

## **SUBMISSION TO PRODUCTIVITY COMMISSION INQUIRY 1998-1999: PROGRESS IN RAIL REFORM**

The Wimmera-Mallee Rail Service Association (WMRSA) is a community interest group committed to achieving rail passenger and freight services to Wimmera centres in the region extending from Ararat westward to the SA border. As a foundation for this, we work for the development of effective regional and national transport networks based on rail, integrated with road, and connected to ports, to facilitate in the national and regional interest, fast and efficient movement of freight and passengers, and to facilitate export. Closer to home, we see such networks as providing infrastructure for rural and regional development across the western areas of Victoria. The WMRSA is linked in supportive relationships to five municipal Councils (Shires of Hindmarsh, Yarriambiack, and Northern Grampians, Rural Cities of Horsham and Ararat) and major development bodies in its area.

### **1. Industry sectors and components covered by the submission:**

- a. Industry sectors: Country freight, country passenger, interstate freight, interstate passenger, rail track development and access.
- b. Elements: rail track systems, rolling stock, rail stations/ transport centres.

### **2. Adjustment issues: Mainly affecting the quality of rail services to rural areas**

- a. Victorian country rail passenger services: Cuts to service standards for rural people; Cutbacks by truncation of V/Line country rail passenger services in 1993, with replacement by buses in the outer sections where rail was withdrawn, resulted in considerably lower standards of service to rural people and fall off in patronage ( eg. on the Dimboola corridor to about 60% of previous totals, with little recovery since). People of all ages found the buses did not meet their needs for comfort, ease of entry, freedom to move about, access to on-board food and toilets, overall time of journey (eg. Dimboola-Melbourne half to three quarters of an hour more due to changeover at Ballarat) and safety. People are further deterred by the length of bus travel eg. en route from Horsham to Melbourne two-thirds of the total journey being bus to Ballarat before one-third by rail from there. Although there were on-paper savings for the Government in the early years of this, these have declined.
- b. Privatisation of former Australian National rail passenger services: Cuts to service: The "Overland" Melbourne-Adelaide interstate rail passenger service, "The Express" provided good night services over many years to travellers from the Wimmera area. After the 1995 standardisation of the Adelaide-Melbourne line journey times from Melbourne to Wimmera centres significantly increased (eg. to Horsham by 2 hours more than the previous 4hr 30 min). Poor condition of the sg track south east of Ararat has compounded this problem - with about 16 points of slow running, and preference given to freights in scheduling. Although intentions of present private owner Great Southern Railway Ltd are good, the service does not meet the arrival and departure times needed by many passengers, has been reduced to 5 nights a

week, with possible withdrawal of some Wimmera stations as points for picking up and setting down of passengers - another loss of services to rural people. /2

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- c. Concerns re privatisation of V/Line Freight Corporation and effect on other operators: In Victoria V/Line Freight is in course of privatisation: as well as taking over rolling stock etc. the new "owner" will lease the tracks on a 15 year cycle, be responsible for maintenance, and will control access of other operators. It will be difficult then to provide for fair competition between V/Line Freight's operator and other operators wishing to use the tracks V/Line Freight have leased, reducing competition benefits.

V/Line Passenger's new operator when privatised, and having to use the country network leased to V/Line freight, may have difficulty in getting access for its services at times that meet customers needs if freights have priority, and may not be able to run some services eg Melbourne-Ararat if the Ararat-Ballarat line (presently unused) is not selected by V/Line Freight as one of the tracks to be leased to them.

## **2. Priorities and benefits: Upgrading national rail network with emphasis in Victoria.**

This section proposes upgrading of the national rail network as an urgent national priority that enhances its competitiveness versus road transport, and makes specific proposals for upgrade of rail infrastructure that enhance regional development

- a. Striking a balance in competitiveness between road and rail transport.

Road and rail transport should be seen as elements in an integrated land transport system, on the basis that, ideally, road transport, in a flexible way, should be complementary to a rail backbone by providing feeder services to it.

Priority should be given to providing a level playing field for rail/road competition:

With the advent of access charges for use of rail by rail operators, rail operators are paying comparatively more than road operators do for their access to road, reducing rail's competitiveness. Heavy articulated vehicles should pay higher charges for road use for their greater wear and tear on roads and environment.<sup>1</sup>

Where use of capital for infrastructure projects means road and rail compete for funds, priority should be given to the project which most benefits the national economy. eg the \$200 million road tunnel project under way in the Adelaide Hills to save each truck 5 minutes entering Adelaide from the east, whereas a rail upgrade in the Hills costing \$90 million would save each freight train one whole hour. (PTUA News, July 1998)<sup>2</sup>, a more economically efficient benefit.

