

D N & E P KENNARD

Museums in the making

dkennard@hinet.net.au

Business address: 2 Elizabeth Way HILL TOP NSW 2575

Telephone/fax: 02 4889 8662 e-mail

27 September 1998

Productivity Commission
Progress in Rail Reform Inquiry
Locked Bag 2
Collins Street East Post Office
MELBOURNE VIC 8003

e-mail address **Error! Bookmark not defined.**

Dear Commissioners,

As a rail heritage consultant contracted to the State Rail Heritage Unit (NSW), I should like to make a contribution to the deliberations of the Commissioners. **(Part A)**

As a regular train traveller between Mittagong and Sydney Central, I want to make some practical suggestions about how the quality of the experience could be improved. I have also had some recent experiences with Countrylink involving a rail journey between Sydney/Armidale and return. Handled imaginatively and properly marketed, basic improvements in services would also result in additional income for the train operators, CityRail and Countrylink. **(Part B)**

Having qualified in economics, I feel that the public needs to be better informed about the costs of train operations and also comparative costs covering various forms of transport, road (car and truck) and rail. Too little is known and understood about the nature and the extent of capital and real operational costs. **(Part C)**

Background and qualifications: During my long career I have held several senior administrative posts:

- Assistant Registrar, La Trobe University, Bundoora, Victoria
- Executive Director, Sovereign Hill, Ballarat, Victoria,
- Deputy Director, Museum of Applied Arts and Sciences (Powerhouse Museum).
- Director of the Australian Bicentennial Exhibition - I planned and directed the 12 month tour of a travelling exhibition by a fleet of vehicles, including twenty-eight pantechinons, to thirty-four cities and towns to every State and Territory in Australia.
- Chief Executive Officer, Sydney Maritime Museum.
- General Manager, Powerprice - a consultancy involved in advising major Australian companies in cost reduction techniques.

With the majority of these posts I have had some involvement with public transport, mainly bus and tram. However, with the Australian Bicentennial Exhibition I became fairly well informed about the extent of the Australian rail network when I examined as an option the possibility of creating an exhibition train to travel to cities and towns Australia-wide. I soon concluded that because of limited facilities at sidings in country area, the variety of gauges and total lack of rail tracks to certain locations (eg Darwin), it was not a practical option.

I have also had about two years' experience with the operation of the NSW Exhibition Train for the Museum of Applied Arts and Sciences. This brought me into close contact with senior staff at the then State Rail Authority.

I shall deal with the issues under several sub-headings in each part:

Part A Rail Heritage

1. Station buildings and surrounding land: During the course of my work for the State Rail Heritage Unit I have identified several serious problems. Many station buildings in NSW were constructed during the nineteenth century to fulfil specific purposes:
 - Office accommodation for a station master.
 - Refreshment rooms in which meals were served to passengers while a train made a lengthy stop at a station. (Now replaced by refreshment cars)
 - Comfortable waiting rooms for each sex.
 - A parcels office.
 - Local signal box. (Now replaced by centralised signalling and remote train supervision from Sydney and regional centres.
 - Rooms for a larger staff.
 - A separate stationmaster's residence.
 - Goods shed.
2. While a stationmaster's residence is fairly easy to sell, particularly if it completely separate from station buildings and platforms, it is more difficult to dispose of other areas that are usually located within the station. If such areas cannot or should not be sold, suitable uses that also provide income are hard to establish.
3. Staff: Some of the activities, previously the function of railway staff at country stations, no longer exist, while several stations are no longer staffed; and several operate with no staff at night or at weekends. The trend I am advised is to remove all staff from most country stations.
4. Maintenance of country stations: There does not appear to be any systematic maintenance for these stations and as a result, most buildings I have inspected are in urgent need of fairly major work. Where the roof leaks, this often leads to secondary problems with rotting timber and termites. Rooms no longer required, or capable of being adapted, tend to accumulate a range of surplus materials: eg old promotional leaflets, out-of date timetables, timber and surplus engineering materials.
5. Use of these buildings: While it is difficult to rent or sell the space in these buildings in their current condition, they do have some commercial value that should be realised.
6. Options for use: On the assumption that the urgent maintenance is tackled, these buildings could be used for the following purposes:
 - Station shop: Generally there is no facility on most country stations for the sale of light refreshments, including tea and coffee, to those waiting for trains. In addition, there is scope for the sale of newspapers, magazines and local souvenirs. While continuous operation may not be warranted, the shop should be open for at least twenty minutes before a passenger train is due and for ten minutes afterwards. Some country airports are operated on this basis.
 - Accommodation: The Youth Hostels Association (YHA) has expressed interest in the provision of low cost accommodation for young travellers. While there are several problems relating to provision of toilet/shower accommodation, emergency exits and local managements, these can all be overcome.

- Professional rooms: Given that there is usually plenty of parking, it should be possible to attract an architect, accountant, etc, provided the premises are in a reasonable condition.
- Tavern: Linked with train timetables and local activities, a licensed tavern could be a good small business. Although there are no longer any train services, there is a licensed tavern at the Glen Innes Railway Station, NSW.
- Community groups: While most country centres will boast community halls, few offer groups permanent low cost accommodation. Rooms in station buildings could be used as offices for active local groups.

