

Rural Affairs and Transport Legislation Committee

ANSWERS TO QUESTIONS ON NOTICE

Budget Estimates May 2011

Infrastructure and Transport

Question no.: 30

Program: 1.1

Division/Agency: (IA) Infrastructure Australia

Topic: Epping to Parramatta Railway

Proof Hansard Page/s: 22 (25/05/2011)

Senator Colbeck asked:

Senator COLBECK: Is the submission received from New South Wales in relation to that publicly available?

Mr Deegan: I think it is publicly available on our website, but I will check for you.

Answer:

A copy of the submission can be found on the Transport NSW website:

<http://www.transport.nsw.gov.au>

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Question no.: 31

Program: 1.1

Division/Agency: (IA) Infrastructure Australia

Topic: James Price Point development

Proof Hansard Page/s: 26-27 (25/05/2011)

Senator Back asked:

Senator BACK: Does James Price Point, north of Broome, come into your remit or will it?

Mr Deegan: To the extent of the national port planning and the freight connections, that is part of what we are involved in with the Department of Resources and Energy, as with a number of those other major port developments all the way down the coast.

Senator BACK: It is not yet on the radar, dollars-wise?

Mr Deegan: I think there have been some discussions about funding, but I would have to come back to you on that in detail.

Answer:

In 2009-10, the Western Australian Government provided Infrastructure Australia with a submission regarding a marine supply base in the Kimberley region at Point Torment. This was again referred to in that Government's submission for 2010-11.

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Question no.: 32

Program: 1.1

Division/Agency: (IA) Infrastructure Australia

Topic: Rail upgrade from Collie to Bunbury

Proof Hansard Page/s: 29 (25/05/2011)

Senator Back asked:

Senator BACK: Would that require upgrade of the rail from Collie to Bunbury?

Mr Deegan: There is talk of both the rail and the road works. You would be aware of the port roads that have been considered there. The Commonwealth funded some of those already. We have been having discussions with Westnet and others around the rail issues. I have been out on that railway line and have seen some of the challenges that they have in that space. There is an opportunity for the private sector to fund a lot of that as well.

Senator BACK: That is correct. Perhaps on notice, or you could point me to where I can find this on your website, could I get the details of the commitments?

Mr Deegan: I will take that on notice.

Answer:

Infrastructure Australia's report Getting the fundamentals right for Australia's infrastructure priorities refers to submissions relating to the port of Bunbury and associated infrastructure.

Previous relevant published submissions on the Infrastructure Australia website are from the Bunbury Wellington Economic Alliance and Westnet rail.

(http://www.infrastructureaustralia.gov.au/public_submissions/published/received_2008_2009_P_Z.aspx)

Infrastructure Australia has also been provided with the publication 'Roads to Export' by the South West Development Commission of Western Australia.

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Question no.: 33

Program: 1.1

Division/Agency: (IA) Infrastructure Australia

Topic: Infrastructure Australia Update

Proof Hansard Page/s: Written

Senator Heffernan asked:

- 1) What is the current number of staff in Infrastructure Australia?
- 2) Are there any plans to increase this number in light of budgetary changes?
- 3) What is the latest update of the:
 - a. National Freight Strategy
 - b. National Ports Strategy?
- 4) What is your progress on upgrading IA's Reform and Investment Priorities?
- 5) Has there been any progress on the projects listed as Threshold Projects listed in the June 2010 Report to COAG? (see p.50 of June 2010 Report to COAG) If so, give details on each project.
- 6) Has there been any progress on the real potential projects listed in the June 2010 Report to COAG? (see p.50 of the June 2010 Report to COAG) If so, give details on each project.
- 7) Has there been any progress on the early stage projects listed in the June 2010 Report to COAG? (see p.50 of the June 2010 Report to COAG) If so, give details on each project.

Answer:

1. 12.
2. No.
3. (a) Submissions have been received and are being reviewed.
(b) The Australian Transport Council has supported the national ports strategy.
- 4-7. Please see the Infrastructure Australia June 2011 report "Communicating the Imperative for Action".

