



ARA Submission

2022-23 Commonwealth Budget

The Treasury

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The ARA

The Australasian Railway Association (ARA) is the peak body for the rail sector in Australia and New Zealand, and advocates for more than 170 member organisations across the industry.

Our membership covers every aspect of the rail industry, including:

- The passenger and freight operators that keep essential rail services moving;
- The track owners, managers and contractors that deliver a safe and efficient rail infrastructure network; and
- The suppliers, manufacturers and consultants that drive innovation, productivity and efficiency in the rail industry.

Our members are driven to support vibrant, sustainable and connected communities through greater use of rail across Australia and New Zealand. We bring together industry and government to help achieve this ambition.

Our advocacy is informed by an extensive research program to ensure we offer solutions that are grounded in evidence and focused on delivering tangible value in our daily lives.

We believe the rail industry has a crucial role to play in the region's sustainable development and growth, and know that the industry offers meaningful and rewarding careers for tens of thousands of people in the regions.

Our significant program of work is focused on supporting a strong advocacy agenda, and creating opportunities for the rail industry to network, collaborate and share information, and maximise the benefits we have to offer the wider community.

The ARA thanks the Assistant Treasurer, the Hon Michael Sukkar MP, for the opportunity to provide a submission to the Pre-Budget 2022-23 process.

Any questions regarding this submission should be directed to Simon Bourke, General Manager – Policy and Government Relations via sbourke@ara.net.au or 0437 176 308.

Background

Rail in Australia

Australian railways primarily involve moving urban and inter-city passengers and bulk commodities for export.

Australia's population has grown by over 25 per cent since 2000. The current growth rate of 1.3 per cent p.a. places Australia amongst the highest in the OECD. Australia will have 30.5 million people by 2031, but this growth will not be evenly spread. The majority will be in major cities, with both Sydney and Melbourne expected to grow by around 3 million each by 2060. The population density of these cities will increase because natural boundaries, personal preferences, and commuting constraints will mitigate against growth of the physical footprint.


Cities are increasingly investing in integrated transport systems that link high-capacity metro systems with light rail, regional rail, and other transport modes to encourage active and engaged community-based lifestyles. Rail provides the backbone of public transport systems. Continued improvements through technology, infrastructure investment, research and development and expansion will increase the service and capacity offering, while positioning rail as a viable alternative to the motor vehicle.

In 2018-19 total urban heavy rail patronage was 754.4 million passenger journeys, while for light rail there were 236.8 million passenger journeys. Australia has an estimated 32,868 route-kilometres of operational heavy railways, almost 10.5 per cent of which is electrified. There are 326 route-kilometres of operational light railway.

Weekday commuting to central city areas in major cities is the key passenger rail task; while more than one-half of Australian freight transport activity is by rail, primarily founded on the transportation of iron ore, coal and grain primarily to ports for export. Rail is also often central to moving other bulk commodities such as sugar and timber, especially to ports, as well as containerised export agricultural commodities and consumer goods. Rail's mode share of non-bulk freight is highest between the eastern states and Perth.

Rail freight provides a cost-effective, safe, and environmentally sound solution for reducing congestion from heavy vehicles on urban, regional, and interstate roads. Rail freight, as part of a supply chain, will continue to play a greater role in the future to meet Australia's freight task and to maintain our international competitiveness.

In 2019, the rail industry contributed more than \$29.8 billion (GDP) to the Australian economy, consisting of \$15.1 billion of direct value and \$14.7 billion in indirect; and supports over 165,000 jobs - up 16 per cent overall since 2016 - consisting of an estimated 71,442 FTE workers employed directly. This will continue to increase with governments around Australia investing some \$200 billion into rail in the coming years.



Rail is a significant industry in Australia, creating economic activity through its operations and capital investments. It is an industry with activities across every major metropolitan and regional area and is supported by the full spectrum of skills in the Australian workforce. Fifty-six per cent of rail freight's 21,146 workers are based outside capital city regions.

Industry Structure

The Australian rail industry consists of vertically separated and vertically integrated railways.

In vertically separated railways, the railway infrastructure manager does not operate revenue earning rail services. Instead, it sells track access to train operators under an "open access" regime.

Integrated railways manage the network's infrastructure and access while also operating trains on the track. Integrated railway owners may provide "third-party access" to other train operators.

In 2020 there were 30 principal train operators in Australia operating freight or heavy or light rail services utilising an estimated 2,065 operational locomotives.

