Mr John Alexander OAM MP
The Chair
House of Representatives
Standing Committee on Infrastructure, Transport and Cities
Parliament House Canberra ACT 2600

Dear Mr Alexander

Inquiry into options for financing faster rail

I present a submission prepared on behalf of the Canberra-Sydney Rail Action Group ("the Group") on financing faster rail.

The Group welcomes the present inquiry and the Australian Parliament's interest in faster rail.

We also thank you for your longstanding personal commitment to promoting better rail services including through the Parliamentary Friends of Rail Group.

Many of us have been following these issues for several decades now and we are heartened by the upsurge in public support for new and extended passenger and freight services.

Victoria has led the way with new, faster and more reliable regional passenger services since the late 1990s. The uptake in passenger numbers has been impressive and their successes should serve as an exemplar for decision-makers in other jurisdictions.

Technical innovation, better timetabling and signaling, strategic track improvements and enhanced capacity, together with further integration with rail freight movements, can all make an appreciable difference to service levels. Genuine advances can be made without risking over-commitment or drawing vast resources away from other important areas of government expenditure.

Fiscal rigour is always important. Demonstrating it is particularly important to ensuring that the re-birth of rail is not prejudiced by poorly conceived projects or cost over-runs.

Notwithstanding low interest rates, a national government with excellent international credit ratings and an economic climate conducive to more expansive economic policies, all major capital projects including rail and road should rightly compete for funding and their place on the national agenda.

In the case of rail, there is much ground to be made up in a relatively short period. Accordingly, non government sources of finance are welcome too if they come at a fair price and without hidden strings attached.

C-SRAG

The Canberra-Sydney Rail Action Group was formed by local rail users in 2017 following public agitation for faster (but not ultra fast) rail services between Canberra and Sydney.

The Group was founded and led by Professor Clive Williams of the Australian National University who is still an active supporter notwithstanding his regular overseas postings and commitments:

https://www.smh.com.au/opinion/the-slow-slow-work-to-speed-up-the-canberrasydney-heavy-rail-line-20170302-guorv3.html

Until January this year, C-SRAG was known as "Friends of Canberra Rail".

Our goal is for a reliable, sub-three hour commuter rail service running five to six times daily each way between Sydney and Canberra using modern trains (including the option of tilt trains) within the next five years.

A sub-three hour service would reduce travel times by just over an hour or 25 percent and would be consistent with a reduction in travel times achieved in an (albeit unsatisfactory) tilt train trial using older technology back in 1995.

We would also like to see better connections to other regional and inter-state rail services and a more effective transport network in the greater Canberra region. We support other lower cost proposals such as the partial re-opening on the Queanbeyan to Cooma line for freight and passenger services.

The Group believes that the line connecting Australia's largest city and its National Capital should be afforded more than regional branch line status and that it should be supported by federal as well as State and territory funding.

We do not support proposals for reducing the number of stops on the existing Canberra-Sydney service to reduce journey times until existing 'local' and commuter services between Goulburn, Moss Vale and Campbelltown have been upgraded. Local and regional services are worthy of support too and form part of a larger network serving the Southern Tablelands.

We believe all these goals are achievable in a reasonable time-frame and not at vast expense.

Our view is supported by industry and by acknowledged rail and transport experts such as Associate Professor Philip Laird of Wollongong University.

A sub-three hour service would be competitive with other modes of travel all of which are far heavier emitters of green house gasses than rail.

An upgraded service would introduce greater consumer choice, facilitate development along the Campbelltown to Queanbeyan corridor and dovetail with Canberra's nascent light rail network that logically ought to also accommodate the heavy and burgeoning cross-border commuter traffic within the greater Canberra region.

However, as with many rail projects outside the major capitals, securing the necessary finance is a major impediment especially given the ACT's small and relatively narrow tax base.

Canberra-Sydney is also something of a textbook example of how existing funding mechanisms and the division of responsibilities between federal, state and the Territory governments may unintentionally thwart otherwise viable and worthwhile projects.

