

Committee Secretary
Senate Rural and Regional Affairs
and Transport Reference Committee
P.O. Box 6100
Parliament House
Canberra
ACT 2600

Submission - The role of public transport in delivering productivity outcomes

Dear Committee Secretary

This letter and its attachment form a submission to the committee's examination of the role of public transport in delivering productivity outcomes to the Sunshine Coast urban conurbation and, as a consequence, the industry and communities of the Wide Bay area, further north, and the provincial cities of coastal Queensland. Critically, these are the areas where the state government plans considerable additional population growth and where the federal government proposes a 'develop Northern Australia' strategy. Good transport infrastructure will be important to the success of both proposals.

Specifically, the submission relates to the function, operation and limitations of Queensland's North Coast Railway Line and its unique mix of rolling stock that impacts adversely on the productivity of freight rail serving the entire Queensland coast and freight forwarders that use rail to transport goods and produce to market in Brisbane and southern states.

The decision by the Queensland Government to exit the rail freight business through its sell-off of Queensland National, now Aurizon and in private hands, has resulted in a lack of interest on the part of that government to plan to invest in rail freight infrastructure along the North Coast Line between Brisbane, Rockhampton and Cairns. Also, a Coalition federal government has adopted a political stance to give priority to 'flood-proofing' and upgrading the Bruce Highway, despite the fact that the NCL has been built largely to a flood-free alignment and is still capable of operating in all but the most adverse extreme weather events, when those same events cause lengthy delays due to inundation of the Bruce Highway.

Whereas both levels of government adopt strategic positions that freight should be carried by the most efficient mode, they have agreed to invest only in the Bruce Highway in circumstances where they have not been informed by any comparative cost-benefit investment analysis, road versus rail along the Queensland coast.

The general public, the freight sector and industry are thoroughly confused by conflicting statements, with the state and federal government, simultaneously agreeing on the gross inadequacy of the North Coast Line yet adopting the position that it is the other level of government that must pay for any improvement.

The federal Coalition government believes the line of sufficient importance to include the North Coast Line in the national transport

network that it is prepared to fund, yet states in the AusLink Brisbane-Cairns Corridor Strategy that the rail corridor is 100 per cent the financial responsibility of the state government. Conversely, the state LNP government argues that a funding submission for the North Coast Line has gone forward to Infrastructure Australia and it is up to the federal government to make a funding offer in response to that submission. The current Queensland Transport Minister, the Hon. Scott Emerson MP, has written that the NCL is a 'federal responsibility'. How can governments of the same political persuasion hold these opposing opinions? It is evidence of disfunction that, in the interest of national productivity, cannot be allowed to continue.

Furthermore, the Prime Minister, the Hon. Tony Abbott MP, has made public statements that his government's policy is not to fund 'urban rail', and has said this in the context of questions from journalists about whether his government would fund improvements to the NCL; seemingly without acknowledging the unique role the North Coast Line plays in carrying passenger rail (to Nambour), long distance passenger trains vital to Queensland's major industry (tourism) and freight trains serving Central and North Queensland. With two exceptions, passenger rail services operate largely over only 100km of track north of Brisbane. However, the federal government position is not to invest in track improvements north of that point to Cairns, along a corridor largely serving rail freight operations. This stands in sharp contrast to the Commonwealth's position of funding rail track infrastructure to destinations such as Ballarat, where passenger trains operate regularly and frequently on a track also used for freight.

The Commonwealth has made a decision, again without any investigation of any BCR comparisons between road and rail, to widen the Bruce Highway from four to six lanes south of Caloundra in the long-term, whereas some investment in the rail line between those two points could be justified for freight purposes. Ending the conflict between passenger rail and freight rail is a legitimate federal government objective worthy of investment along the Southern Sydney Rail Freight Corridor, yet this is not the case for Queensland's principal rail freight corridor. Why the inconsistency?

The congestion problems is highlighted by the fact that freight train curfews operate at certain times of the day and 40 per cent of all passenger rail services between Brisbane and Nambour, as shown in the passenger rail timetable, are operated by buses, not trains.

The problems will be exacerbated by the fact that, as extra lanes are added to the Bruce Highway between the Sunshine Coast and Brisbane, the state government has mandated that a further 87,000 people be housed at Caloundra South and at Palmview. The local economy cannot provide the jobs growth necessary to provide those families with a living, so their breadwinners will travel to Brisbane for work; filling the extra road capacity funded by the federal government. Many of these people could commute to work by public transport (rail), but the only reality for them is to travel on a 'railbus' because there is no additional capacity on the railway due to its single-track capacity constraints north of Beerburrum. Because rail buses take half as long again as the train to travel the same distance, car travel is the preferred alternative. By not investing in the NCL at critical locations, the federal government is

faced with having to invest in costly road alternatives; the extra capacity being filled almost immediately by vehicle movements generated by new housing developments (i.e. Mango Hill, Narangba). The efficient movement of freight suffers, resulting in adverse impacts on productivity. The Ipswich Motorway widening is another example where peak period levels of service (LOS) have not improved markedly, despite major investment.

To add to the lack of government consideration of issues on the North Coast Line, numerous reports have highlighted the problems, but these have been prepared and considered by different agencies. There is no overarching scrutiny of the reports or overview analysis of what is being said.