Conclusion: The advantage of utilising the accommodation available at stations is that there is less chance of the building being vandalised, there is activity when passengers are waiting for trains and where trains no longer operate, the building become an significant local asset.

7. Management: It is fairly obvious that centralised control of country stations through one division of State Rail - Rail Estate - has become a headache, so the obvious need is to place each station or group of country stations under a local management group responsible to the local government authority. Each would be required to operate under a set of guidelines, organise the restoration and maintenance of the station buildings and secure tenants; and submit regular financial reports. Any income should be split between the local management committee and Rail Estate. As an alternative, country stations no longer in regular use might be placed in the hands of a transport trust, established under an Act of State Parliament, to take charge of the State's fixed and moveable heritage transport assets.
8. The Transport Trust: The establishment of a trust to handle the State's fixed and moveable heritage transport assets is one of several options. It could prove to be a convenient way to remove from the commercially oriented parts of the State's transport bodies, those parts that are unlikely to produce a profit, let alone cover operational costs. Under the Trust Deed the trustees would be responsible for handling ongoing maintenance of the heritage buildings and other assets. The Trust would be funded partly by the State; and being relatively separate (cf Historic Houses Trust in NSW) it would be in a stronger position to raise additional funds from the community as well as apply for grants. Local management groups could report to the trust.
9. Overseas experience: Trusts with comparable aims have been established in Britain and in New Zealand. Governments would find it easier to deal with a single heritage transport body than with numerous smaller organisations.
10. Sydney Central: While considerable funds have been expended on the restoration of Sydney Central structure, the range and quality of food services and retail outlets are to be deplored. Many passengers and people meeting trains have a need to wait for long periods and should have access to a range of refreshment services, from good quality to take away with easily accessible chairs and tables. There is no facility for the sale of a range of railway souvenirs; and the tourist information kiosk is often closed at busy times. Within the large concourse and on other levels within the building, there is also scope to establish a shopping centre selling a range of goods and services. This has been achieved at Wynyard Station; and at Town Hall Station there is basement level access to local shops as well as a range of small shops at the station.
11. Toilet facilities at Sydney Central are also well below the standard expected of the City's major railway station.
12. As part of my work for the State Rail Heritage Unit my colleague (Bob McKillop, MWA International) and I have proposed a retail outlet at Sydney Central to provide the following services:
 - Sale of railway publications, including timetables.

- Display and sale of wide range of postcards, prints and souvenirs with emphasis on trains and the rail system.
 - Facility for ordering heritage photos and documents from State Rail Archives.
 - Provision of tourist information.
 - Sale of surplus State Rail materials.
13. Disused track: In NSW there are many kilometres of track that are no longer regularly used by any of the train operators (Freight Corp, CityRail, Countrylink and Australian National), although some have been leased to rail heritage groups. Since most rail routes have service roads running alongside, there is considerable scope for these to be improved and used as walking or horse trails. Costs to cover maintenance and signage would need to be met by the community. With the crossing of bridges, there would also be a need for some design work to produce a safe pedestrian access route. Although there has been some encouragement given to the use of disused track in this way, there is no State-wide programme. No doubt there are safety issues, but the service roads are an underutilised recreational asset.
14. Overseas experience: In the USA there are some examples of walking trails that have been sanctioned alongside currently used railway tracks.
15. Re-opening disused lines: Rail Access Corporation is currently seeking expressions of interest in the Re-Use of Disused Railway Lines. The closing date is 11 November 1998. While I suspect there are several community groups interested in the use of a local line for tourist purposes, I believe that there would be insufficient income to warrant the restoration and maintenance of any of the lines under existing operational conditions.
16. Heritage trains: I support the operation of heritage trains on the rail network off-peak and on disused railway lines on a regular basis. However, there are substantial costs imposed by the Rail Access Corporation that I believe are unreasonable for what are substantially volunteer run organisations. As the restoration and maintenance of locomotives and rolling stock is often handled on a voluntary basis, rail heritage organisations should be encouraged to run both regular and charter services for tourists and rail buffs.
17. Should the present scale of charges remain or be increased, it is likely that income will never cover the expenditure made by such organisations to keep operational; and without a Rockefeller, they will go bankrupt. The current position with 3801 Limited is an example of the difficulties faced by rail heritage organisations.
18. Museums: There is a tendency for local community communities to support the retention of a station building as a rail museum, particularly where the railway line is disused. While several rail museums that have been established are very good, it would be foolish for this practice to be encouraged, since it is unlikely that tourists will want to see a duplication of exhibits in every town visited on a tour. There are already sufficient rail museums in NSW. It would be far more productive to use station buildings for other activities, as indicated earlier.