The Group's membership is primarily located in Canberra but its support network extends into NSW and beyond. Members and associates include several transport economists, academics from a range of disciplines including economics, law and national security, a number of individuals well versed in public administration and finance and even one or two long-serving former employees of the Commonwealth Parliament.

We aim to work collaboratively with government and other rail groups to improve the speed, comfort and frequency of rail services between Canberra and Sydney and within the ACT and nearby regions.

We are in regular contact with like-minded groups in NSW including the Southern Tablelands Rail Users Group, the Orange Rail Action Group, the Border Rail Action Group and we are part of Regional Rail Action NSW.

While our primary focus has been on the Canberra-Sydney rail service, we have become increasingly involved in trying to identify new ways of improving regional feeder services, local transport connections, and rail facilities.

The Group is apolitical though some of our members have enduring political connections and affiliations.

Overview of Issues and Concerns

There is no shortage of good ideas for improving rail services and certainly no shortage of feasibility studies to support them.

Nor has there been a lack of public consultation.

This is the third major submission prepared by the Group in the last nine months – others were to Infrastructure Australia and to the ACT Government on its Transport Plan: 'Moving Canberra 2019-45'.

The revival in regional and inter-urban rail needs to proceed apace, largely because of growing population pressures, but also to address years of under-investment and procrastination.

Each project must also be grounded on sound financial principles and underpinned by solid technical and policy work.

Where public money or resources are involved, we strongly believe that actions must be transparent and within the accepted norms of public accountability and responsible government.

However, as previous reports and studies have found, rail projects do encounter unique issues. Many of those need to be addressed through the planning and funding process.

Even modest rail projects can take a considerable time to complete. That requires an ongoing commitment that inevitably extends beyond the life of any single government.

Regional, cross-border and inter-capital projects can encounter obstacles that simply do not arise where only one jurisdiction or a single polity is involved.

Our Group welcomed the recent creation of a national body to encourage the building of business cases and to oversight faster rail projects nationally – the National Faster Rail Agency. We acknowledge too the work that is already underway including that being funded at the State and Territory levels in NSW and the ACT.

We welcome the emphasis on "faster rail" – using, modifying or re-purposing existing infrastructure and looking to build better connectivity with existing services and local networks including light rail.

Since its inception, the Group has been a supporter of "Faster rail" rather than a Very Fast Train or High Speed Rail. To quote a phrase used by Professor Andrew McNaughton at the time of his appointment to head up the NSW Government's 2018-19 inquiry into that State's regional rail options, we support 'sanity not vanity' in new spending on rail infrastructure.

Practical action to improve rail services to reduce congestion in our larger cities and to enhance and broaden commuter choice across the country is needed now. It is needed too if green house emissions are to be contained in time to meet Australia's international commitments and to assist in limiting global warming to acceptable levels.

The Group notes the work done by House of Representatives Committees in the last parliament and generally endorses the submission made by the Australian Australasian Railway Association to the 2014 inquiry that preceded the Report on *Infrastructure Planning and Procurement*.

We note with approval the recent reports published by Infrastructure Australia, particularly the transport-related sections of the *2019 Audit Report* and the *Urban Transport Crowding and Congestion Report* (August, 2019).

Infrastructure Australia's work demonstrates that there is only a relatively small window of opportunity to prevent road and freight congestion becoming a significant issue in many more Australian cities, Canberra included. According to Infrastructure Australia, commuter and freight congestion in and around the ACT is likely to go from moderately benign to critical in under a decade.

Given the lead times involved, the sooner work starts on addressing these emerging problems in the ACT and elsewhere, the better. The longer we wait, the higher the cost. As experience in our larger cities clearly shows, retro-fitting new roads and rail lines to existing facilities is an extremely arduous and costly process.

Nationally, if the alarming – but not alarmist – scenarios identified by Infrastructure Australia are to be avoided, then 'business as usual' is not an option.