- b. Restoration of the national rail network, especially in Victoria . Presently the national rail network is starved of the funds needed to upgrade it and maintain it to do its job competitively and effectively. The Federal Government's Standing Committee on Communications, Transport and Microeconomic reform reported last month (Age 13/8)<sup>3</sup> the national rail network would become unusable in 10 years unless \$2.7 billion was spent on it.

A major national priority should be urgent upgrade of the national rail network to 120-150kph standard at least on main lines, with improved access routes into major cities and ports. Ensuring a sound infrastructure base for a land transport system this way, and with rolling stock to match, would benefit the national economy through efficient competitive fast movement of passengers and freight within the nation, movement to and from outside markets, and also provide a basis for regional development.

Low priority in times of lower availability of capital should be so called “visionary” election-time schemes such as a Sydney-Canberra VFT, serving very few people and fewer national purposes, of doubtful viability, yet with projected cost (\$3.2 billion) greater than that needed to upgrade the whole national network!

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c. The immediate priority within the major priority of national network upgrade should be the western sg line in Victoria where even when the troublesome Maroona-Pura Pura section south east of Ararat is upgraded with Victorian Government funds, at least 16 points where speed restrictions down to 30kph will remain in Victoria alone. The benefits would be a reduction of between two hours and one hour 30 min running time between Melbourne and Adelaide, with consequent savings in running costs and enhanced, more competitive, efficiency for both freight and passenger services.

d. High priority: standardisation of broad gauge lines : rural Victoria and Southern NSW.

Standardisation in 1995 of rural grain lines in the west of Victoria, including the line into Portland means the State has two incompatible rural rail systems. Geelong on the interstate line does not have standard gauge to its port. Trans shipping products from different gauges to access ports of Portland and Geelong adds significantly to cost of products on global markets, reducing competitiveness. Significant amounts of products end up being shipped by road, making a major impact on rural road systems and consequent cost to ratepayers in local government areas.

A high priority should be given, to standardising most remaining broad gauge lines in Victoria and Southern NSW. Cost approx \$87 million) bringing the following benefits:

- Cost savings to Government and private sector organisations.
- Increased international competitiveness of products from S.E Australia.
- Wider options for use of ports to ensure least delay for dispatch overseas.
- More cost efficient use of locomotives and rolling stock.<sup>4</sup>

Standardising the Melbourne-Ballarat-Ararat line would provide further major benefits:

- A route between Ararat and Melbourne for interstate and intrastate traffic as an alternative to the presently congested interstate line through Geelong, with consequent more effective movement of freight to termini.
- An interstate rail link for the major regional city of Ballarat , providing it with access to further markets by rail.
- The opportunity to run day return passenger rail services between Melbourne via Ballarat and Ararat to Wimmera centres further west, for the sake of providing a rail transport service that meets Wimmera peoples needs.

e. Priority for infrastructure enhancing regional development : Regional transport hubs.

Multimodal transport hubs should be established as a priority at major centres on the national rail network as part of the network, particularly on interstate lines. These should combine facilities for transfer of freight and passengers from road services to rail, with information services and facilities for travellers and tourists.

Wimmera sub-regional hubs already under way are at Ararat station (tourism, food, ticketing, information, bus etc) and Horsham station (rural container freight transfer to rail). Further funding for development to full potential is needed<sup>5</sup>

Benefits would include: enhancement of regional development through efficient transport of rural products, and as a focus for integrated passenger transport services

Phillip Jones: Secretary,  
Wimmera-Mallee Rail Service Association, 30/9/98

References:

1. Comment on National Road Transport Commission report. Network Rail: Oct/Nov 1998, p.8
2. Comment: Aust. Road Res. Board report. Public Transport Users Assoc. News July 1998 p.5
3. In "Age" newspaper 13/8/98, on report from Stand.C'tte on Transport, C'cation, M'eco Reform
4. Drawn from "Standardisation of Victorian Country Rail Lines" July 1998 : deputation to Deputy PM and Minister for Transport, by South West Municipalities Group, Vic-submission paper.
5. "Transporting Victoria" Dept. of Infrastructure Victoria. Strategic Direction One: pp 6 and 7