



Australian Government

Department of Transport and Regional Services

The Secretary
Senate Rural and Regional Affairs and
Transport Legislation Committee
Parliament House
CANBERRA ACT 2600

Dear Ms Weeks

Subject: Inquiry into the AusLink Bills

Please find attached answers to questions taken on notice during the Department's attendance at the Committee's 12 April 2005 hearing into the AusLink Bills.

I trust the attached answers provide satisfactory responses to the Committee's questions.

Yours sincerely

John Elliott
A/g Executive Director
AusLink

May 2005

Encl.

Senate Rural and Regional Affairs and Transport Legislation Committee

ANSWERS TO QUESTIONS ON NOTICE

Transport and Regional Services

Department of Transport and Regional Services

Public Hearing of the Committee's inquiry into the provisions of the AusLink
(National Land Transport) Bill 2004 and the AusLink (National Land Transport –
Consequential and Transitional Provisions) Bill 2004

12 April 2005

Topic: AusLink White Paper – National Land Transport Network

Hansard Page: 27

Output: AusLink

Senator O'Brien asked: Why is the Port Hedland connection not part of the National Network?

Answer:

The Great Northern Highway, part of the AusLink National Network, provides the main road connection between Perth and Darwin – providing access for freight and passengers along this corridor, including the town of Port Hedland.

The port at Port Hedland primarily supports the export of iron ore which is transported by a privately owned and operated railway directly from the mines to the port.

Senate Rural and Regional Affairs and Transport Legislation Committee

ANSWERS TO QUESTIONS ON NOTICE

Transport and Regional Services

Department of Transport and Regional Services

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12 April 2005

Topic: Black Spots Programme

Hansard Page: 29

Output: Programmes Group – Transport & Local Government

Senator O'Brien asked: When can we expect that response? [Government response to the report of the House of Representatives Standing Committee on Transport and Regional Services *National Road Safety: Eyes on the Road Ahead* report?]

Answer:

The Government is finalising its response to the report of the House of Representatives Standing Committee on Transport and Regional Services *National Road Safety: Eyes on the Road Ahead*.

Senate Rural and Regional Affairs and Transport Legislation Committee

ANSWERS TO QUESTIONS ON NOTICE

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Public Hearing of the Committee's inquiry into the provisions of the AusLink (National Land Transport) Bill 2004 and the AusLink (National Land Transport – Consequential and Transitional Provisions) Bill 2004

12 April 2005

Topic: AusLink expenditure

Hansard Page: 29

Output: AusLink

Senator O'Brien asked: Could you advise why AAA calculates a 16% increase in expenditure over 5 years under AusLink compared with the previous 5 years and the Department calculates a 64% increase?

Answer:

There are two main differences between the figures.

Firstly, in noting a 64% increase on page 29, the AusLink White paper was including investment on rail and road whereas the AAA's figures referred just to road investment.

Secondly, the AusLink White Paper was comparing the funding being provided under AusLink for 2004-05 to 2008-09 to "existing programme funding" for that period, whereas the AAA was comparing funding for 2004-05 to 2008-09 to funding in the period 1999-2000 to 2003-04 and then discounting to 1999-2000 dollars.

The AAA has then estimated the 'real' values of road funding using 1999-00 as a base year.

The Department does not agree that the AAA figures accurately portray the position on road funding. For example, until the Fuel Sales Grants Scheme funding is redirected to AusLink from 2006-07, it cannot be counted as road funding.

Senate Rural and Regional Affairs and Transport Legislation Committee

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12 April 2005

Topic: AusLink investment

Hansard Page: 30

Output: AusLink

Senator O'Brien asked: Can you provide figures to substantiate that increase in value in new construction projects under AusLink offsets reduction in maintenance contribution? Please provide list of projects, including funding, by state/territory?

Answer:

During the period 1999-2000 to 2003-04, the Australian Government provided \$1444m in maintenance funding, an average of \$289m per year.

The Australian Government's contribution to maintenance funding will be \$300m per year from 2004-05 to 2008-09.

Road construction funding from 1999-2000 to 2003-04 was an average of \$623m per year. AusLink is providing over \$5.5 billion from 2004-05 to 2008-09, an average of over \$1.1 billion per year.

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12 April 2005

Topic: AusLink Green Paper

Hansard Page: 31

Output: AusLink

Senator Allison asked: What was the consultation process for the AusLink Green Paper?

Answer:

The AusLink Green Paper was launched on 7 November 2002 and drew extensive comments from interested parties.