For the remainder of this submission, more directly addressing the terms of reference, we have drawn on earlier studies to provide historical context and to save us re-stating what has already been said with (perhaps) greater authority or more clarity than we can hope for here.

As we have noted, we have been impressed by the work of Infrastructure Australia and the earlier work of this Committee and submissions to it such as that by the Australasian Railway Association in 2014.

We believe that the objectives outlined by the Government and by the National Faster Rail Agency are sound and well-based:

https://investment.infrastructure.gov.au/files/national_rail_program/Faster-Rail-Plan.pdf

We also draw the Committee's attention to a short and highly readable study prepared by Associate Professor Philip Laird and his colleague, Max Michell on the history and future prospects of the Canberra-Sydney line: "Canberra Rail in the twenty-first Century, *Railway Digest*, July 2018, pages 38-41.

"Faster Rail"

In our experience and that of other rail groups, the media and the general public remain thoroughly confused whenever they read or hear the terms 'fast rail' or 'very fast train'. Many believe "fast rail" always denotes High Speed Rail or a Very Fast Train. It doesn't.

Many members of the public have been turned off faster rail by the checkered history of the VFT/HSR in Australia; believing that if it ever comes at all it will come at a very high cost and won't necessarily appear anywhere near them. Others simply ask: "how fast is fast?" or "when will it be up and running?"

For those reasons, many regularly involved in public discussion of new rail projects are now careful to make the distinction between High Speed Rail and "Faster rail".

Our group believes that that distinction is worthwhile and ought to be reflected in your Committee's report.

Referring without further elaboration to "Faster rail" will continue to muddy public debate and leave unanswered important and regularly asked questions, such as: (a) faster than what; and

(b) how fast? It also tends to glide, perhaps somewhat conveniently, over highly contentious cost and viability issues unique to very fast trains and High Speed Rail.

For its part, the Group is happy to adopt the sort of distinctions between “Faster rail” and High Speed Rail that regularly occur or are implied in the terms of reference and public documentation published by the NSW Government when launching the McNaughton study of future regional rail services in that State.

“Faster rail” has an emphasis on reviving, extending or re-purposing existing rail infrastructure along existing rail corridors. High Speed Rail tends to be built to purpose often on standalone tracks located on re-aligned or new rail corridors. “Faster rail” is more commonly associated with regional services stopping at existing local stations. To achieve its promised speeds and time savings, High Speed rail tends to allow for far fewer stops and set downs.

The demand for “Faster rail” services extends to the freight sector. High Speed rail is more generally linked to passenger traffic alone.

High Speed Rail tends to be associated with the rationalisation of existing services.

High Speed Rail employs rolling stock and locomotive traction capable of speeds in excess of 250 kilometres per hour. “Faster rail” is more associated with speeds of up to 200-250 kilometres per hour and average speeds that aim to be 20-50 percent above those of existing services.

“Faster rail” optimises the use of existing rail networks and infrastructure. The underlying rationale is not to go as fast as you can but to go fast enough to change the character of the journey – to offer commuters and freight forwarders great choice and to make rail competitive with alternative modes of travel while reducing congestion and addressing so-called “externalities” such as green-house gas emissions.

Professor Andrew McNaughton warned in December 2018 that the fastest rail technology is very expensive and might not pay off in NSW.

He observed that: “I’m usually asked how fast is fast? The answer is as fast as is necessary to get the effects that we want.” He went on to add that faster rail is about ‘time’ and not about ‘speed’. It is about changing personal equations about how people relate to work and how they relate to one another. It is, about choices and offering them as soon as practicable and not in the far distant future. (ABC and Network Seven, Media reports, 3 December 2018)

Crucially, “Faster rail” projects can be planned, built and completed within a relatively short time frame, at a relatively modest cost and without disrupting existing networks and commuter expectations by requiring the elimination of intermediate stations. It can be a stepping stone to further upgrades and still faster journey times in the future. It can be part of a staged process culminating in very fast rail (where there is an economic case for it.)

