

PARLIAMENT OF AUSTRALIA

HOUSE OF REPRESENTATIVES

STANDING COMMITTEE

ON

TRANSPORT & REGIONAL SERVICES

INQUIRY INTO INTEGRATION OF REGIONAL ROAD &
RAIL NETWORKS & THEIR INTERFACE WITH PORTS

PRESENTATION

BY

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on behalf of

AUSTRALIAN TRANSPORT &

ENERGY CORRIDOR LTD

ON

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AT

PARLIAMENT, CANBERRA

SUMMARY

This Presentation covers,

- (1) The Australian Government's leadership role in major rail, road and port projects, in regional Australia.
- (2) A railway to serve the Surat Coal Basin in Queensland.
- (3) An inland standard gauge rail link between the Ports of Melbourne and Gladstone.
- (4) National freight hubs at Parkes and Toowoomba.
- (5) The political will required to reduce the mounting backlog in Australia's rapidly growing infrastructure requirements.

1. THE FEDERAL ROLE

It is not possible to conduct a meaningful debate about railways, roads and ports in Australia without giving consideration to the need to overcome the political and bureaucratic delays which currently add a minimum of five years of time and cost to each and every project for no valid reason.

These observations outline the current position,

- (a) Australia has suffered badly because the basic responsibility for the building of roads, railways and ports is in the hands of State Governments who, for a century, have shown a growing inability to meet long overdue needs and have no prospect of improving that performance.
- (b) This significant problem will be solved only when the Federal Parliament passes legislation to establish an **Australian Infrastructure Authority** which must be given power to initiate, implement and finance projects of national importance that are agreed upon by the Council of Australian Governments (Note: a current proposal to establish a National Advisory Body on Infrastructure is quite pointless. An entity is needed which has power to implement projects and the resources to produce results quickly).
- (c) Most of the projects implemented by the Authority should be carried out by Public Private Partnerships, with the Authority having the power to authorise the raising of private capital through **tax deductible infrastructure bonds** valid only to the original investor. (Note: the longstanding opinion of Treasury that Infrastructure Bonds will significantly reduce government revenue has no basis in fact. All infrastructure projects generate new tax revenues).
- (d) Examples of some of the initial Road, Rail and Port Projects which could be implemented by the Authority are,
 - (1) the Australian Inland Rail Expressway from Melbourne to Gladstone.

- (2) major investment at the Port of Gladstone to enable it to rapidly develop and become Australia's major port and a distribution hub for bulk and container freight in addition to its normal mineral exports.
- (3) significant construction and upgrading of rail and road access to all major Australian Ports, particularly establishing the Murrurundi Tunnel which will give greater rail access to the Port of Newcastle.
- (4) a railway connecting the Kimberly to the Adelaide/Darwin Railway, thus finally giving this important part of Regional Australia rail access to the remainder of the continent.
- (5) bypass highways around Toowoomba and Katoomba.

Obviously, there are many other important projects which could be listed.

2. THE SURAT COAL BASIN RAILWAY

A number of significant comments can be made about this long neglected project:

- (a) **It has been obvious for decades that a railway is needed to open up the Surat Coal Basin so that its 3.5billion tonnes of thermal coal can be exported to the world.**
- (b) This can be achieved only by linking the Surat Basin to the Port of Gladstone, as access to the Port of Brisbane is very inadequate and not able to be improved to any reasonable extent.
- (c) In addition, cotton and grain exporters of the Darling Downs and Maranoa are denied the right of using Gladstone as their port.
- (d) Despite this, the Queensland and Australian Governments have for many years constantly ignored this project and have actively discouraged private proposals to build it.

It can be deferred no longer.

3. THE MELBOURNE/GLADSTONE INLAND RAILWAY

This project will revolutionise the regional growth in Eastern Australia.

Its importance is based on these facts:

- (a) **Anyone looking at a map of Australia can see that Melbourne and Brisbane should be linked by a direct Inland Railway instead of sending trains through the overcrowded rail system of Sydney.** Yet, it has never been on the radar of any government for the whole of the 20th Century until private people started to promote it about ten years ago.
- (b) Equally clear is the obvious fact that this line should be linked on to Gladstone by an extension of the Inland Railway from Toowoomba through the Surat Coal Basin to Gladstone.
- (c) A Melbourne/Gladstone standard gauge railway would open up Inland Australia for the development of new regional industries which would add value to rural produce and mineral resources and cause Gladstone to become a major port which will take pressure from inadequate capital city ports.

4. THE IMPORTANCE OF FREIGHT HUBS AT PARKES & TOOWOOMBA

All of the abovementioned comments point to the fact that,

- (a) Major investments should be made to modernise the Ports of Melbourne and Gladstone so they can become the sole Australian Ports to take the world's largest super freighters.
- (b) An Inland Railway can then be used to bring freight to Parkes and Toowoomba from either port for distribution direct to customers in Sydney and Regional NSW and to Brisbane and South Eastern Queensland respectively.
- (c) **The Freight Centres at Parkes and Toowoomba can be developed to the extent that, eventually, they will have a similar role in Australia to that which Chicago has in the United States of America** and thus take

pressure away from the ancient and overcrowded freight hubs that we have in our capital cities that have long since passed their useby dates.

(Declaration: ATEC owns land for a Freight Centre at Toowoomba which it has purchased as part of its development of the Australian Inland Rail Expressway Project).

5. POLITICAL WILL

For many decades, no government, anywhere in Australia, has shown the political will to either build or maintain the infrastructure that Australia needs. This has deterred private investors who do not believe that governments want to see projects through to their speedy conclusion. They are aware that the normal government delays will kill the profitability of their investment.

It is now long overdue that this neglect be rectified as it has cost this nation dearly. It will be achieved only by aggressive federal intervention accompanied by sustained political will to achieve results.

Political and Industrial leaders, with vision and spine, can initiate and complete the infrastructure that Australia desperately needs for our trade to be competitive in world markets and our prosperity as a nation to be enhanced.

The creation of the National Infrastructure Plan will be a great step forward in overcoming a long period of neglect.

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