

Submission to the National Freight and Supply Chain Strategy

The Rail Freight Alliance

The Rail Freight Alliance (RFA) is made up of Rural, Regional and Metropolitan Councils across Victoria. The Alliance membership has a strong belief that more freight on rail will add to the efficiency, productivity, and prosperity of the nation.

Rail Freight Investment for Victoria

Victoria, like many states around Australia are preparing for an unprecedented increase in freight over the next 30 years. How this task is managed and what investments are made will impact the economic, environmental, and social outcomes of Australians for generations.

By 2050 the freight task is predicted to triple, and Melbourne is forecast to be the biggest city in Australia. The Port of Melbourne is expected to increase its freight task three-fold from today's freight task. The challenge of moving this freight throughout Victoria and keeping people safe and providing a liveable state and keeping within designated emissions will be a challenge over the next decades.

Congestion within Melbourne is now a major factor 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, this trend is not predicted to decrease.

What is required to meet this 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. 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 Rail Freight Alliance believes that maintaining the Liveability of Victoria, while continuing to increase imports and exports, a far greater share of the freight task will need to transfer from road to rail in the next 20 years. Rail provides cost effective freight transport over longer distances, is a safe means of transport, reduces congestion and greenhouse gas emissions and prolongs the State and Local Government Road networks.

The Rail Freight Alliance make the following recommendations for infrastructure investment and policy considerations to the Commonwealth Government.

Victoria's Freight Task

The Victorian Freight task cannot be serviced by Road Freight alone. Victoria's freight task will more than triple over the next 30 years, this does not include the mineral sands freight task. The RFA believes that rail is essential in the current and future Victorian supply chain, ensuring access to global markets through Victorian Ports.

Train Speeds

The speed trains can travel along rail is critically important for the productivity of Rail Freight in Victoria. Currently all State-owned rail lines in Victoria are regulated by VLine, some sections of line are gazetted as low as 40 kilometres per hour.

The Alliance considers that freight lines in Victoria should be regulated and maintained to a standard that allows for rail speeds of at least 100 kilometers to maintain competitiveness with Road Transport



Standardisation of the Victorian Network

Standardisation of rail lines allows greater flexibility of Australia's rail network and creates competition among service providers.

The Alliance recommends the following sections of track for standardisation: -

- Maryborough to Ballarat
- Ballarat to Geelong
- Korong Vale to Dunolly
- Sea Lake to Korong Vale
- Manangatang to Korong Vale
- Ballarat to Ararat Line

Maryborough Ballarat

This line should be standardised and maintain a dedicated passenger service between Maryborough and Ballarat.

Ballarat to Geelong

Standardisation of this section of line would enable greater efficiency of rail freight to the Ports of Geelong and Melbourne as well as accessing the Melbourne to Brisbane Inland Rail Network.

Korong Vale to Dunolly, Sea Lake to Korong Vale, & Manangatang to Korong Vale

Standardisation of this section of line would enable greater efficiency of rail freight by allowing access to Geelong to the Ports of Geelong and Melbourne as well as accessing the Melbourne to Brisbane Inland Rail Network via Ballarat.

Ballarat to Ararat

Standardisation of the Ballarat to Ararat Line would allow access to Western Victoria, not only for passenger services to access Melbourne via Ballarat but allow rail freight access to the ARTC rail network.

Access through Ballarat

The RFA has put forward a credible solution to allow rail freight access through Ballarat. The paper can be accessed here:-<u>MBRP Position Paper 2021.pdf (railfreightalliance.com)</u>

Ton Axle Loadings (TAL) and Rail Productivity

Higher axle loads are an important factor in improving freight train productivity. There has been an increased investment in the High Productivity Freight Vehicle network and subsequent investment in road transport. Rail Freight has not had the same investment in new technologies.