Faster Rail

The Issue

With almost 10 million additional people expected to live in Sydney, Melbourne, and Brisbane by 2060, faster rail services will be essential to support the growing number of people living further away from city centres. But chronic under-investment over decades means urgent action is needed now to ensure fast, reliable, and more frequent rail services between major city CBDs and their neighbouring regional centres.

In the ARUP report *Faster Rail – Bringing Australia’s Network up to speed* commissioned by the ARA, it found that Australia’s regional rail network is in a poor condition compared to many other developed countries and needs investment to bring it into line with modern international standards. Our travel times between the regions and cities are slow and inefficient, resulting in a growing reliance on motor vehicles and forcing more congestion onto our roads, creating poorer safety and environmental outcomes.

Faster rail services together with complementary infrastructure, services and policy measures can drive economic and social integration, as well as improve productivity and liveability in our regions. It will provide a platform for new investment to share and spread the growth and opportunities on offer within Australia.

Targeted investment will enable rail travel times on regional lines to compete with road, and make choosing rail as the transport mode of choice a much more realistic option. This will help avoid traffic gridlock and reduce transport-related emissions on our roads as populations rise.

Faster regional rail is about providing infrastructure and services to drive economic and social integration, improve productivity and liveability. As we transition to a more decentralised and carbon conscious economy, faster rail will be critical in providing an alternative travel solution between regions and cities. It is more efficient, safer and better for the environment than travelling by road.

Providing a connected national faster rail network will help shape the future growth of our cities and regions, bringing people, jobs and services closer together. It will provide a catalyst for greater investment in our regional centres and, over time, help take pressure off our major cities.

The Solution

The Australian Government has continued to support opportunities for faster rail, having released its vision for Faster Rail across Australia and co-funding business cases to establish Faster Rail corridors.

States and territories are also pursuing opportunities for faster rail, with the New South Wales, Victorian, Queensland, Western Australian and ACT governments undertaking business case assessments to progress planning for Faster Rail in their jurisdictions.

However, in order to achieve our vision for Faster Rail in Australia, we are starting from a low base given historic under-investment in rail. Our regional rail network is in a poor condition compared to many other countries and needs investment to bring it into line with international standards.

Although investment in passenger rail in Australia has increased in the last 10 years, this has varied from state to state, as well as the level of contribution from the Commonwealth. Limited spending on regional corridors has seen a steady decline in the condition of below standard rail assets, with ballast, rail, sleepers, drainage structures and bridges being sweated.

The ARA supports the creation of new faster rail lines and services as this is critical to future of rail in Australia, however it is also essential that to invest in our existing infrastructure to improve speed, reliability and frequency of services.

The ARA recommends a three-phase approach to achieve a faster rail vision for Australia, all of which can occur concurrently.


1. Immediate investment in existing infrastructure (achieve speeds of 160km/h - 200km/h)
 - Targeted investment to existing rail infrastructure and corridors to improve reliability, capacity, and speed. Upgrades such as new signalling systems, passing loops, curve easing, level crossing removal, and track upgrades will all help rail become more competitive with road.
2. Establish new fast rail lines (achieve speeds of 200km/h - 250km/h)
 - It is essential to continue planning and building new rail lines that can achieve the levels of reliability and speed that are commonplace internationally. This will help assist with decentralising the population and position regional areas as viable places to live and work, which has already been accelerated with the impacts of COVID.
3. Plan and prepare for High-Speed Rail (achieve speeds of 250km/h - 400km/h)
 - While high speed rail remains a long-term ambition, it is important to begin planning and preparing for high-speed rail through route identification, corridor preservation, and exploration of funding models.

For Australia's transport network to meet the needs of a growing nation, it is essential that the Australian Government play a more significant role in planning and delivering our national rail network.

A coordinated, national approach is required to deliver faster, more reliable, and more frequent rail services. The Australian Government, in consultation with states and territories, must develop a National Rail Plan.

The development of a National Rail Plan would apply an integrated approach to assessing the rail network in Australia as a whole, in addition to recognising faster rail corridors.

This plan would incorporate the work done to date through the National Fast Rail Agency's "Faster Rail Plan" and include more detailed exploration of our regional rail networks and interstate links.



This holistic plan would provide a vision for implementing the three key steps needed to deliver Australia's faster rail network.