The Spanish Manufacturer, Talgo indicated at a public meeting at the Australian National University in early 2017 that three of its mid-range, three car tilt train sets – each capable of top speeds of up to 250 kilometres per hour – would cost in total in the vicinity of $AUD100 million. Talgo estimated that they could, with minimal track straightening and signal work, reduce the journey time between Canberra and Sydney by about 30 percent, that is, to between 2 hours and thirty minutes and three hours. Those times would allow the number of journeys each way per day to be increased from three to five or six. A six train fleet would cost $200 million and allow for probably up to 10 services each way per day.

Even if Talgo’s estimate is taken with a grain of salt and some significant strategic track straightening between Canberra and Goulburn and beyond would be needed, the total cost at (say) one billion dollars of a Faster (tilt train) passenger service would be less than a twentieth of the $23 billion estimated as the cost of the Canberra to Sydney leg of the HSR/VFT back in 2012-13.

The advantages of “Faster rail” over a standalone VFT may be summarized as – lower cost; the productive use of legacy infrastructure; less time to operations commencing; and allowing for more set down and pick up points.

<u>Very Fast Trains and High Speed Rail</u>

The Group fully recognises that there are a number of well-known and well regarded High Speed Trains operating overseas. Where the political and economic stars align and population densities permit, such services can, and often do, succeed.

Forty years of effort and a welter of “cunning plans” to finance them has not to date revealed how to make High Speed Rail viable on the Australian eastern seaboard without massive public subsidies.

The prospect of a much promised VFT or HSR has arguably had a chilling effect on the maintenance and growth of conventional rail services, particularly the service between Sydney and Canberra.

It is possibly no co-incidence that the time for the rail journey from Kingston to Central in Sydney is almost exactly the same as it was when self–government was granted to the ACT back in 1988. It was also around that time that earlier proposals for an East Coast VFT were being floated.

The ACT, the Southern Tablelands and the regions to Canberra's north, east and south have, in effect, been by-passed by forty to fifty years of developments in conventional rail and tilt train technology.

If anything, the existing service is worse than in 1988 as back then the Sydney train terminated in Cooma and not Kingston. If you live in the region to the east and south of Canberra, your transport options have actually shrunk over the last thirty plus years.

A VFT linking Brisbane-Sydney-Canberra and Melbourne has been on and off the agenda for much of the last 40 years. These days it is more off than on. The sheer cost and low population densities over much of the proposed VFT route explain why.

The High Speed Rail Study (Phase 2) Report (2013) put the cost of Brisbane to Melbourne construction at $114 billion in 2012 dollars – about double that of the NBN. Of that, the Sydney to Melbourne component would have been around $50 billion.

The Sydney to Canberra segment had an estimated cost of $23.5 billion in 2012 with construction not starting till 2027. Benefits would have taken years to realise. The entire east coast project would not be completed till 2065 or later. Accordingly, car usage and carbon emissions would have remained totally unaffected until 2035, the date that the Canberra-Sydney corridor was scheduled to be the first to open.

While the VFT continues to fail the 'sanity not vanity' test for cost effective rail, the long acknowledged need for faster and more frequent longer haul rails services, including a sub-three-hour rail service connecting Canberra and Sydney, remains unmet.

The McNaughton review into faster regional rail services in NSW, including along the Sydney-Goulburn-Canberra corridor, is unlikely to be recommending a Canberra-Sydney VFT.

More likely is a recognition that strategic track straightening and re-alignment (perhaps associated with new generation tilt trains capable of speeds up to 250 kilometres per hour) can make a big difference to travel times and at a fraction of the cost of a VFT or HSR.

Although progress to date has been painfully slow, there are encouraging signs for "Faster rail".

Supporters of affordable faster rail – rail that is fast enough to offer new choices to travellers – would like to believe that the NSW (Coalition) and ACT (Labor) Governments are now pretty much on the right track.