Part B**Train Travel**

1. Image of railways: In NSW a long distance journey in a passenger train is not considered the equal of flying to one's destination, in terms of comfort, speed and service. Most people would agree that there is nothing comparable with the glamour that one finds with aircraft operated by the major airlines. Rail operators should be made more aware of the deficiencies of travelling by rail and encouraged to rectify them and to improve standards. This should include better provision of timetable information, better methods for the sale of tickets¹, including credit card

¹ Some country stations make no provision for the sale of tickets at night or at weekends.

facilities, minimal delay when changing trains, greater range of refreshments, improved seating comfort and even after travel services.

2. I believe that the image starts with staff uniforms. They should be better designed, more attractive, clean and worn properly. Staff should be discouraged from looking slovenly and should be given better training in customer services, with the aim of improving the image of rail. While the vision, objectives, aims and values are clearly stated in the SRA Annual Report, it is doubtful whether these are being effectively communicated to all staff levels; and if so, then it is doubtful whether there is general acceptance by staff.
3. As there are several members of staff who speak with an accent and often hard to understand, classes in English pronunciation should be available. Station announcements need to be improved - prerecorded announcements are of a high standard-, but train and some special station announcements are incomprehensible. All timetables, whether displayed at stations or published for distribution to customers, should be more user friendly. (The cost of these publications could be offset by sale at a low price and limited advertising.)
4. Refreshments on Countrylink: While Countrylink operates a refreshment service from a specially designed section of the train, recent experiences suggest that management is poor. My wife and I recently travelled from Sydney to Armidale and were surprised that the menu was very limited. She is required to eat mainly fish which was not available, but the food was of reasonable quality. However, on the return journey some days later, the choice had been reduced and most passengers were unable to order a hot meal, because the staff claimed that they had run out of hot meals after half an hour's travel. This led to a run on other food such as pies and as a result no food was available during the last hour of the journey. In addition, because of Sydney's water problem (started two weeks earlier), there was no tea or coffee available on both journeys. It is a principal of good management to anticipate a problem and to find a solution - other arrangements for the supply of hot water should have been made. From discussion with staff, it would appear that the fault lies with more senior staff.
5. Better meal planning: Since tickets on Countrylink have to be purchased some days before embarking on a journey and all seats reserved, it would be a simple system for meals to be ordered in advance from a menu with a wider choice. The meals could then be prepared and delivered to the train on the basis of known information. While people cancel bookings and change their minds at the last moment, development of a computer program to process such information would provide a more reliable source of planning data than "of course we have run out because we do not normally carry so many passengers on Mondays".
6. Refreshments on CityRail: Although the majority of passengers using CityRail take short journeys, there are several routes where passengers spend one or more hours on the train, eg Sydney/Moss Vale/Goulburn; Sydney/Gosford/Newcastle; Sydney/Lithgow; Bondi Junction/Thirroul/ Port Kembla. While a refreshment car may not be justified, it is suggested that soft drinks and light refreshments could be sold from some form of mobile facility (not unlike the unit used in aircraft). This service could easily be operated on a contract basis (preferably profit sharing).
7. Overseas experience: I have travelled on trains in Europe and can recall a tray service being available on a fairly short rail journey in Holland. Railway staff served light refreshments, including tea and coffee, on rail platforms from mobile units similar to those on aircraft, While the cost of refreshments were expensive, they were of high standard and much appreciated by passengers.
8. Porter services: There were several elderly passengers on the recent Sydney/Armidale and return service who struggled to board or get off the train at country stations and did not receive any assistance from rail staff. Porters should be available at stations, particularly the major ones.

D N & E P KENNARD
Museums in the making
dkennard@hinet.net.au

Business address: 2 Elizabeth Way HILL TOP NSW 2575
Telephone/fax: 02 4889 8662 e-mail

Part C

Rail Economics

1. Concession fares: In NSW it is State Government policy to issue a person, sixty years and over, a concession card (Seniors Card). Under certain conditions this entitles the holder, amongst other benefits, to travel by train for \$1.00, \$2.00 or \$3.00 (depending on the length of the journey) over the CityRail network. There are also other classes of concession fares available to the unemployed. Pensioners also are entitled to certain benefits using Countrylink.
2. Annual Report: There is no specific reference in the SRA Annual Report to the forgone income in the provision of travel concessions of the types described in the previous paragraph. There are two aspects that are important:
 - In assessing the profitability of the operation of railway services, the Government should be made aware of the extent of this foregone income as it represents a substantial contribution to the community's social welfare by an organisation expected to break even or make a profit.
 - In arguing for additional funds, a grant should be sought from Government that represents this loss of income.
3. It would be reasonable to review the practices in other States: it could be that the provision of concessions represents a substantial benefit Australia-wide. When arguments about comparative profitability are being made, it is essential that all hidden benefits be revealed.

Part D

Public Hearing:

Appearance: Although my areas of interest may not be directly relevant to the thrust of the Inquiry, I believe that I could assist with an expansion of my comments on the potential for greater operational profitability through recognition of customer needs and development of income potential of assets. With adequate notice, I would be able to attend the hearing in Sydney on the days indicated in the circular dated 24 September 1998.

Yours faithfully,

Desmond Kennard