Australia’s population growth rate – around 1.5% a year – is among the highest in OECD countries, and since the year 2000, our population has grown by more than 25%. This growth, projected into the future, has startling consequences: Australia’s population is forecast to double by 2070, reaching almost 45 million people. This means that, on average, the population will increase by 370,000 people every year for the next 50 years.

Larger, more populous and more dense cities create significant challenges for achieving quick, convenient and affordable transport. Projections indicate that, with current vehicle technology and ownership trends, the stock of private motor vehicles will grow from around 14.8 million today to around 28 million by 2050.

A similar, but more extreme, story is seen in freight with growth likely to follow along the path of GDP rather than population: a potential 88% increase in kilometres travelled by 2050 and an increase in vehicle stock of some 2.5 million trucks and light commercial vehicles.

To manage these challenges Australia will have to develop its transport infrastructure with rail in a central role.

The Value of Rail Report is a report prepared by Deloitte Access Economics for the Australasian Railway Association. You are able to download the summary and full version of the Value of Rail Report at www.ara.net.au/value-of-rail.
In 2016 rail’s total economic contribution was:

- $26 Billion in GDP
- Over 140,000 workers and growing
- 50% of rail manufacturing workers were employed regionally

But rail has wider reaching benefits:

- Carbon emissions are 40% higher on road than rail for each km
- Road travel causes almost 8x more accident costs per kilometre travelled
- Every road journey replaced by rail can reduce time spent waiting in traffic by 7-27 minutes

And given expected growth...  

- Passenger task to grow 19% by 2026
- Freight task to grow 26% by 2026

Government and industry need to:

- Enhance future planning, coordinate procurement and charge road use based on cost
- Harmonise equipment and standards and embrace digital disruption
- Work together to improve customer experience, enhance productivity and build a skilled workforce