the fragmented approach to rail investment, procurement, construction and regulation of eight different governments.

POLICY PROPOSAL
The Australian Government should lead the development of a National Rail Industry Plan to make way for a more coherent national approach to rail involving all state and territory governments and industry.

The plan will recognise the importance of rail for infrastructure development, urban planning and freight movements, increase opportunities for Australian companies to participate in the rail supply chain, give manufacturers greater predictability, grow jobs, harmonise operational and safety standards, and foster innovation, research and development.

DID YOU KNOW
50% of rail manufacturing workers are employed regionally

ACTIONS
1. Develop manufacturing and procurement strategies to support Australian industry to participate in the rail supply chain. Strategies should address consistent requirements on local content, value for money, skills and capability acquisition, industry development, coordinating procurement to smooth out peaks and troughs, and support for local research and development.

2. Resources relevant agencies and ministerial councils to implement these strategies.

3. Coordinate a national approach to rail procurement processes.

4. Re-establish the Rail Supplier Advocate to build capability and assist Australian SMEs market their services to industry.

5. Establish nationally consistent rules to manage fatigue and drug and alcohol regulations for train crew. Mandated hours in NSW and QLD add costs to rail operators with no proven safety benefit. A national, risk-based approach to train driver hours as is in place in road transport, maritime and aviation is required.

6. Establish nationally consistent operating requirements for train crew operating across state and territory borders.
ABOUT THE ARA

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

We represent an array of rail organisations, including private and public, passenger and freight operators, track owners and managers, manufacturers of rolling stock, construction companies, consultants and all other organisations supplying and contributing to the Australasian rail sector.

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