

RFA Submission to The Transport Climate Change Adaption Action Plan

The Rail Freight Alliance

The Rail Freight Alliance (RFA) is a membership based organisation, consisting of rural, regional, and metropolitan Councils across Victoria. The Alliance membership strongly believes that more freight on rail will add to the efficiency, productivity, and prosperity of the nation.

Our members include the Councils of Ararat City, Buloke, Central Goldfields, Ballarat City, City of Melbourne, East Gippsland, Latrobe City, Loddon, Gannawarra, Glenelg, Greater City of Bendigo, Greater Shepparton, Hindmarsh, Horsham Rural City, Maribyrnong City, Melton City, Mildura Rural City, Moyne, Mitchell, Northern Grampians, Pyrenees, Southern Grampians, Strathbogie, Swan Hill Rural City, Warrnambool, West Wimmera, Wyndham City and Yarriambiack.

The Alliance is extremely concerned about the impacts of climate change on the Victorian Community.

Within the scope of this advice RFA is concerned with: -

1. Damage to Transport Infrastructure.
2. Disruption to Transport Services.
3. Impacts on community safety and wellbeing.

The Alliance accepts that Victoria's climate will change and strategies to adapt to the changes is responsible, however the current plan does not focus on reduction of emissions, nor does it highlight the importance of strong supply chains to minimise disruption to the Victorian Community.

The Alliance is concerned that the freight task to rail has decreased since 2015, in contrast to the number of heavy vehicles increased in the 60 to 100 Gross Combination Mass (GCM) category by 38%. (Ref 1) The Alliance considers that increasing the number of trucks and the GCM of these vehicles is not the solution to Victoria's freight task and does not effectively mitigate emissions. Rail freight produces 16 times less carbon pollution than road freight for every tonne kilometre travelled. A one per cent shift of freight from road to rail in Australia would reduce accident, emission, and health costs by \$71.9 million per year. (Ref 2).

The Alliance submits the following responses: -

Action 1: Collaboration with other transport agencies and communities.

The RFA understands that transport is one of 7 sub plans within an overall approach to climate change adaption, and that the transport plan will be led by the Minister for Roads and Road Safety.

The Alliance considers that freight is an important component of the Victorian Transport system, with 1 in 5 vehicles on the state's tollway being a heavy vehicle. The focus on transport must include people as well as freight, rail freight should be an important focus of infrastructure investment and government policy.

Currently, the Department of Transport (DOT) is responsible to three ministers and one parliamentary secretary and brings together Transport for Victoria, Freight Victoria (a division of Transport for Victoria), Public Transport Victoria, VicRoads, V/Line, Commercial Passenger Vehicles Victoria, Victorian Ports Corporation (Melbourne), Victorian Regional Channels Authority, Port of Hastings Development Authority, Victorian Fisheries Authority, Gippsland Ports, VicTrack, Transport Safety Victoria, Transport Accident Commission, Office of the Chief Investigator, Transport Safety and the Melbourne Port Lessor.

At the same time the Major Transport Infrastructure Authority was established to oversee, Rail Projects Victoria, the Level Crossing Removal Authority, the West Gate Tunnel Project, the North East Link Project and Major Road Projects Victoria.

There are also four separate access providers: VicTrack, V/Line, Metro Trains, and the Australian Rail Track Corporation (ARTC).

The Alliance proposes that the Victorian Government establish a Rail Freight Authority with responsibility to provide strategic advice and support to a dedicated Minister for Freight and Ports.

This authority, Rail Freight Victoria, should have an independent Board, regional representation, and the capacity to promote rail freight services to customers.

It should be located within the Transport Portfolio, as an independent Statutory Authority reporting directly to a dedicated Minister.

Recommendations

- Appointment of a dedicated Minister for Freight and Ports.
- Creation of Rail Freight Victoria as a Statutory Authority reporting to the Minister for Freight and Ports

Action 3: Strengthen transport assets, infrastructure, and services to enable better planning and preparedness for, response to and recovery from emergency events.

The Alliance believes the Victorian Government should create and adopt a transport plan as mandated in the Transport Integration Act 2010. Currently, no plan has been developed or endorsed by the State Government.

The purpose of this transport plan is to outline the Victorian Government's longterm strategy to move people and freight efficiently, grow productivity and better connect Victorian businesses with their markets, whether local, national or international.

It is also important to manage externalities that may arise in the quest for efficiency, for example, road safety, emissions, and road damage and amenity impacts of the wider use of heavy road freight vehicles.

The ability for uninterrupted supply chains has been highlighted through the COVID 19 Pandemic. Rail freight offers the ability to move large volumes of freight efficiently and cost effectively across intra and interstate network regardless of borders. The right balance needs to be struck between infrastructure development and the revenue raised to pay for this capital expenditure.

The Rail Freight Alliance believes that to achieve this challenge, a far greater share of the freight task will need to transfer from road to rail in the next 30 years. Rail provides a cost-effective freight transport over longer distance, is a safe means of transport, reduces congestion and greenhouse gas emissions and prolongs the State and Local Government Road networks.

Recommendations

- Victorian Government complete a Victorian Transport Plan which includes a Freight and Ports Strategy
- Victorian Government provides adequate resourcing to implement the Victorian Transport Plan.
- Victorian Government commits to 25% of all freight in Victoria to be transported by rail by 2025.

Action 4: Identify and prioritise parts of the transport system that are at highest risk from or face greatest exposure to climate change.

The Rail Freight Alliance considers that some impact of climate change is inevitable, and that urgent mitigation is a must be taken by all levels of Government in Australia and globally.