This plan would be used to inform targeted and prioritised investment in upgrading the regional rail network, which is the essential first step delivering faster rail throughout the country. This progressive, planned, and strategic approach focuses on delivering better connections between centres in the first instance and is consistent with approaches in other countries including Ireland, Canada, and the UK.

Recommendation:

The Australian Government commits funding to establish a new national body tasked with working with states and territories to develop a National Rail Plan, focussed on achieving a faster rail vision for Australia (including preparation and planning for High-Speed Rail).

Infrastructure Reform

The Issue

Last year Infrastructure Australia released its 2021 Australian Infrastructure Plan, which provided a vision and roadmap to progress some critical reforms to ensure that Government and industry can deliver better infrastructure outcomes for Australian communities.

The Plan included important recommendations for reforms in areas such as sustainability, industry productivity and innovation, as well as critical sectors such as transport. The ARA welcomed this Plan, as did many other industry bodies closely involved in the delivery of infrastructure across the country.

Unfortunately to date, the Government has not responded to the Australian Infrastructure Plan released in September 2021. It is critical that the Government does not delay any longer and responds to the Plan as a matter of priority to ensure we can begin progressing these important reforms.

It is also important to note the 2021 Ernst & Young report commissioned by Infrastructure Australia (*Progress since the 2016 Australian Infrastructure Plan*), which confirmed the urgent need for the Australian Government to lead a coordinated reform program. The report highlights the lack of progress in improving sector productivity and implementing market-based reform, noting there is no suitable federal body established to financially incentivise the states and territories. As stated in that report, there has been 'no sustained and holistic approach to the provision of reform incentives', despite this being a high-priority recommendation.

The Solution

A key recommendation from the 2021 Australian Infrastructure Plan that will help begin resolving many of the issues facing the infrastructure sector is the creation of a federally led government and industry collaborative leadership group.

A collaborative approach between federal and state governments and industry can result in a more coherent implementation of reforms through sharing and adoption of best practice. While industry and some state governments are already taking steps to achieve best-practice reforms, a consistent and coordinated approach by all jurisdictions and industry sectors will maximise benefits to all parties. The Australian Government is best placed to facilitate such an outcome, which could be managed through a clear process agreed to by the Infrastructure and Transport Ministers Meeting (ITMM).

The ARA believes this new government and industry forum could share insights and innovations, and collectively consider best-practice principles to bring about positive reform in the sector. This would help expedite the productivity enhancing reforms outlined in the Australian Infrastructure Plan.

In addition to this process, the ARA also supports the proposal put forward by the Australian Constructors Association (ACA), which calls for the creation of a national rating scheme to improve project outcomes in the construction sector. Aligning with the 2021 Australian Infrastructure Plan, the scheme will fast track much needed improvements across the industry by incentivising innovation and sharing best practice.

This initiative, titled the Future Australia Infrastructure Rating (FAIR) scheme, would score federally funded projects against key result areas to drive major productivity improvements across the industry. Implementation of the FAIR scheme would utilise a combination of existing industry rating frameworks and bodies, government and industry forums.

The ARA believes the implementation of such a framework could benefit the rail industry through an increased focus on adoption of digital technology, innovation, skills development, improving diversity and wellbeing for workers, and emissions reductions.

Recommendation:

The Australian Government establish (and commit funding as necessary) to establish a collaborative leadership group between industry and all government jurisdictions to begin implementing the critical infrastructure reforms outlined in the 2021 Australian Infrastructure Plan.

The Australian Government commit funding (approximately \$5 million) to resource the establishment and coordination of the Future Australia Infrastructure Rating (FAIR) scheme, as recommended by the Australian Constructors Association (ACA).

Manufacturing Reform

The Issue

The rail industry in Australia is currently experiencing an unprecedented level of infrastructure investment, with over \$155 billion forecast to be invested in rail over the next 15 years. This huge pipeline of investment provides a great platform and opportunity to strengthen Australia's rail manufacturing sector to service local demand, as well as to identify opportunities to export globally.

Unfortunately, the rail manufacturing supply chain in Australia has suffered from significant legacy issues including a highly fragmented market, which is compounded by varying jurisdictional policies on procurement, standards, type approval, and local content requirements. While these issues are complex and difficult to overcome, they are not insurmountable, and the ARA believe the Australia Government has a key role to play in supporting the revival of Australia's rail manufacturing sector.