Were the federal government to help out, there could be marked improvements to journey times and in service levels within years, not decades. Victoria, the State to have spent proportionally more on regional rail over the past two decades, is now reaping the rewards. NSW and other jurisdictions are belatedly trying to catch up.

None of that is to say that the cause High Speed Rail cannot be advanced in other ways. The ground can and should be prepared for when the economics and the population numbers do stack up. Ensuring that very fast rail corridors are protected makes sense.

Building new lines and raising track standards should, where feasible, have an eye to accommodating high speed passenger rail and facilitating higher speed freight services in the future.

Trains that form part of a new "Faster rail" fleet will in most cases have maximum speeds approaching 200 kilometres per hour and can run on tracks suitable for a VFT.

Even were a VFT to be given the green light immediately, it would still be necessary to fill the gap between the start of planning and when work was completed. On past estimates, east coast HSR might take as much as 40 years to complete – new and faster trains bought now would be nearing the end of their working lives before a VFT came fully into service.

Finance and Funding

The Canberra-Sydney Rail Action Group believes that three crucial issues need to be addressed:

(a) How should the funds be raised?

(b) Who should raise those funds? and

(c) Who should ultimately pay?

We see these as inter-related questions.

We acknowledge too that there can be a significant role for the private sector through Public Private Partnerships.

We believe that in the case of large projects or projects of national significance, the lead ought to be taken by government. Where more than one jurisdiction is involved, such as in the case of the Canberra to Sydney rail line, the Commonwealth is best placed to secure financing and to co-ordinate the planning and construction phases.

The planning/construction and operating phases of any major project are subject to differing demands and challenges.

In the construction phase, particularly for large projects aimed at securing a public benefit rather than a monetary return, government most commonly takes the lead.

Who subsequently owns and operates the actual service and how its running costs are met is a more open question.

In the provision of both freight and passenger services, we believe that rail needs to be placed on a more level playing field with road transport. Freight costs in particular ought to be set to attract new business. Pricing mechanisms generally must take account of other societal goals such as reducing pollution, minimising congestion and reducing the human and monetary costs that inevitably go with road travel including the costs of road accidents.

That approach is consistent with the financing of other large infrastructure projects.

A more expansive role for Commonwealth is also logical given its capacity to raise revenue via a broadly based taxation system and also through borrowing. The Commonwealth not only has deeper pockets than the States and Territories but is uniquely placed to insist on uniform national standards and purchasing practices. It is well-placed too to co-ordinate cross-border projects.

In the case of the planning and construction components, we believe that it is more appropriate to raise finance via borrowing rather than through taxation. Where a large public asset will serve many future generations and not just the current cohort of taxpayers, the cost of the project should be met by those who will benefit in the future as well as in the present.

As we have noted above, for reasons of transparency and accountability, wherever public money is being or will be expended, standard budgetary practices should apply. These procedures have been developed over many years and serve as a bedrock guarantee of probity in public finance.

Where other arrangements, such as PPPs are entered into, it should be for good commercial reasons and not merely for administrative or political convenience. Where possible, and subject to any limited claims of commercial-in-confidence, any off-budget arrangements should meet the same transparency tests as other government expenditures.

We note in passing growing concerns of late in the UK with the PPP model of financing rail projects. By contrast though, the use of PPPs to finance light rail infrastructure in some countries – Canada for instance - has become more widely accepted.

Since the reforms introduced in the late 1990s, the Commonwealth has had in place a robust financial framework guaranteeing high standards of probity for both on-budget and government commercial transactions. So, transparency issues aside, concerns regarding PPPs federally should not be overstated.

As we have also noted above, it would seem like there is no time like the present to invest in "Faster rail".

Rail has been a neglected area of expenditure for many years. There is increasing demand for more public transport options particularly to address urban sprawl and population growth on the fringes of existing cities. Light rail projects have proliferated. New rail services are being planned and built in the major cities. But regional and inter-urban rail has to date, in NSW at least, been something of a poor cousin. That's notwithstanding the fact that those living outside Sydney and Melbourne are taxpayers too.

