

Rail Freight Update

Talk to Rural Councils Victoria Forum


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The Case for Rail Freight Development



Quick Overview: The Case for Rail's share of freight to be increased:

- ▶ Efficiency
 - ▶ Safety
 - ▶ Environment
 - ▶ Road Damage/Cost Shifting
 - ▶ Congestion
 - ▶ Community Acceptance
 - ▶ International Best Practice
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Rail Efficiency

- ▶ For moving bulk loads over longer distances, rail is much more efficient than road
 - ▶ 1 container train (2 man crew) can replace 150 trucks
 - ▶ 1 Wheat train can replace 40 B-doubles
 - ▶ Rail's relative efficiency lessens on shorter journeys or smaller loads
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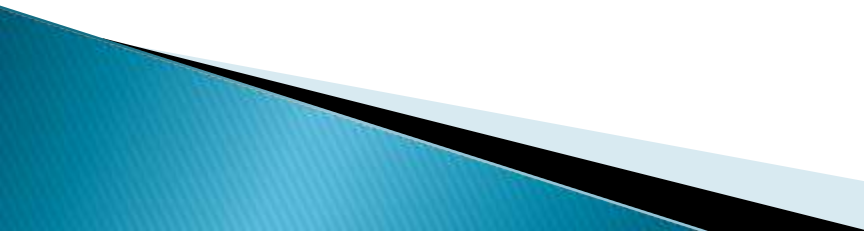
Rail is Safer

- ▶ Heavy vehicle related fatalities for the 12 months to March 2009:-
 - During the 12 months to the end of March 2009, 248 people died from 229 crashes involving heavy trucks or buses. These included:
 - 138 deaths from 124 crashes involving articulated trucks
 - 90 deaths from 86 crashes involving heavy rigid trucks
 - 22 deaths from 21 crashes involving buses.
- ▶ Over 150 people are killed nationally in articulated truck accidents every year

Rail is Greener

- ▶ Each container train to Sydney uses 45,000 fewer litres of diesel than the equivalent number of B-doubles moving the same load
 - ▶ Each such train emits half the greenhouse gases of equivalent trucks
 - ▶ Rail lines require much less loss of farming land compared with freeway construction to move a similar payload
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Rail freight lessens road damage

- ▶ A loaded B double does 23000 times the road damage of a private car
 - ▶ The whole community must pay for the road damage done by large trucks
 - ▶ Shires will need to upgrade local roads and bridges and commit much investment if the B-double network is further expanded.
 - ▶ Much of this can be avoided by the use of existing rail freight infrastructure.
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Rail Freight Lessens Road Congestion


- ▶ Steep increases in truck movements are forecast over the next 20 years
- ▶ Melbourne's population expected to grow from 4M towards 6M in next 20 years
- ▶ Container movements from the Port of Melbourne have grown from 1.2M in 2002 to 2M today and are expected to grow to 8M in 2030
- ▶ Together with Hastings the estimate is 11M by mid-century
- ▶ This will involve massive road congestion unless rail's share is increased
- ▶ Intrastate rail freight critically important

