

**Submission to the  
House of Representatives,  
Parliament of Australia**

**Inquiry into integration of regional rail  
and road networks and their interface  
with ports**

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***noroc***



*Northern Rivers  
Regional  
Organisation  
of Councils inc*

**Northern Rivers Regional Organisation of Councils**

Ballina•Clarence Valley•Lismore•Kyogle•Richmond Valley•Tweed  
Rous Water•Richmond River County Council

PO Box 23A Lismore 2480  
Level 3 Rous Water Building  
218 Molesworth Street Lismore 2480  
Tel. 02 6622 2650 Fx. 02 6622 8149  
noroc@lismore.nsw.gov.au

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## Executive summary<sup>1</sup>

The Northern Rivers region of NSW is unique in Australia today. It is one of the country's fastest growing rural regions, it enjoys the highest number of tourist visits of any Australian region outside a capital city, business activity is expanding in an diverse range of areas, it is bisected by one of the most important and busiest highway in the country, yet the vast majority of people and businesses who call it home have little or no access to either commuter or freight rail transport.

With its expanding population, its thriving businesses, its tremendous tourism appeal, observers could be forgiven for thinking the region enjoyed infrastructure that was second to none. The reality is very different. The Pacific Highway that runs through it claims around fifty lives every year. According to the NRMA, in the ten years to 2002 there were more than 10,000 traffic accidents,<sup>2</sup>. And despite a 15-year-old-commitment by both the State and Federal government to make the Pacific Highway dual carriageway, it still has just one lane in each direction for nearly half its length. Many other roads in the region are little better.

While action is currently being taken to fix the highway and improve our roads, it is too slow. Lives continue to be lost and small communities continue to be overrun by trucks. The problems caused by the poor state of many of the region's roads are exacerbated by the relative absence of any meaningful access to commuter or freight rail services. Making matters worse, in 2004 the NSW government discontinued commuter services on the Casino to Murwillumbah line. In a region that still contains relatively high numbers of unemployed and socially disadvantaged people, the loss of our train service has been felt as a severe blow seriously limiting people's ability to move within and out of the region.

The Northern Rivers region, together with its northern neighbour the Gold Coast, are two of the fastest growing regions in the country. But unlike the Gold Coast where infrastructure spending is accelerating, where rail services are being extended to link it more closely with Brisbane, infrastructure spending in the Northern Rivers is stagnating.

The purpose of this submission is to call on the Federal Government to:

1. Increase its commitment and funding to the region through increased infrastructure spending on the Pacific Highway and other major regional roads, and the expansion of commuter and freight rail services
2. Work closely with the NSW government to ensure that sufficient funds are commitment to ensure that the Pacific Highway is upgraded to dual carriageway before 2016
3. Work closely with its state counterparts to help develop significant rail freight interchanges at Casino and Grafton handling bulk freight movements to and from Brisbane, Newcastle, Sydney, Melbourne and beyond, both by existing routes and the proposed inland trunk rail route.
4. Work closely with the NSW and Queensland government to progress the development of commuter rail services linking the major population centres on the Northern Rivers and eventually the Queensland network.

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<sup>1</sup> This submission is made to the House of Representatives Standing Committee on Transport and Regional Services and its *Inquiry into the Integration of Regional Rail and Road Freight Transport and their Interface with Ports*. It does not specifically address the issue of the interface between road and rail with ports. The full terms of reference for that inquiry are reproduced at Appendix 1.

<sup>2</sup> Proceedings from the NOROC Pacific Highway summit, May 2005. (Appendix 2)

# **1. The Northern Rivers Regional Organisation of Councils (NOROC) and the north coast community**

The Northern Rivers Regional Organisation of Councils represents the interests of the councils of the northern rivers and their associated communities—some 300,000 people. With a rate of growth of around 1.6 per cent per annum, it is one of the fastest growing regions in Australia outside the capital cities. Indeed, New South Wales' government estimates suggest that by 2020 around one quarter of Australia's population will live between Coffs Harbour in NSW and Harvey Bay in Queensland. Growth in the Northern Rivers Region is comparable to the Wollongong/Illawarra area and Newcastle/Hunter Valley area. Over the next 20 years the population is expected to increase to around 350,000<sup>3</sup>.

Accompanying this growth in population is an increase in business activity. The Northern Rivers has grown from a predominantly rural, agricultural community into a diverse, thriving region. Today, business and industries include:

- Education
- Creative industries
- Horticulture
- Complementary medicine products and services
- Aquaculture
- Timber products
- Meat and diary
- Residential development and construction
- Marine fishing.