Better regional rail services are widely recognised as a cheaper and 'cleaner' option for taking population pressure off our largest cities while both accommodating and promoting the growth of dormitory towns that offer an alternative to big city living.

Rather than have new population centres grow "like topsy" and without adequate transport infrastructure, more spending needs to be directed to nipping problems in the bud rather than mopping up afterwards.

Population growth in and around Canberra is a case in point. According to the ABS, there are now over 18 000 trips twice daily just for work purposes across the NSW and ACT borders.

Similarly, population growth on the NSW Southern Tablelands has been strong with more locals commuting daily to Sydney and clear scope for future growth in that region in the near future.

Communities to the south and east of Canberra that barely supported the passenger rail service discontinued in 1989 could now support one even without the coming advent of Snowy 2.0.

The economic climate now is also favorable. The cost of borrowing is at historic lows and interest rates are likely to remain low for many years; private sector demand is relatively weak, the labour market is softening with unemployment stuck well above the Reserve Bank's target figure of 4.5 percent, underemployment is at record highs with nearly 1 million employed Australians wanting more work than they can get. We also have enormous reserves of iron ore and coking coal.

Rural and regional Australia could do also with a boost and upgrading regional rail services would provide a significant spur to local employment.

We would downplay concerns that expenditure on infrastructure projects including regional and inter-state rail might either add to a Budget deficit or reduce the size of the projected surplus.

The staged approach and more modest costs associated with "Faster rail" represent a relatively small and entirely manageable impost on Commonwealth finances.

If chosen wisely, over time, "Fast rail" links ought to lift productivity and national income.

Concerns over the political optics of attaining a budget surplus should not get in the way of sound economic policy.

There has for some years been a lively discussion amongst public finance experts as to whether all capital expenditure ought to be treated as a current cost to the Federal Government's Annual Budget.

Capital expenditure is a form of government outlay but, unlike other expenditure such as welfare and transfer payments, produces lasting and tangible assets. Borrowing for capital works should also be viewed quite differently to borrowing to finance recurrent expenditure.

This is sometimes referred to as the distinction between good debt and bad debt. (Gittins 27 May, 2017)

In short, borrowing to finance sound capital investments will not necessarily affect perceptions of a country's fiscal position and credit-worthiness in the way that borrowing to fund transfer payments may. That is particularly the case where capital investment is in wealth-producing assets or useful infrastructure.

Who Should Pay?

This will often hinge on local factors, including, unsurprisingly, on just who benefits.

But where there is a national interest (such as in the case of promoting foreign tourism) or where cross-border factors are in play, the Commonwealth has special responsibilities allied with the necessary constitutional powers and fiscal clout to get things done.

In addition, to the extent that urban congestion and population pressures can be ascribed to high net levels of net migration, responsibility primary rests with the Commonwealth which sets annual migration targets.

Locally, the ACT might argue too that the rail line between Australia's largest city and its national capital is a matter of national and not just local or regional significance.

It could add that the rail line from Kingston to Joppa Junction outside of Goulburn bequeathed it by the Commonwealth on the ACT attaining self-government in 1988 was never fit for purpose. Either way, the ACT with its narrow tax base (and no income from mining and the like) is not able to fund an upgrade of even the portion of the line for which it is nominally responsible.

Upgrading the Goulburn to Queanbeyan rail line and linking it to a cross-border light rail network running from Queanbeyan to Kingston and onto Barton (where many of the national institutions such as the National Gallery, High Court, Museum of Australia Democracy and Parliament itself are located) would service national as much as local interests.

Further Options for financing and supporting "Faster rail"

Better, faster and more reliable rail services are needed to deal with rising levels of congestion and green house emissions. They would also raise national productivity.