Rail Freight has community acceptance

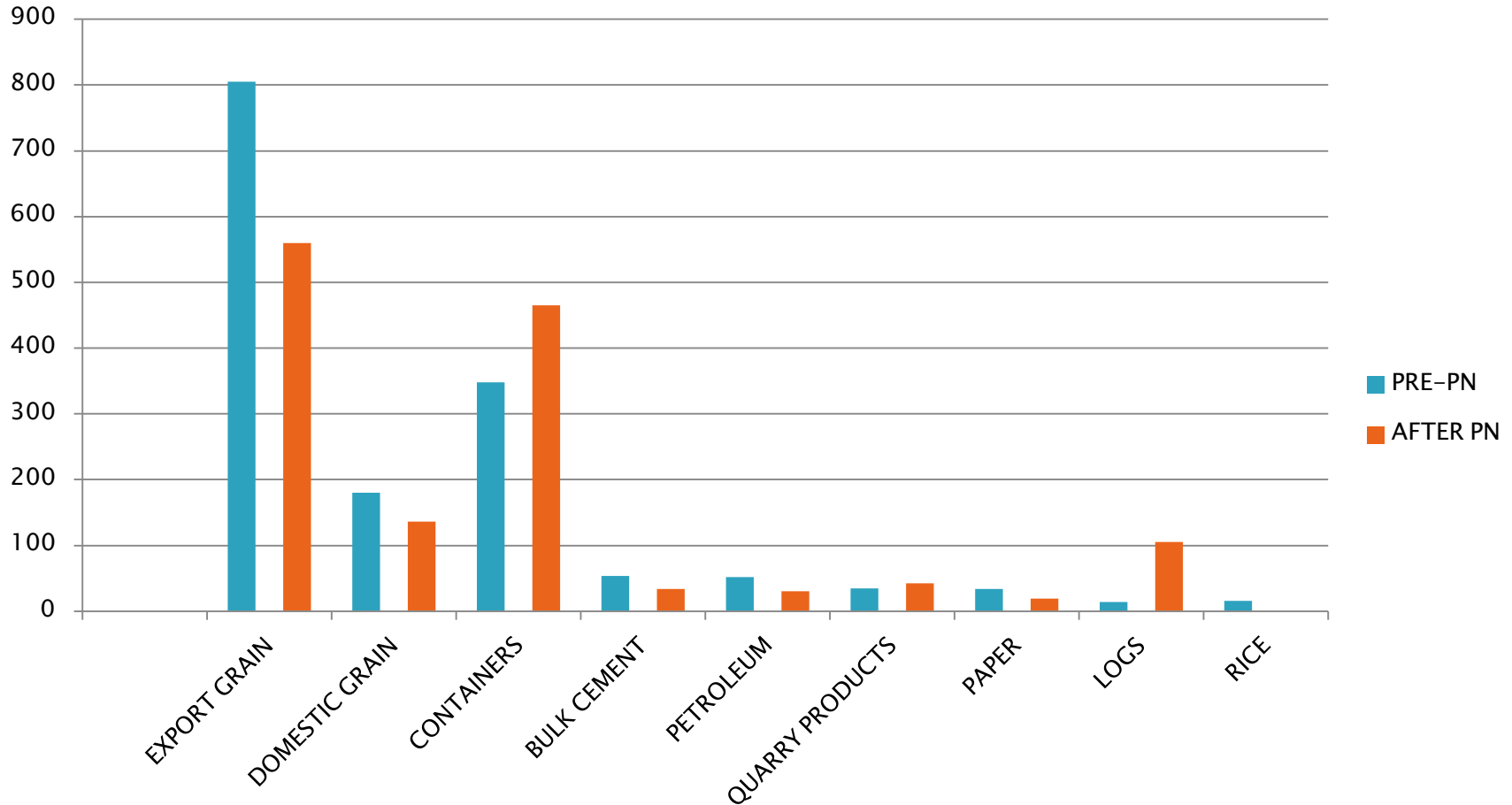
- ▶ There is considerable community resistance to a 400% increase in B-doubles on highways (as is forecast)
 - ▶ This resistance relates to actual and perceived safety for other motorists
 - ▶ It also applies to dangerous goods movements
 - ▶ The community is behind a greater share of freight being moved by rail
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Current Position in Victoria on Key Rail Freight Issues

Overview: Intrastate freight rail continues to slip

- Low operating speeds, old technology
 - Level crossing issues
 - Limited local marketing of rail freight...
 - No targets for rail's share of freight markets
 - Low investment and budget uncertainty as to funding of freight rail maintenance
 - Continued impacts on local government from excessive reliance on road freight (safety, congestion, environment, road damage...)
 - In summary – unrealised potential
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Snapshot of the Victorian Rail Freight Task



Investment is needed

- ▶ Following the 2006 Fischer review, Victoria bought back the country freight network and rehabilitated tracks
- ▶ This was followed by several further big investments (Mildura line \$73m; north east and Benalla to Oaklands standardization.
- ▶ However the Statewide annual major periodic maintenance allocation is only \$7.5m
- ▶ Track speeds and axle loads too low
- ▶ A further round of rehabilitation spending is needed (perhaps \$30–60m in this budget)



Rail freight from Gippsland, like the Maryvale paper train, must weave through the busy Dandenong line which is close To capacity.