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Question no.: 34

Program: 1.1

Division/Agency: (IA) Infrastructure Australia

Topic: Infrastructure Australia Report to COAG – June 2010

Proof Hansard Page/s: Written

Senator Heffernan asked:

I refer to Infrastructure Australia's June 2010 report to the Council of Australian Governments

- 1) Has Infrastructure Australia provided any advice to the Department in relation to the Pacific Highway in the last six months?
- 2) If so, when was this advice provided and what did it entail?
- 3) Has Infrastructure Australia given any formal or informal advice to the Department since June 2010 when Infrastructure Australia advised the Department that the projected project cost will be \$6.67 billion?

Answer:

Please see the Infrastructure Australia June 2011 report "Communicating the Imperative for Action".

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Question no.: 35

Program: 1.1

Division/Agency: (IA) Infrastructure Australia

Topic: NSW Government Submission

Proof Hansard Page/s: Written

Senator Heffernan asked:

- 1) Has Infrastructure Australia received a submission, business case, or any other communication, or request of support for funding between 2007 and 2011 from the NSW Government for any Sydney rail link, including a North West rail link?
- 2) If so, who were the documents submitted by?
- 3) When was it received?
- 4) Is this document(s) available to the public? If not, why not?
- 5) What was the recommendation of this submission, business case, or communication?
- 6) Specifically in relation to the NW Rail Link, has Infrastructure Australia received any submission, business case, or any other communication, or request of support for funding between 2007 and 2011 from the NSW Government for the North West Rail Link?
- 7) From whom was this information received?
- 8) When was it received?
- 9) What was the recommendation of this information, research, analysis or other information?
- 10) Is this document available to the public? If not, why not?
- 11) What research, reports, or other analyses has Infrastructure Australia commissioned or undertaken regarding Sydney rail infrastructure projects from its IA's creation to 2011?
- 12) When were these research, reports, or other analysis commissioned? And finalised?
- 13) What were the recommendations of this research, reports, or other analysis?
- 14) Is this relevant research, report, or other analysis available to the public? If not why not?
- 15) Has Infrastructure Australia either formally or informally provided advice to the Department or the Minister in relation to the North-West Rail Link?
- 16) If so, when did this occur and what did it entail?
- 17) Has Infrastructure Australia made any assessment of the North-West Rail Link as a potential project for public funding?
- 18) What was this assessment?
- 19) When was this assessment undertaken? When will it next be reviewed?
- 20) What research, analysis or other information were relied upon in making this assessment?
- 21) How does this assessment compare to Infrastructure Australia's assessment of the Parramatta-Epping Railway?

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Answer:

- 1) Yes.
- 2) NSW Government.
- 3) August 2010.
- 4) Yes.
- 5) Not applicable.
- 6-10) See above.
- 11) (a) Analysis (by external consultants for BCR moderation where detailed submissions including economic appraisal information was presented by NSW) has been undertaken on the following NSW Government project submissions:
 - 2008-09 – NSW Sydney CBD Metro; NSW Sydney West Metro; Northern Sydney Freight Corridor (GHD);
 - 2009-10 – West Metro; South West Rail Link; Northern Sydney Freight Corridor (GHD);
 - 2010-11 – North West Rail (Hills District Line); North Sydney Rail Freight Corridor; Container Freight Improvement Strategy (Ernst & Young).(b) Review of Discussion Paper ‘Development of a Thirty Year Public Transport Plan for Sydney’ (Indec Consulting).
(c) Rail Planning in New South Wales (The Tipping Point Institute).
(d) Northern Sydney Freight – Access Surety (Indec Consulting).
(e) NSW Transport Plan – Rail Operational & Infrastructure Aspects (Indec Consulting).
- 12) (a) Economic appraisal analysis commissioned and completed in assessment period (generally November to April each year).
(b) Finalised March 2009.
(c) Finalised November 2009.
(d) Finalised April 2010.
(e) Finalised April 2010.
- 12) (a-d) The research provided background information.
(f) As follows:

1.1. Non-infrastructure proposals

Australian Rail Track Corporation and RailCorp, in consultation with rail operators, undertook an analysis that considers the impact of braking distances and power/weight ratios to see whether a track owner and rail operators do or do not receive additional benefits through improved number of/robustness of train paths. However, this should not delay the implementation of the initial infrastructure capacity works in the corridor.

