



National Chairman  
Mr Rob Schweiger

Railway Technical Society of Australasia  
The Institution of Engineers, Australia

11 National Circuit  
BARTON ACT 2600

Phone: 02 6270 6539, Fax 02 6273 1488

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Mr Alan Johnson  
Productivity Commission:  
"Johnston, Alan" <AJOHNSTO@pc.gov.au>

Dear Mr Johnson,

### **RE REVIEW OF NATIONAL ACCESS REGIME**

Please accept this letter as a further supplementary submission of the Society to this Inquiry, following a question taken on notice at the hearing in Sydney on 6 June 2001.:

MR COSGROVE: Do you think it's possible that the fact that a lot of recommendations by the National Competition Council for declaration or certification of rail access regimes have been rejected by state government ministers, in particular, might have reduced the incentive for track quality to be improved because the demand from rail track users has somehow or other been deterred, if you like, whereas if there were these access regimes in place, then the operators of the track might have an increased incentive to improve the quality in order to satisfy their customers? Is that one way in which our inquiry might have relevance?

The Society would respond as follows:

The existence of a track access regime does not guarantee that sufficient investment will be made to either maintain track to a high standard, or to upgrade track so as to allow rail freight and passenger train operations to effectively compete with trucks and buses using a continually upgraded highway system.

Even with an 'effective' access regime, ceilings placed on rates of return, or low track access charges that in part are necessitated by low road pricing for heavy trucks, may discourage track investment.

The Society is concerned that failure to devise an 'acceptable' access regime which is fair to track owners has been used to deny much needed interstate track investment. The longest standing failure has been that of the NSW and Federal Government authorities to agree on access arrangements for NSW mainline interstate track. As per the Society's earlier submissions, and appearance at the Public Hearing on 6 June, there are numerous examples of substandard alignment, bridges, and safeworking systems where vertical separation has lead to excessive delays.

After three and a half years, it is time the NSW interstate track access issue was resolved, with a responsibility on the Commonwealth to use a bigger carrot (more investment funds, and formation of a National Rail Transport Commission) and a larger stick (legislation as foreshadowed by the Commonwealth Transport Minister in April 2000).

The protracted nature of interstate track access disputes at the NSW and Federal level suggest that there is again a need for a national approach, that is committed to improving rail's share of freight and passenger traffic in a manner that is energy efficient, safe, and cost effective. This will require improved track infrastructure. Ongoing arguments about access that are used to deny much needed investment into upgrading track and safeworking systems are not in the national interest.

The Society looks forward to the resolution of these issues, and a discussion of these issues in its final report on the National Access Regime.

Yours sincerely,

(Mr) Chris Venn-Brown  
National Secretary