Alternative rail freight access for Gippsland and Hastings via the proposed South Eastern Rail Link (SERL) is contingent upon construction of the Melbourne Metro



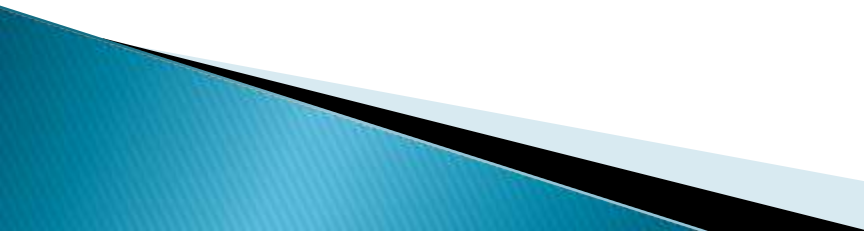
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Intermodal train at Merbein



Intermodal issues


- ▶ Regional intermodal has great potential to offset heavy truck traffic on major highways
 - ▶ Has required a state subsidy because long distance trucks have tax advantages compared with rail - Henry Report on taxation recommended this be evened up
 - ▶ Rail needs to speed up cycle times but under-investment in the past is a handicap
 - ▶ Needs very positive management by state, rail operators and private sector.
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Port access


- ▶ Good Rail to Port access is critical to economic efficiency, managing truck congestion and minimising industry cycle times
 - ▶ Lower cycle times mean lower costs, quicker deliveries and better return on assets
 - ▶ Both Sydney and Brisbane have been investing significantly in better port rail access
 - ▶ Rail share targets for port traffic have been dropped
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The Victorian Freight and Logistics Plan provides an opportunity to resolve many of these problems...

Victorian Freight and Logistics Plan

- ▶ Well funded
 - ▶ Very comprehensive
 - ▶ Looks at all modes – road, rail, ports, air
 - ▶ Presents a way forward on many long standing problems
 - ▶ Some omissions.
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Some key VFLP initiatives

- ▶ Relocation of interstate rail freight terminal from Dynon to a new terminal at Truganina (WIFT Western Interstate Freight Terminal)
 - ▶ Rail port shuttles to intermodal freight terminals on edges of Melbourne (Altona, Somerton, Lyndhurst)
 - ▶ Improvements to freight rail infrastructure including track work, heavier axle loads, level crossing and speed improvements
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Key VFLP initiatives continued

- ▶ South East Rail Link (SERL) to serve Hastings and Gippsland (contingent on Metro)
- ▶ Mildura line standardization (3 routes to be looked at)
- ▶ New transcontinental link Mildura to Menindie
- ▶ Protection of land for future freight corridors and terminals
- ▶ Future interstate rail freight bypass along OMR corridor Beveridge to Werribee
- ▶ Creation of Rail Freight Facilitation Unit, as first recommended by Tim Fischer


Areas for consultation with local government noted by VFLP

- ▶ **land use planning and freight precincts**
- ▶ **regional intermodal facilities**

Should also include–

- ▶ **proposals to enhance, change or abandon existing rail freight services and facilities**

Omissions

- ▶ Recommendations
 - ▶ Funding
 - ▶ Targets
 - ▶ Timelines
 - ▶ Independent governance/marketing for proposed rail freight facilitation unit
 - ▶ Any reference to Melbourne to Brisbane inland freight railway, which offers great economic benefits (freight cost 48% of road!)
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Alliance of Councils for Rail Freight Development

- ▶ An important advocacy voice from local government supporting rail freight development
 - ▶ 23 Councils from Vic and NSW are members
 - ▶ Founded in late 1990s
 - ▶ Active in putting views to government
 - ▶ Deserves your Council's support and membership!
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