The rail network in Australia is much more than stand-alone infrastructure, it supports an entire industry made up of over 900 businesses that support more than 165,000 jobs, which contribute \$30 billion to the Australian economy. The rail rolling stock manufacturing and repair sector makes up a relatively small proportion of this contribution with annual revenues of \$2.4 billion and direct value-add to the economy of \$515 million. This economic contribution could be increased significantly in the coming years; however this can only be enabled by significant government commitment to policy reform that better supports local rail manufacturing.

Implementing reforms that strengthen our local rail manufacturing sector, as well as broader reforms to drive more efficiency and innovation into infrastructure projects, will be essential to propelling Australia through its post-COVID economic recovery. The next five years will be critical to ensuring Australia positions itself to be a leader in the efficient delivery of infrastructure, with a much greater focus on local rail manufacturing that embraces our local capability and expertise, and in doing so significantly strengthens our local supply chain.

The Solution

In 2021, the ARA released its [Rail Supply Chain Blueprint](#) for the rail industry. The blueprint outlines a three-year plan to drive policy reform and progress industry initiatives that will support the growth and sustainability of Australia's rail supply chain, including local rail manufacturing.

The attached blueprint builds on the findings of the ARA's Australian Rail Supply Chain report also released last year, which identified 39 recommendations across several key focus areas to address supply chain and manufacturing challenges and maximise the opportunities for the Australian rail industry.

Following detailed consultation with industry on the findings and recommendations of that report, the ARA developed this blueprint to provide a practical pathway and set of activities that will help support a more productive and sustainable Australian rail industry.

The blueprint has a total of 50 actions, group under the themes of procurement, standards, local content policy, innovation and technology, type approval, sustainability, skills, and export promotion. Each of the actions are important to strengthening Australia's local rail manufacturing capabilities.

The ARA has already commenced a significant program of work to start addressing the challenges identified in the report and blueprint. This work includes the development of best practice procurement principles, promoting a national approach to local content policies, developing best practice for type approvals, and supporting a new national approach to research and development to ensure more Australian rail innovation. The ARA is also driving initiatives to enhance sustainability in the industry, as well as address the significant skills shortage in rail, both of which are critical to the success of the local rail supply chain.

The ARA believes that the recommendations and actions outlined in the blueprint provide the Australian Government with clear guidance on the priority issues and actions that are needed to improve outcomes for local rail manufacturing and the rail supply chain more broadly.

Recommendation:

The Australian Government commit funding to the development of a National Rail Manufacturing Plan that includes collaboration with industry to address the priority areas for policy reform outlined in the ARA's Rail Supply Chain Blueprint.

Sustainability

The Issue

The rail industry plays a significant part in the development of sustainable, resilient infrastructure to meet our current and future needs. While we have seen passenger rail operators make great progress to reduce their environmental impact (such as Sydney Trains achieving net-zero emissions in 2021), we are also seeing the rail freight sector striving to reduce their carbon footprint and their traditional reliance on fossil fuels.

Despite this traditional reliance on fossil fuels, rail freight services generate 16 times less carbon pollution than road and deliver improved safety outcomes across the freight network. With the rail industry set to meet three quarters of the growth in our national freight task to 2030, there is a significant opportunity to build on these benefits further in the years ahead.

The rail freight sector has demonstrated its commitment to supporting Australia's net zero future and is actively exploring opportunities to further adopt renewable energy across its operations. Recent announcements in the Pilbara heavy haul sector have seen an increasing focus on hydrogen or battery powered rolling stock as the industry plans for the future.

For operators on interstate networks, it will be essential that consideration is given to the accreditation of converted or new rollingstock across state jurisdictions, requirements for supporting infrastructure to facilitate the use of hydrogen across interstate networks, and the application of safety regulations as new technologies are adopted.

In order to assist the rail freight sector's transition away from fossil fuels, a national approach will be required to support and accelerate the adoption of renewables in the sector. The ARA believes the Australian Government can play an important role to facilitate and coordinate this approach, as well as provide funding support to assist the rail freight sector's transition.

The Solution

While we have recently seen several rail freight operators commence tests and trials of new greener fuel sources for their locomotives (such as hydrogen and battery electric power), the sector would benefit greatly from additional Australian Government support.

The ARA believes this support is best provided through the development of a national strategy to support rail freight's transition to renewable energy in support of Australia's net zero targets. The strategy could also identify recommendations for national infrastructure planning to enhance these outcomes and accelerate the industry's ability to support and invest in technologies that improve environmental outcomes.