On top of this expanding population is an explosion in tourism. Tourism industry figures estimate that 400,000 people were on holiday between Coffs Harbour and the Gold Coast during Easter 2004. Byron Bay alone receives around 1.7 million visitors each year<sup>4</sup>. But this increased business activity and increasing tourist numbers places a tremendous strain on infrastructure. The majority of tourists, for example, arrive in and travel through the region either by car or in buses. At some point nearly all of them will travel along the Pacific Highway. And as well as the visitors who travel the highway there are the local communities who use it every day as they go about the business of their daily lives—going to work, taking the kids to school or to sport, doing the shopping, or going to the movies.

Traffic on the region's roads generally and the Pacific Highway specifically has increased dramatically in recent years. As noted last year by the former NSW Minister for Roads, Carl Scully, between 1995 and 2003 traffic on the Pacific Highway increased by 42 per cent—from 56,000 vehicles per day to 79,000. All of this traffic is funnelled down a road that still only has one lane in each direction for 44 per cent of its 700km length.

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<sup>3</sup> Submission to the NSW Premier seeking the appointment of a Minister with responsibility for the Northern Rivers April 2005 (Appendix 2)

<sup>4</sup> <http://www.byron.nsw.gov.au/>

Other statistics relating to the Pacific Highway include:

- it has divided carriageway for just 33 per cent of its length
- safe overtaking is available for only 45 per cent of its length
- it has a 100+km/h speed limit over 79 per cent of its length.
- there are 77 speed limit changes<sup>5</sup>.

In addition, in its 2003 audit the NRMA identified over 220 blackspots between Hexham in the south and the Queensland border in the north. Trees and power poles too close to the road, ditches, and culverts also reduce safety along the highway.

All of this makes the Pacific Highway—one of Australia's busiest—a very dangerous road.

Exacerbating the problems associated with the poor state of much of the Pacific Highway is the lack of a viable rail alternative for both commuter travel and freight transport. The decision by the NSW government in 2004 to cancel rail services on the Casino to Murwillumbah branch line has effectively removed access to rail services for one of the fastest growing regions in the country.

In recent years the Queensland government has demonstrated commitment to extending rail services into southeast Queensland<sup>6</sup>. However, without a similar commitment from either the Federal government or the NSW government access to this important area for local business will remain seriously limited.

For the Northern Rivers region, indeed for all of northern NSW, to continue to grow and for the existing population to enjoy the quality of life expected from a developed nation it needs continued and expanded growth and development in infrastructure, specifically roads and rails.

**The Northern Rivers Regional Organisation of Councils, therefore, calls on the Federal Government to increase its commitment and funding to the region through increased infrastructure spending on the Pacific Highway and other major regional roads, and the expansion of commuter and freight rail services.**

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<sup>5</sup> Proceedings from the NOROC Pacific Highway summit, May 2005. (Appendix 2)

<sup>6</sup> NOROC submission to the NSW Legislative Council Inquiry into the closure of the Casino to Murwillumbah rail line. (Appendix 2)

## 2. NOROC's freight and transport infrastructure vision

For the Northern Rivers region to continue to thrive it needs greater access to national and international markets. It also needs to be able to ensure the safety of those who live here, those who visit the region, and those who travel through it. These goals can be achieved chiefly by improving the condition of the Pacific Highway, by making it dual carriageway, and by improving and upgrading the level of rail access to the region.

By acting in these areas the federal government will not only be helping save lives, it will also be saving money and promoting economic activity in a dynamic regional community.

### 2.1 Our vision for the region's roads

In 1989 two horrific bus crashes claimed the lives of 55 people and brought the condition of the Pacific Highway to national attention. In his findings, the Coroner Kevin Waller said:

"First, foremost and superseding all others, it is recommended that the Pacific Highway be converted into a dual highway between Newcastle and the Queensland border..."

That was more than 15 years ago. Since then more than 600 additional lives have been lost on the highway. And still the job is only one third done.

The importance of establishing the Pacific Highway as a dual carriageway cannot be overstated. In its 2004 Pacific Highway Safety Review the NSW Roads and Traffic Authority (RTA) reported that of the 44 fatal crashes on the highway in 2003 most occurred on undivided roads. Fifty per cent of all fatal crashes involved head-on collisions.