However, given the up-front costs involved even if a staged or “Faster rail” path is followed, every attempt must be made to more rigorously evaluate economics of all transport modes and not just rail. That will include looking at relative levels of government support and funding for road and rail. We might never attain an absolutely level playing field but it should be possible to ensure that rail, and public transport options more generally, are considered and assessed on their merits.

We should not continue simply pouring scarce resources and taxpayer dollars into roads because that is what we have habitually done in the recent past or because State and Territory planners and development agencies are more ‘comfortable’ with road than with rail projects.

If congestion pressures, urban noise, pollution etc are to be addressed and climate change targets met, then clear priorities need to be established and the full gamut of policy options put in play. Those ought to include higher road-user charges to fund alternative forms of transport such as rail. We believe that there would be support for such measures and also support for raising some rail fares if the monies raised were clearly identified and dedicated exclusively to the expansion and modernisation of rail services.

By way of example, we note that the Commonwealth and the ACT have recently set aside funding in the order of $200 million to upgrade a relatively short section of the Monaro Highway. From a road engineering perspective, one can see why the proposed work may be warranted.

For its part, the ACT Government has welcomed the Commonwealth funding but indicated that it would rather have spent the money on further expanding its light rail network.

For our part, the project serves as a reminder that road works do not come cheap and that they often do not provide a complete solution to an actual or perceived problem. The “solution”, may, for instance, only move the problem a few kilometres down the road.

In the case of the Monaro Highway from Hume in the ACT south to Cooma, the work may ultimately be welcomed by motorists. But equally it may also further boost traffic movements with congestion problems subsequently re-emerging. The road work, while underway, will no doubt, also be highly disruptive.

For that $200 million, the ACT Government could have made a start on cross-border light rail from Queanbeyan to Barton and on to Civic, thereby addressing congestion problems on the two major arterial roads linking Canberra to Queanbeyan and beyond as identified by Infrastructure Australia.

Alternatively, the ACT and NSW could have made a start on re-opening the rail line from Queanbeyan to Cooma via Tuggeranong, Royalla, Michaelago and Bredbo for both freight and passenger traffic thereby permanently reducing pressure on the Monaro Highway and without the level of disruption usually associated with road works.

Current funding mechanisms do not appear to oblige government to make such economically rational choices between transport modes or even have them investigated.

Government and rail authorities have, not unreasonably, placed considerable store on feasibility studies in assessing the worth of rail projects.

The Group believes that greater use might be made of complementary measures to more routinely assist with planning and in the selection of rolling stock and the best form locomotive traction.

Those measures may include trailing competing options. This has been done in the past as with the 1995 tilt train trail between Canberra and Sydney.

One difficulty in bringing locomotives and rolling stock to Australia for such trials is the up-front cost. Many firms have no doubt been dissuaded from doing so given the relatively small size of the Australian market and the absence of any guarantee of a supply contract or ongoing business opportunities.

A small federal government fund that could be drawn on to assist in facilitating such trails is, in the Group's view, worth considering. It might also encourage the States and Territories to look at acquiring shared or more compatible rail assets into the future.

The Group's experience in dealing with Government Agencies has not been universally positive.

Those we have dealt with have been unfailingly patient and polite but have often been 'time-poor' or not especially experienced in the technical side of rail or have not come to the job with a strong background in transport or rail economics. It is a problem that these days may affect public administration more broadly. In the case of rail though, we believe that is in part explained by a lack of consistent or ongoing interest by government in rail over the last half century.

If rail is to become ‘a thing of and for the future’, we believe that is worth investing in the skills and expertise that will drive the system ahead.

We therefore also recommend that national, State and Territory governments fund a number of scholarships in rail-related disciplines open to undergraduate and post graduate students wanting to pursue careers in rail.

In conclusion

We again thank you and your Committee for your interest in this matter and for the chance to lodge this submission.

Members of the Group would be happy to appear before the Committee if requested should it choose to hold public hearings in Canberra.

Bob Bennett
Co-convener
Canberra-Sydney Rail Action Group

6 December 2019