What is being said is consistent and alarming. The attachment to this letter contains links to reports that discuss the issues in detail, but here is a dotpoint summary:

- The Caboolture -Nambour track is the most congested section of single rail track in Australia. It was recognised as congested as long ago as 1994 in the BTCE report of the National Transport Planning Taskforce. (*Source: BTCE*)
- The Sunshine Coast's population growth is the second highest in South-East Queensland. The Sunshine Coast is Australia's ninth largest population area, ahead of Wollongong, Hobart and Geelong. During the next 20 years, the Coast's population will expand from 323,400 to 508,200. Major transport deficiencies will occur that cannot be solved by road upgrades and improvements alone. *Source: Queensland Government Population Projections, 2011 Edition.*
- Under a 'do nothing' scenario, it is likely that the Sunshine Coast Region would experience adverse socio-economic effects should the SCL not be upgraded between Landsborough and Nambour. Increases in demand are likely to significantly challenge the ability of the current infrastructure to support an acceptable level of rail service in the future. *Source: Landsborough to Nambour - Initial Advice Statement by Arup Engineers (2007).*
- Long-standing plans for duplication of the main northern railway line, both for passenger and freight transport, remain unfunded. Improved rail links has the potential to enhance the resilience of some Hinterland towns through increased accessibility for residents; the potential to attract businesses with regular freight transportation needs, and provide opportunities for existing and future tourism operators. - *Sunshine Coast Regional Council Draft Rural Futures Strategy.*
- Transport demand on the Sunshine Coast has been growing and there are signs that current transport infrastructure is having difficulty coping. A proposed 87,000 person increase in Sunshine Coast residents at Caloundra South, Palmview and other coast growth areas within 10 years will require infrastructure improvements between Brisbane and the Sunshine Coast. Visitors to the region are saying

that congestion on the Bruce Highway is a deterrent to their future visitation decisions.

The proposed CAMCOS public transport corridor between Beerwah and Maroochydore, rail track duplication on the Sunshine Coast Line and the Multi-Modal Transport Corridor will not meet projected travel demand under the most likely scenarios; more will be needed to meet the needs of a substantially larger population in 2031. *Source: The Sunshine Coast Regional Council Interim Roadmap 2010 (2010)*

- The majority of the desired levels of service on the NCL cannot be met with the existing rail infrastructure; duplication and realignment of the line between Caboolture and Landsborough is needed now, not in 2020 as proposed. This would result in an improved level of service for passenger and freight rail operations, especially in terms of service frequency, hours of service, seating capacity, freight capacity, reliability, and travel time. The track upgrade would allow for a progressive increase in rail services throughout the day, and achieve a consequent decrease in railbus services within the corridor. Currently, 40 per cent of so-called 'train' services to and from Nambour are operated by buses that take 50 per cent longer than trains to complete the journey between Caboolture and Nambour. *Source: Caboolture to Landsborough Rail Upgrade Study - Needs Assessment by Queensland Transport (2002).*
- The efficiency of freight movements and the safety of passenger services between Brisbane and Gympie is a major strategic issue, as is the competitiveness of the NCL and its capacity to handle long-term growth in freight. A major current impediment to the corridor's overall performance is rail congestion between Brisbane and Nambour. With reference to the Caboolture, Sunshine Coast and Gympie track sections, poor track alignment impedes efficient transit times. It is important to stress that any improvement in the track south of Maryborough West has a profound knock-on benefit for train operations north of that point. *Source: Joint state-federal government Brisbane -Cairns Transport Corridor Strategy.*
- Infrastructure catering specifically to for longer freight trains also needs to be provided. Train lengths on the Sunshine Coast and North Coast lines are limited by the length of the smallest loop (currently 682 metres) whereas freight trains on most major transport corridors around Australia are 1500 metres long. The prospect of a doubling of average freight train length on a rapidly growing and potentially rail-friendly corridor represents one of rail's most significant national productivity opportunities. This shortest passing loop on the NCL is located at Palmwoods, between Landsborough and Nambour. *Source: National Transport Commission - Rail Productivity Review Submission by QR Limited (2008),*
- Finally Queensland Rail has estimated the future transport task (based on underlying market growth rates) and has spelled out the economic benefits to government and society associated with investment in NCL rail. *Source: QR Submission to Productivity Commission (5 July 2006), Review of the Economic Costs of Freight*

Infrastructure and Efficient Approaches to Transport Pricing (page 94).

Clearly there is a need for the state and federal government to reconsider their respective (conflicting) position on the NCL, from a freight perspective, not a passenger rail perspective. This could be consistent with the federal Coalition Government's policy standpoint, with, for instance, the Commonwealth agreeing to fund additional and longer passing loops, short realignments, where necessary, and other track improvements that support more productive rail freight operations, while requiring the state government to fund infrastructure such as passenger rail stations, platforms and car parks along the NCL where it passes through urban areas.

Should the Coalition reject this compromise, it could still invest in the track between Nambour and Rockhampton (the non-passenger component of the NCL), where considerable speed restrictions and operational deficiencies exist.

It seems incongruous that both governments of a similar political hue would maintain a 'Mexican stand-off' that allows what is recognised as Australia's most congested section of single rail track not to have any strategic plan for improvement, linked to an agreed flow of funding.

It is worthwhile considering that the NCL traverses 15 federal electorates - Brisbane, Capricornia, Dawson, Dixon, Fairfax, Fisher, Flynn, Herbert, Hinkler, Kennedy, Leichhardt, Lilley, Longman, Petrie and Wide Bay. Are the residents and businesses within these electorates to be denied the benefits of rail freight productivity gains to be won from prudent investment in the NCL, in preference to costly highway upgrades alone?

Yours sincerely

BRIAN O'CONNOR

29 January 2014