Part of the strategy would focus on what is required to implement the necessary infrastructure across multiple jurisdictions and networks, particularly for hydrogen technology, and how this is best managed from a regulatory and safety perspective.

The ARA also believes consideration should be given to providing rail freight operators with funding support to continue trialing new green technologies. This funding support would allow further exploration of opportunities to adopt/convert innovations developed overseas for use in the Australian rail freight sector.

Recommendation:

The Australian Government commit funding to develop a national strategy supporting rail freight's transition to renewable energy in support of Australia's net zero targets, including funding support for further trials and adoption of technologies to reduce the sector's carbon footprint.

Technology and Innovation

The Issue

The global market for rail technology is worth \$362 billion, and is growing, with almost all aspects of modern rail systems experiencing digital and technological innovation. In particular, the convergence of information and communications technologies has changed the way that railways are planned, built, run and maintained. For Australia to maximise the benefits of its rail network, it is essential that we develop and adopt technological innovations.

Commissioned by the ARA in 2020, L.E.K. Consulting's *Finding the fast track for innovation in the Australasian rail industry* found Australia lags significantly behind global comparators in research and development (R&D) investment, product commercialisation, and technology adoption readiness. When compared to globally leading, high performing rail systems, Australia tends to demonstrate lower degrees of structured collaboration, from development through to procurement.

It is also worth noting that until recently there have been rail-related Cooperative Research Centres (CRCs) operating since 2001. These were one of the very few opportunities for collaboration between researchers and industry on rail innovation. However, the most recent Rail Manufacturing CRC (RMCRC) concluded in June 2020, with no further Government funding forthcoming. There is now no Australian Government funding provided for any rail related research and development.

The report found that in addition to the lack of funding available in Australia for rail innovation, there are also significant barriers to overcome, which include:

- Multiple rail operators, track owners, rules and type approvals, making Australia a challenging market for technology developers and suppliers.
- Weak linkages across the value chain will see the continuation of a small pool of local commercialisation.
- State-based local content requirements that inhibit the achievement of scaled rail manufacturing in Australia.
- Rail planning, investment and procurement is risk averse and does not incentivise innovation well.

The research also found an unequivocal link between well-funded national rail research and productive and efficient railways. The implication is that rail innovation in Australia needs a focus both on driving collaborative research and on building a culture that demands innovation and continuous improvement.

The impact of COVID-19 on global supply chains has demonstrated the importance of maintaining local capability and capacity. Adopting innovation and technology that makes rail a more productive part of our local supply chain increases overall supply chain resilience and ensures goods and services get to where they need. COVID-19's disruption is prompting governments to rethink measures for supporting sovereign manufacturing capability for strategic and high-value products.

Importantly, the report also acknowledged that Australia is due to spend \$155 billion on rail construction over the next 15 years. This presents a once in a generation opportunity to decongest and decarbonise urban transport, connect regional communities, and boost land transport productivity across the country.

The Solution

To achieve the benefits local rail research and development can provide, Australia needs a more unified market for rail innovation with a national strategic focus. This will require a focus on ensuring that planning and procurement across the national pipeline is technologically efficient, and maximises opportunities for Australian innovation and technology development.

National recognition of the importance of rail technology and innovation will drive the productivity and performance of the national rail network, while fostering higher value-added local industries. The ability of innovation and technology to help achieve sustainability targets must also be recognised.

The ARA believes that these goals can be best achieved through the establishment of a National Rail Innovation and Capability Strategy, followed by the development of an export strategy and an investment program to initiate and commercialise rail R&D.

1. Develop a National Rail Innovation and Capability Strategy
 - There is a need for an overarching strategy to ensure rail innovation is aligned to jurisdictions' future digital and technology investment pipelines. The strategy would set long term goals, as well as more immediate focus areas.
2. Develop an exports strategy for Australian rail innovation
 - An exports strategy would be aimed at building and promoting the Australia rail innovation sector globally, leveraging trade missions and international events to target high value and exportable rail innovation.
3. Establish an investment program to initiate and commercialise rail R&D
 - Australia requires a publicly funded investment program to fund rail R&D commensurate with its strategic importance, with matching contributions from the rail industry.