The Green Paper was open to comment until 7 February 2003. Some 550 submissions were received from State and Local Governments, industry, environment groups, tertiary education and research bodies and interested members of the public. These submissions are available on the DOTARS website.

The Green Paper was also the subject of a series of consultations at 40 centres throughout regional and metropolitan Australia, with a total of 143 meetings being hosted.

A series of Commonwealth / State working groups were established by the Standing Committee on Transport (SCOT). The Priorities on the National Network Working Group considered the corridors of significance to be included in the AusLink National Network and the priorities for funding under the first five-year National Land Transport Plan. These SCOT working group arrangements ensured close and regular consultation between the Australian Government and the States and Territories in the development of AusLink.

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12 April 2005

Topic: National Assessment Guidelines

Hansard Page: 31

Output: AusLink

Senator Allison asked: Are the [assessment] guidelines to be developed? Are they finished now? Will they be in the form of regulations? When can we expect to see them? Are the guidelines on the web site?

Answer:

The National Guidelines for Transport System Management in Australia have been developed by an all jurisdiction working group. The guidelines were published in November 2004.

Copies of all three volumes, plus a CD containing the guidelines and an accompanying National Transport Data Framework are enclosed. This documentation can be found at <http://www.atcouncil.gov.au/documents/index.aspx>.

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12 April 2005

Topic: AusLink research and innovation expenditure

Hansard Page: 32

Output: AusLink

Senator Allison asked: Do we have to wait till the end of five years to find out how much was spent on research and innovation?

Answer:

Itemised expenditure is currently reported in the Annual Reports tabled under the *Australian Land Transport Development Act* each year and will be reported to the Parliament under the proposed AusLink legislation. As Mr Hogan indicated in his evidence on 12 April 2005, the Department can also provide up to date information on request by the Committee.

Senate Rural and Regional Affairs and Transport Legislation Committee

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12 April 2005

Topic: Auslink Rail Infrastructure Investment Programme

Hansard Page: 33

Output: AusLink – Rail Investment & Regulation

Senator Allison asked: The committee has been asked to clarify the spending commitments in appendix 2 of the Bills Digest. What state funds are being assumed in these projects, both rail and road? Does the \$809 million of identified rail projects include the \$450 million AusLink infrastructure investment announced in June last year and the \$143.3 million ARTC capital injection, also announced in June 2004?

Answer:

Following is a detailed breakdown of the proposed Auslink rail projects.

Up to **\$110 million** on the Railcorp Sydney metropolitan system towards improving rail access for freight trains between Strathfield and Hornsby. Individual projects that will make up the \$110 million investment programme on tracks linking Strathfield and Hornsby are being evaluated by the NSW Government in conjunction with the ARTC.

\$110 million, in a partnering arrangement with the Victorian Government, towards a new rail link from the Dynon intermodal precinct and the Port of Melbourne, which includes the grade separation of Footscray Road from the railway. The new Footscray Road overpass, eliminating a railway level crossing, will remove one of the impediments to the movement of produce to and from the Footscray Markets by road.

\$40 million is being provided to the ARTC to provide new crossing connections that will allow trains to move more freely from the Adelaide-Melbourne-Sydney mainline onto a port line at Tottenham. Installation of a new bi-directional rail line between Tottenham junction and the Bunbury Street tunnel at West Footscray and conversion of the existing 2 single direction lines to bi-directional will provide additional capacity and flexibility in use of the congested tracks near the Port of Melbourne and Dynon rail yards. The Tottenham-Melbourne Port line will also be realigned, its signalling improved and heavy duty rail laid. The new arrangements will enable the operation of 1800 metre freight trains into the Port of Melbourne.

Up to **\$80 million**, in a partnership arrangement with the SA State Government, towards the cost of Stages 2 and 3 of the Port River Expressway. Stage 3 is a rail bridge to be located alongside the road bridge. It will reduce by four kilometres the distance that trains need to travel to reach the Outer Harbour container and grain terminals and avoids trains having to travel through a number of congested level crossings in the vicinity of the Port Adelaide.

\$14 million to assist in construction of a North Quay Rail Loop extension in Fremantle Port and a new access road to the Gate 3 terminal. The dual-gauge rail loop will cater for longer trains and improve cargo handling.

\$20 million towards a Wodonga Rail bypass. The details of the project are still under development in consultation with Victorian Government.

\$25 million to undertake the Melbourne to Albury rail standardisation project. The details of the project are still under development in consultation with the Victorian Government, the ARTC and a private operator, Pacific National.