But according to the NRMA, head-on crashes can be reduced by 90 per cent by building divided roads. The NRMA reports that over a three-year period there were 213 head-on crashes on the Pacific Highway. Divided roads would have cut this number to just 21. That's 190 head-on crashes prevented, just like that.

A dramatic example of how effectively divided roads can prevent accidents is the Yelgun to Chinderah expressway. The previous Pacific Highway route through the Burringbar range was a notorious blackspot responsible for numerous deaths. From the opening of the new expressway in August 2002 until the end of 2004 there were only 89 crashes and just one fatality.

A potent ingredient in this highway mix is the involvement of trucks in serious accidents. According to the RTA's Pacific Highway Safety Review trucks, which account for just two per cent of registrations in NSW and around 15 per cent of total motor vehicle travel on the Pacific Highway, are involved in more than 25 per cent of all fatal crashes. As the RTA euphemistically puts it, "heavy trucks are over-represented in fatal crashes."

As well as the obvious emotional and psychological trauma associated with road accidents there is the enormous financial cost. As the NRMA's Alan Evans notes:

"Apart from the terrible grief and loss these crashes cause our community, road trauma cost Australia \$40million every day, or \$15billion every year. On the Pacific highway, crashes, deaths and injuries cost the community \$215 million between 2001 and 2003."<sup>7</sup>

At the current rate of construction it will take anything between another 15 and 20 years for the remainder of the Pacific Highway to be upgraded to dual carriageway. Based on current trends we can expect between 600 and 800 people to die on the road during this period at a cost to government and the community of around \$1.5billion.

<sup>7</sup> Proceedings from the NOROC Pacific Highway summit, May 2005. (Appendix 2)

Surely this is a human and financial cost that we cannot afford to pay? Surely we cannot stand by and let this happen? We know that divided roads save lives. This is not merely a state problem; the Pacific Highway is a highway of national significance carrying traffic from around the country. While the contributions from the Federal government to date are to be applauded much more needs to be done.

If concern for saving lives and preventing injury is the primary motivation for upgrading the Pacific Highway immediately, there are other important benefits that will flow to both local communities and government.

The Pacific Highway is the principal freight route for goods along the eastern seaboard. While NOROC also wants to see the region's rail freight capacity expanded, it recognises that around two thirds of freight is still transported by road. For many communities along its length, the Pacific Highway represents the major access they have to markets.

A better, divided Pacific Highway will not only be safer for all, it will be more efficient. It will improve access to markets on the Gold Coast and Brisbane in the north, and Sydney and Newcastle in the south. Better access to markets means better business and increased economic activity.

Talk of a more 'efficient' highway isn't wishful thinking. The upgrades that have been completed so far have already yielded results. From 1995 to 2004 upgrades and bypasses on the highway have resulted in travel time savings of between 70 and 90 minutes. Improving the remaining two-thirds of the Pacific Highway will yield even greater time savings.

In addition to better access to markets and reduced travel times, the construction process itself will lead to economic spin-offs. It is estimated that upgrading the highway will result in the creation of more than 1,000 jobs. These jobs will mostly be in regional communities.

But while the Pacific Highway is clearly our most pressing concern, NOROC recognises there are other roads and projects that require similar attention. These include:

- the Summerland Way—this important road from Grafton to Casino is in similar need of upgrading. Significant sections of the road require dual carriageway and passing sections in order to allow it to function as a major alternative link to western Brisbane and beyond. It is a road which would be preferential for the transport of proportionately more freight because of its relative distance to Brisbane
- the Woodenbong to Warwick line—this road should be upgraded to at least a high standard single carriageway with significant passing sections which would then allow it to function as a major link to Warwick, Toowoomba and the proposed National Trunk Rail line
- the Lions Road—this road should be upgraded to cater for increased tourist and regional smaller vehicle through traffic
- the Lismore to Woodburn road
- the Lismore to Bangalow road
- Wyrallah road

Other significant regional road enhancement projects that must be completed as a matter of priority include:

- the Alstonville bypass & Ballina bypass
- the Tugun bypass.

**The Northern Rivers Regional Organisation of Councils, therefore, calls on the federal government to work closely with the NSW government to ensure that sufficient funds are commitment to ensure that the Pacific Highway is upgraded to dual carriageway before 2016, and that sufficient funds are also allocated to upgrade other important regional roads.**

## 2.2 Our vision for rail in the region

As mentioned above, the Northern Rivers is one of the fastest growing regional centres in Australia, but for the vast majority of those living and working in the region there is no access to either commuter or freight rail services.