Being able to move people and freight Australia and Victoria requires current assets to be assessed and any future assets as practicable to be future proofed. Greater variances in temperatures and more severe weather events will need to be considered when building new assets.

These environmental impacts also need to be tempered with a future Victoria will look like. By 2050 the freight task is predicted to triple, and Melbourne is forecast to be the biggest city in Australia. As Melbourne become more urbanised, planning to move people and freight is vital.

The Port of Melbourne is expected to increase its freight task three-fold from today's freight task and Victoria will require a new Port by 2055. (Ref 3). The task of moving this freight throughout Victoria, keeping people safe, providing a liveable state, and keeping within designated emissions and air quality will be a challenge over the next decades.

There are 3 major pathways freight access needed for a future Victoria, being: -

1. The Melbourne to Brisbane Inland Rail Project (MBIRP) is expected to be operational by 2027. A new intermodal precinct located close to the Port of Melbourne as well as continued development of the Beveridge precinct will be critical.
2. The Murray Basin Rail Project (MBRP) must be completed to its original scope.
3. The Gippsland Region needs sufficient capacity to access its passengers and freight to Melbourne.

Congestion within Melbourne is now and will continue to be a major issue and the cost of using Victoria's toll road system continues to climb well above CPI. One in five vehicles on Melbourne's toll roads is now a heavy vehicle and this trend is not predicted to decrease.

Recommendations

- Plan and secure the rail and road pathways to Victoria's future Port.
- Plan and secure land to connect to the MBIRP.
- Complete the MBRP to its original scope.
- Plan and secure sufficient rail capacity to Gippsland.

Action 9: Facilitate adaptive technologies, market responses and adaptive funding models to provide better solutions for the transport system.

Currently there is an inequity between road and rail transport in the form of the taxes and charges collected. Truck operators pay registration on average road damage and fuel excise. Rail operators pay mass distance based on access fees.

The current system does not deliver full cost recovery to road infrastructure from certain classes of vehicles, does not capture the social and environmental costs of road use and creates a price advantage for road freight to the detriment of rail.

Technologies such as GPS and intelligent transport systems are currently available and will become increasingly affordable. A user pays system based on vehicle type and usage allows a level playing field for different modes of transport and would have the ability to direct revenue to asset owners.

Recommendation

- Work with the Commonwealth and other states to introduce a new system of taxation for freight based on vehicle type and usage.

Action 12: Capitalise on regional transport work with local communities to help make those communities more resilient.

Most transport issues in Victoria, especially those involving rail freight and long-distance haulage of bulk commodities cross many local government boundaries and often regional and state boundaries as well.

There is a need to inform statewide transport plans about regional issues and ensure there is alignment between State and regional planning documents to allow for clear strategic direction and integration.

There is a need for greater and ongoing regional planning in transport which includes rail freight as an integrated part of the transport network.

The Alliance supports the establishment of ongoing Regional Integrated Transport Plans to provide an opportunity for State and Local Government to work together to solve common regional freight issues and to advocate for rail freight enhancement within that regional area.

Recommendations

- Victorian Government support the establishment of Regional Integrated Freight Transport Plans.
- These plans should inform the Victorian Transport Plan (Action 3) and include the involvement of appropriate State Government departments and entities.

Action 15: Support trials and pilot projects that test transformational adaptation approaches.

The Rail Freight Alliance considers the entire Victorian Network should be standardised by 2025.

There has been a significant resurgence in regional passenger services on the V/Line network. Network patronage and train frequencies have grown significantly which has predominately been reconstructed with non-gauge convertible sleepers.

VLocity trains are scheduled to operate on the standardised North East Line by 2022.

A standardised network would allow greater utilization of passenger and freight rolling stock as well as facilitate interstate connectedness.

Currently new track is being laid and sleeper replacements are being implemented on the broad-gauge network.

The Alliance believes that continuing to upgrade, repair and construct lines on the broad-gauge network will only serve to make standardisation of the Victorian Rail Network unachievable.

If all future works were to utilise gauge convertible sleepers, the cost of standardising the Victorian Network would be greatly reduced.

Recommendation

- Investigate long-term benefits and cost-savings in using gauge convertible sleepers.

Do you have any feedback on the implementation of the draft actions?

The RFA commends the Victorian Government for planning actions to address climate risk. The RFA is concerned that freight is not given adequate consideration.

The Alliance believes that Victoria's growing freight task needs to be planned and actioned today as the "do nothing" approach will leave Victoria with a legacy that may never be rectified. The movement of freight across Victoria and Australia will continue to remain vitally important.

Tackling Congestion Melbourne's congestion will continue to increase, and actions must be taken to mitigate. One measure put forward is to increase toll roadways and consider a congestion tax as a deterrent to change user behaviour.

The current and ongoing challenge for freight operators and users of that service is that today's infrastructure and the current infrastructure construction leaves little option but to utilise the road network.

Is there anything else that should be considered in developing and finalising the Transport AAP 2022-26?

The RFA considers it is critical the development of transport planning is not done in isolation and best practice guidelines in land use planning are used to better integrate land use and transport planning and development.

A future Victoria must be carefully planned as factors such as congestion, safety, air quality, road longevity, and household affordability will be a direct outcome of future planning and investment.

The RFA believe that investing in rail infrastructure should be part of Victoria's future. And that building more roads will not fix congestion, other modes need to play a significant role to solve congestion.

Governments often comment that they are supporting households, however all goods utilised by households have a freight component factored into the cost. This cost will inevitably be shared with the producer and consumer, under the current and proposed scenario.

Globally rail is an important component in the decentralisation of population. While much of this submission is focused on rail freight, being able to connect the regions to regional cities and Melbourne is vitally important to reduce disadvantage and provide a fairer Victoria for all.