1.2. Feasibility and ability to provide a commitment

RailCorp and ARTC to complete the train path validation analysis so that it:

- incorporates the current freight train paths that are not Schedule A trains which includes the trains to Port Botany, steel and grain trains.

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- ▶ considers the impact of passenger growth and the timing of that growth and options to meet that demand.
- ▶ considers the sensitivity and management of unhealthy trains including a review of operating rules and procedures for the management of freight access and whether passenger priority includes the future resumption of capacity created for freight services.

The requirement for capacity and investment for passenger services should be identified based on the above and a funding source considered.

1.3. Willingness to provide a commitment

- ▶ RailCorp and Australian Rail Track Corporation to consult operators on the train type assumptions (i.e. length, power/weight) which have been used to determine the number of train paths available from the Northern Sydney Priority Freight Works.
- ▶ RailCorp and Australian Rail Track Corporation to undertake an analysis on performance standards around certain train paths.
- ▶ RailCorp and Australian Rail Track Corporation to consult operators on the train path validation analysis to ensure the availability of additional freight access rights is considered by rail operators as acceptable (the time of day, number of train paths and the performance levels associated with those train paths) and implementable.
- ▶ Asciano would prefer to have an access agreement with the party that owns/manages train control rather than with the wholesaler of train paths. Other operators should also be consulted on their preference.
- ▶ Consider whether Australian Rail Track Corporation or RailCorp should hold the access agreement with the access seeker/rail operator and therefore the undertaking.
- ▶ These agreements and the relevant undertaking may need to be supported by an additional legally-binding long term agreement to ensure that the additional capacity continues to be provided over the long term i.e. for the life of the infrastructure.
- ▶ The Commonwealth should consider funding the track access provider that is accountable to provide the additional freight access rights as per the Track Access Agreement and supported by the undertaking.
- ▶ When finalising the governance structure for the program of works ensure that it is clear whether it is the responsibility of the Australian Rail Track Corporation or RailCorp or both to consult/inform the rail freight operators on certain aspects of the program.

1.4. Adequate freight commitment and incremental approach

- ▶ If rail is to remain competitive and viable in the short term, rail freight capacity enhancement is required to the existing corridor. The Northern Sydney Priority Freight Works is a vital first step.
- ▶ The train path validation analysis currently being undertaken by RailCorp and Australian Rail Track Corporation will provide a technical answer in relation to the first tranche of projects i.e. funded from the \$840m of Nation Building

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funding. A similar approach will be required for any subsequent works proposed in the corridor.

► RailCorp and Australian Rail Track Corporation should be requested to provide the gap between demand and supply, that is, the demand projected for the East Coast out to 2015-2020 and the number of new acceptable train paths that will be available by the northern priority freight works.

► When preparing the NSW Freight Strategy the following options could be considered including their ability to close the gap, in the long term, between demand and supply and to provide the best commitment to the freight industry:

1. very fast passenger service to Newcastle;
2. a new dedicated freight track; or
3. alternative western alignment with a new Hawkesbury crossing.

1.5. Regulatory & commercial framework

► Key Performance Indicators for Rail Operators to be developed as outlined in the RailCorp Track Access Agreement.

► As part of the development of the Rail Services Contract between NSW Transport & Infrastructure and RailCorp, or during the review of the NSW Undertaking a schedule of Performance Indicators, which are published on RailCorp's website should be developed similar to those outlined in ARTC's Interstate Access Undertaking. The Performance Indicators should apply to network performance i.e. covering both operators and the track owner. The requirements to incorporate a review of performance indicator reporting into its annual internal audit process, undertaken by an independent entity and the findings of that review to be published on its website would also be included.

- 14) Infrastructure Australia publishes major research and reports commissioned in the context of national strategy development. This year the assessments of projects in the categories of "threshold" and "ready to proceed" will be released by the National Infrastructure Coordinator.

- 15 – 21) Infrastructure Australia is awaiting further information from the NSW Government.