The Rail Freight Alliance recommends investing in the following lines: - **<u>Recommended TAL</u>**

- Maryborough to Ballarat 21 TAL
- Ballarat to Geelong 21 TAL
- Ballarat to Ararat Line 23 TAL
- Korong Vale to Dunolly 21 TAL
- Sea Lake to Korong Vale 21 TAL
- Manangatang to Korong Vale 21 TAL
- Maroona to Portland 23 TAL
- Rainbow to Dimboola 21 TAL
- Hopetoun to Murtoa 21 TAL
- Albury to Melbourne 23 TAL
- Bairnsdale to Packenham 23 TAL

Maroona to Portland Line

The Maroona to Portland Line is part of the ARTC Network and is critical to Australia's economy. The mineral sands deposits in Victoria are estimated to be 260 million tonnes, including 8 million tonnes of rutile and 6 million tonnes of zircon. With an estimated 50-year reserve, a significant and ongoing freight operation will be required. This is large bulk freight most suited to long distance rail transport. This 172-kilometre stretch of standard gauge line links the Western half of Victoria to the National Grid and the Port of Portland, considered the best deep-sea Port in Regional Victoria.

The Alliance recommends increasing the Maroona to Portland Line to 23TAL in line with the adjoining ARTC Network.

Rainbow to Dimboola and Hopetoun to Murtoa Lines

Currently the Rainbow and Hopetoun lines are 19TAL. Upgrading these lines to 21 TAL would increase freight productivity and enhance the investments made in grain accumulation in these regions.

The Melbourne to Brisbane Inland Rail Project & Melbourne connection.

Currently there is no terminal in Melbourne capable of receiving 1800 metre trains. Efficient intermodal terminals are critical in capturing the investment and creating efficient utilisation of the Melbourne to Brisbane Inland Rail Project.

The RFA supports the current actions scheduled to be undertaken by the National Intermodal Corporation at Beveridge.

The business case to progress the Outer Metropolitan Road and Western Intermodal Freight site in Truganina site should include both the Port Rail Shuttle connection and corridor protection to a future container port.

An Efficient Gippsland Connection

As the Gippsland Region is continues to grow, and its freight task is continuing to increase, this region must have capacity and to access the Port of Melbourne and the Port Rail Shuttle.

The Alliance considers that the corridor between Caulfield and Pakenham needs to be serviced by 4 rail lines,

These lines are: -

- Caulfield to Dandenong
- Dandenong to Pakenham



Caulfield to Pakenham Corridor

In early 2019 a new 2-line corridor was completed, between Caulfield and Dandenong. The Victorian Government is planning, further upgrading and grade separation projects between Dandenong and Packenham. Four lines are needed between Caulfield to Pakenham to service the freight and passenger needs.

A dedicated corridor for freight and regional passenger trains is needed as the Caulfield to Pakenham line is used intensively by suburban trains.

Port Rail Shuttle

Many parts of the Port Rail Shuttle have been funded, attracting private investment to the Altona, Somerton, and Dandenong sites.

The Bairnsdale line should have access to the Dandenong intermodal facility to support rail freight capacity from the Gippsland Region.

Equity between Road and Rail

Current Government tax and expenditure arrangements are not conducive to a level playing field between heavy road freight and rail. Heavy road freight does not pay its way in terms of the full cost of infrastructure investment and maintenance, nor the external costs it imposes in respect of accidents, pollution, and greenhouse gases.

Rail is currently paying a price per tonne per kilometre, whereas road is paying a set charge regardless of kilometres and tonnage carried (including road access tolls if applicable). This system is not reflective of the true costs of road and rail freight.

High Productivity Freight Vehicles (HPFV) offer cost savings and benefits compared with conventional trucks. However, these vehicles require identified routes that are safe and provide the necessary bridge and pavement strength for their safe operation.

The Alliance supports the creation of a freight network that supports transfer of bulk merchandise and containers from road to rail rather than one that supports only long-distance road freight, the Alliance does not support HPFVs where in competition with the rail freight network.