Despite increasing population and increasing business activity, the Northern Rivers retains a large number of unemployed and socio-economically disadvantaged people. The presence of an appropriate commuter rail service (such as reinstating and extending the Casino to Murwillumbah service) will improve access to the rapidly growing areas of Tweed Heads and the Gold Coast.

There is tremendous opportunity, therefore, for governments at all levels to develop and promote rail as a safe, efficient addition and alternative to road transport.

With regard to freight, there are many instances where freight currently transported by road could be transported more efficiently by rail, including containers and logs. Materials for road construction (for example, fly ash from the Brunswick Heads bypass) could also be transported by rail, alleviating pressure on the Pacific Highway and arterial roads<sup>8</sup>.

Currently, around two thirds of all freight is transported by road. While there is often good reason for transporting goods by road, an increasingly common reason for doing so in northern NSW is that there are no other viable alternatives. The development of an effective rail freight capacity would provide such an alternative.

The benefits of rail freight are significant. The Australasian Railway Association (ARA) reports that one freight train between Melbourne and Sydney replaces 150 semi-trailers and saves around 45,000 litres of fuel and 130 tonnes of greenhouse gases compared with road haulage<sup>9</sup>.

The ARA also reports that rail is twice as energy efficient as the road even after fuel use has been included for rail line haul, road pick-up and delivery from rail terminals, manufacture of transport equipment and construction of roads and railway lines. It reports that Australia's domestic freight task is expected to double by 2020. In the same period, fuel consumption by articulated trucks is forecast to increase by at least 70 per cent and greenhouse gas emissions from articulated trucks are forecast to increase by at least 75 per cent.

The increasing cost of petrol is yet another cause for concern. As petrol prices increase so too will the cost of road haulage along with the price of the goods transported placing pressure on inflation, interest rates and the health of the economy.

World oil prices cannot be expected to fall any time soon.

The expansion of rail services, not just in the Northern Rivers, but around the country therefore will promote economic activity in regional communities and, ultimately, help reduce greenhouse gas emissions and reduce freight charges.

Migrating freight from road to rail will also save lives on our roads. Around one third of all deaths on the Pacific Highway involve trucks. Even without upgrading the highway, getting trucks off the highway and freight onto rail will prevent up to 30 per cent of deaths on that road.

It makes sense to develop our rail infrastructure.

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<sup>8</sup> Submission by NOROC to the NSW Legislative Council Inquiry into the Closure of the Casino to Murwillumbah rail service (Appendix 2)

<sup>9</sup> Ibid.



**The Northern Rivers Regional Organisation of Councils calls on the federal government to work closely with its state counterpart to help develop significant rail freight interchanges at Casino and Grafton handling bulk freight movements to and from Brisbane, Newcastle, Sydney, Melbourne and beyond, both by existing routes and the proposed inland trunk rail route.**

In addition, NOROC calls on the federal government to work closely with the NSW and Queensland government to progress the development of commuter rail services linking the major population centres on the Northern Rivers and eventually the Queensland network.

### **3. Road and rail infrastructure funding—the need for political will**

The information and statistics presented in this submission are well known to everyone. With regards to the region's roads, and particularly the Pacific Highway, both the Federal and State governments are fully aware of the costs of road crashes and of the trauma they cause. Governments know the impact of crashes and road fatalities on the health budget, the police budget, the courts, welfare and rehabilitation services, counselling services, and insurance premiums.

Governments, the community, business, and community groups all accept that upgrading the Pacific Highway to dual carriageway will save lives and reduce trauma. Everyone knows what must be done. Everyone is united in this fundamental goal. But all the agreement and goodwill in the world won't fix the highway.

At present, all that stands in the way of making this vision a reality is the lack of political will to commit the necessary resources to complete the task quickly.

We all know it will cost money, a lot of money. But it will cost the government and the community a lot more in the long run if it is not done now. As mentioned above, there are costs of not acting now. Part of the problem is the language that nearly everyone uses. We speak of the 'cost' of upgrading the highway when we should be speaking of an investment in the highway. The NRMA, for example, has noted that fixing road blackspots delivers a cost benefit ratio of 1:14 for every dollar invested<sup>10</sup>. That's \$14 saved for every \$1 invested.

