



Ref: 05090

5 May, 2005

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House of Representatives
Standing Committee on Transport and Regional Services
Parliament House
CANBERRA ACT 2600

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Dear Tas,

INTEGRATION OF REGIONAL ROAD AND RAIL NETWORKS & CONNECTIVITY TO PORTS

I refer to your letter dated 27 April 2005, regarding the above.

Not a lot of time, but my company do have views on these issues, both as they affect our business in the rail industry, and as professionals with a desire to see sound engineering, financial and economic judgement applied to national land transport.

So in brief, I would summarise our views as follows:

1. *The role of Australia's regional arterial road and rail network in the national freight transport task.*

It is simply stating the obvious – regional rail has been totally neglected in Federal and State budgets, and when it has been funded, it is usually a political agenda, not a rational business agenda with a long term funding commitment (perhaps Queensland is a partial exception).

For example, what is the logic in Victoria building a new broad gauge HS passenger line that can have no connectivity to a national or regional HS network!

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2. *The relationship and co-ordination between Australia's road and rail networks and their connectivity to ports.*

There isn't one. Politics and regional self interest will ensure that remains the case in my view e.g. SE South Australia

3. *Policies and measures required to assist in achieving greater efficiency in the Australian transport network, with particular refer 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***

At a national level there is a gross under funding by Government and Industry of the research necessary to underpin safe, reliable, cost effective rail transport. This may also apply to roads, but it certainly is the case in rail.

Government policy needs to address this in more than just lip service.

A clear AusLink funding model may help.

The focus of this enquiry is presumably the (yet to be seen!) East Coast, but it could do well to review Alice – Darwin for a national assessment of past policy measures, and their outcomes.

Generally, Australia's rail network is under utilised, so while there are important improvements required, the reality is that a quantum leap in technologies is required to pick 'high hanging fruit'. Australia needs to stop reinventing the wheel, and adopt internationally available technologies and support leading edge Australian technology.

Intelligent tracking technology is just one element.

Australia does **not** have any model for a national system of transport operational management (with due respect to ARTC, who obviously have made progress in the last 5 years).

Australia has a very poor to non existent interchange model for above rail operations (I don't know about road), where different operators could exchange freight cars, and hook and pull services and bill each other for it. This includes shared maintenance.

There are in my view high efficiencies to be had from a more open business approach that creates more viable (and few mainline operators, and in turn more viable smaller short haul operators)

4. *The role of the three levels of Government and the private sector in providing and maintaining the regional transport network.*

Cost of access is already way too high for rail, and is heading that way for some toll roads.

Private sector projects for infrastructure are likely to increase the cost of access, so need careful consideration, and almost certainly higher levels of Government funding.

The reality is Government could and should have done more to achieve better equity of land transport funding road vs rail. If they had, many of the problems now would not exist.

Yours sincerely,
TMG International (Australia) Pty Limited

Dale Coleman