\$20 million to undertake the Geelong and Mildura rail standardisation project. The details of the project are still under development in consultation with the Victorian Government.

\$145 million will be spent on nation wide improvements. To date **\$82.9 million** has been allocated to projects approved by the Minister. Of this:

- **\$42 million** has been approved for the extension of the CDMA (code division multiple access) telecommunications system across the entire interstate rail network by the ARTC. This will achieve a single national media for voice and data communications for the rail industry;
- **\$20.3 million** has also been approved for the ARTC to prepare the blueprint for an Advanced Train Management System (ATMS), Australia's next generation train control technology. The ATMS will enhance track capacity, improve service reliability and safety, and reduce replacement and maintenance costs of train control systems. When fully developed and implemented, the ATMS will include the capacity for computerised in-cab signalling to replace the current trackside system, satellite-based location technology to track trains to within half a metre accuracy, and a computerised warning system to alert drivers of impending dangers; and
- **\$20.6 million** has been approved for ARTC to undertake a series of minor bridge and track upgrading works across the network.

\$450 million grant provided to the ARTC is being applied by the ARTC to track improvements on the NSW north coast rail corridor.

In conjunction with the Government's AusLink investment, the ARTC will invest **\$872 million** (incorporating the \$143.375 million paid to ARTC as an equity injection) as part of their commitments under their lease of the NSW interstate and Hunter Valley rail tracks.

It should be noted that in light of additional AusLink funds provided, ARTC are currently re-evaluating its investment programme in order to maximise the benefits to the rail industry on the North-South Corridor and in the Hunter Valley. Attached are copies of the ARTC's draft North-South and Hunter Valley corridor strategies which outline its investment plans in these key corridors. These strategies may also be found on the ARTC website <http://www.artc.com.au/news/latest.htm> which will reflect any updating as it occurs.

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12 April 2005

Topic: Rail Network Wide Improvements

Hansard Page: 33

Output: AusLink – Rail Investment & Regulation

Senator Allison asked: The white paper promises \$145 million for rail network-wide improvements but the *Bills Digest*, which is prepared by the Library, indicates only \$45 million. Can you assure the committee that it will be \$145 million and not \$45 million?

Answer:

The \$145 million committed in the White Paper for network wide improvements remains. To date projects to the value of \$82.9 million have been approved by the Minister against that allocation.

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12 April 2005

Topic: Rail Network Wide Improvements

Hansard Page: 33

Output: AusLink – Rail Investment & Regulation

Senator Allison asked: Is it the case that there is still \$140 million outstanding from the projects that were promised in 1996, but that that money was not spent over the next six years? Can you also check that?

Answer:

Funds nominally allocated to NSW and totalling \$143.375 million were unspent from the \$250 million Interstate Mainline Upgrade Programme, which commenced in 1998. That money was subsequently paid to the Australian Rail Track Corporation (ARTC) as an equity injection following the signing of the lease of the NSW interstate rail network to contribute to the \$872 million capital works programme being undertaken by ARTC as part of the conditions of the lease.

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12 April 2005

Topic: Funding for National Highways and Roads of National Importance

Hansard Page: 33

Output: AusLink

Senator Allison asked: Is it true to say there has been a shift in transport spending away from the national highway system to Roads of National Importance and Roads to Recovery? Can we see what the shifts have been in those areas over the last five years or so?

Answer

The Government makes its road funding decisions at the programme level, which means that funding decisions were not made separately for National Highways and Roads of National Importance but as a combined programme.

For the majority of Roads of National Importance projects funded during the period 1999-00 to 2003-04, the Government has made a specific commitment to the project and provided additional funding. Of the \$991m paid to the States for Roads of National Importance projects over that period, \$794m was from additional funding provided for those roads.

\$717m was paid during the period 1999-00 to 2003-04 for Roads of National Importance which were subsequently included in the AusLink National Network in view of their importance to the national transport system. These include the Pacific Highway in New South Wales and Queensland, the Port of Brisbane Motorway and Gladstone Port access road in Queensland, the Port River Expressway in South Australia, the Calder Highway, Geelong Road and Pakenham bypass in Victoria, and the Roe Highway in Western Australia.

Funding for National Highways and Roads of National Importance is shown below for the period 1999-2000 to 2003-04.

	99-00 \$m	00-01 \$m	01-02 \$m	02-03 \$m	03-04 \$m
National Highway System	631.6	697.3	783.9	763.5	704.3
Roads of National Importance	183.8	135.1	234.3	213.8	224.3