So the question remains: how do we fund the highway upgrades? There are a host of options of which governments are only too well aware. The former Deputy Prime Minister, John Anderson recently floated the idea of a toll to raise the necessary funds. The idea of shadow tolling has also been raised—where the toll is repaid by the government to the private company that builds it. Indeed, the private sector has suggested that with private sector involvement the Pacific Highway upgrade could be completed in just seven years.

Then there are things like infrastructure bonds and other government investment schemes. The sale of government assets (like Telstra) at both the state and federal level also presents opportunities for raising funds. The sale of the government's final share of Telstra in particular is expected to yield up to \$30billion. Just 10 per cent of the proceeds from the sale of Telstra, together with the continued commitment from the state government, will pay for the entire upgrade of the highway now.

Governments know how to fund projects they are determined to implement. After the Port Arthur shooting the federal government found the funds for the gun buy back. Currently, despite belt tightening in NSW the government recently announced a \$2billion plan to build a desalination plant. These are worthy aims. The point is they took political will. And what can be more worthy than saving between 600 and 800 lives over the next 15 to 20 years. The upgrade of the Pacific Highway is a most worthy cause.

We acknowledge that some issues associated with the upgrades remain to be resolved. But the government currently has a tremendous opportunity afforded to it by this united support to deliver an invaluable service.

The upgrade of the Pacific Highway and other key regional roads is an issue that is above politics. It is an issue of profound public concern.

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<sup>10</sup> Proceedings from the NOROC Pacific Highway summit, May 2005. (Appendix 2)

Similarly, the benefits of developing an appropriate commuter and freight rail facility in the Northern Rivers are enormous. Principal among these is the migration of freight away from the road to rail, which will reduce the number of trucks on the highway and, as a direct result, reduce the number of serious and fatal traffic accidents. Everyone knows, with a high degree of certainty, this will save hundreds of lives as well as millions of dollars over the next ten years.

To this we can add the compelling arguments for the need to provide adequate amenity and access to a safe and reliable commuter transport service for the region's citizenry and the economic advantages that will accrue from the development of rail freight infrastructure such as a reduction in Greenhouse gas emissions and savings in fuel costs.

Like the much-needed enhancements to the region's roads, all that prevents the realisation of this vision for rail in the region is the political will to act. The Northern Rivers region both needs and deserves an integrated road and rail network. It will save lives, improve access and amenity in the region, enhance its economic capacity, and deliver continuing prosperity for our people.

# **Appendix 1**

## **Terms of Reference**

The House of Representatives Standing Committee on Transport and Regional Services is to inquire into:

- the role of Australia's regional arterial road and rail network in the national freight transport task;
- the relationship and co-ordination between Australia's road and rail networks and their connectivity to ports;
- policies and measures required to assist in achieving greater efficiency in the Australian transport network, with particular reference to:
  - land transport access to ports
  - capacity and operation of major ports
  - movement of bulk export commodities, such as grain and coal
  - the role of intermodal freight hubs in regional areas
  - opportunities to achieve greater efficiency in the use of existing infrastructure; and
  - possible advantages from the use of intelligent tracking technology
- the role of the three levels of Government and the private sector in providing and maintaining the regional transport network.

## Appendix 2

### Attachments

We have attached three documents to this submission by way of background and supporting information. The first is *Proceedings from the NOROC Pacific Highway summit* held at Ballina in May this year.

Present at the summit were representatives of the majority of councils along the Pacific Highway together with state and federal politicians, several of who addressed the summit. One of the summit's keynote speakers was Alan Evans, president of NRMA Motoring and Services.

A key outcome of the summit was the establishment of a Pacific Highway Taskforce. The taskforce currently includes representatives from all councils along the length of the highway, the NRMA, business representatives, and local politicians.

The principal aim of the taskforce is to continue to agitate for additional funding from both state and federal governments to upgrade the Pacific Highway to dual carriageway within 10 years.

The second document is the NOROC submission to the NSW State Legislative *Council Inquiry into the closure of the Casino to Murwillumbah branch rail line* in 2004. This submission provided data on both the need to retain a commuter rail line and the need to expand the commuter and freight rail capacity within the region.

The third document is the *NOROC submission to the NSW Premier seeking the appointment of a special Minister with responsibility for the Northern Rivers*. This submission sought to bring to the attention of the state government the unique position of the Northern Rivers and the needs, requirements, and expectations that are peculiar to northern NSW.