For this new approach to be successful, there will need to be coordination between the Commonwealth and state and territory governments, as well as industry and existing research institutes. The ARA believes this process could be driven through the Infrastructure and Transport Ministers Meeting, in close consultation with industry and research institutes



Recommendation:

The Australian Government commit funding to the development of a National Rail Innovation and Capability Strategy, followed by the development of an export strategy and an investment program to initiate and commercialise rail R&D.

Improved Accessibility

The Issue

The Disability Standards for Accessible Public Transport 2002 (Transport Standards) operate under the *Disability Discrimination Act 1992*. The Transport Standards set the framework for public transport operators and providers to remove discrimination against people with disability to access public transport services.

The efficiency and effectiveness of the Transport Standards is vital for meeting the needs of people currently with disability, as well as the future demands of an ageing population. The 2018 Australian Bureau of Statistics (ABS) Disability, Ageing and Carers Survey (SDAC) released in October 2019 shows that the number of people with disability in Australia is 17.7 per cent of the population or 4.4 million people. Of these people, almost 3.9 million people had a limitation with the core activities of communication, mobility or self-care and/or a schooling or employment restriction. The rate of disability increased with age, with 3.7 per cent of children under the age of five having a disability compared to 84.6 per cent of people aged 90 years and over.

Rail networks have been operating in Australian cities since the mid to late 1800's. As a result, Australian rail networks operate with substantial legacy infrastructure. The release of the Transport Standards in 2002 triggered the development of many strategies, implementation plans and significant funding to boost accessibility levels and achieve compliance with the standards. However, due to the scale of change and investment required, it is highly challenging for any rail network that was operational when the Transport Standards were released 18 years ago to achieve full network compliance with the current targets legislated in Schedule 1.

Meeting the Transport Standards requirements has and continues to require significant funding from state and territory governments and rail operators. When Commonwealth, state and territory transport ministers considered the Transport Standards and its Regulatory Impact Statement in 1999, state and territory governments sought Australian Government funding to support the investment required to achieve compliance with the proposed legislation.

Since the Transport Standards were legislated in 2002, no Australian Government funding has been appropriated to support compliance. Transport is just one of many competing priorities for state and territory governments. Whilst operators, both government and non-government, actively seek funding to support accessibility upgrades to achieve compliance, the balance of priorities means that funding requests from rail operators for accessibility upgrades are not always fulfilled.

The Solution

Without access to Australian Government funding, state and territory governments and rail operators, using rail networks that existed when the Transport Standards were released, will continue to find it difficult to achieve full compliance by the currently legislated timeframes, and the soon to be additional requirements under the reformed Transport Standards.

It is also important to recognise that the Transport Standards are currently the subject of review, with the next consultation Regulatory Impact Statement due to be released in the coming months. As part of these changes to the Transport Standard, it is essential that the Australian Government recognise the additional funding that will ultimately be required to meet these standards that are enforced through Commonwealth legislation.

The ARA believes that the Australian Government needs to provide funding assistance for accessibility-related upgrades to public transport services, particularly for rail networks. The establishment of such a fund, which would operate through a co-contribution model with states and territories, would greatly assist in improving accessibility outcomes on public transport networks across Australia. An Accessible Transport Fund could be established that offers a 50/50 funding arrangement with the Commonwealth and state and territory governments to assist in meeting the reformed Transport Standards.

Recommendation:

The Australian Government commits to funding the establishment of a new Accessible Transport Fund, designed to provide federal funding assistance for accessibility-related upgrades to public transport services.

Level Crossing Upgrades

The Issue

There are over 23,000 level crossings in Australia that represent a major risk to rail and road safety by exposing train drivers, passengers, pedestrians, motorists, and cyclists to collisions that often result in serious injuries or fatalities, as well as an economic impact.

The Office of the National Rail Safety Regulator (ONRSR) reported there were 34 level crossing collisions between a passenger or freight train and road vehicle reported in the 2020–2021 financial year, resulting in four fatalities and four serious injuries. Almost 60 per cent of the collisions involved a freight train and 53 per cent of the collisions occurred at crossings protected by passive controls, such as give way signs and stop signs, up from 40 per cent last year.

There were also five level crossing collisions between a freight train, passenger train or tram and person reported in the 2020–2021 financial year, resulting in four fatalities to pedestrians. Four of the five collisions took place at crossings protected by active control devices, such as automatic gates, visual alarms or adjacent active road crossing controls.

The ARA endorses ONRSR's position to continue to support the work being done by governments and industry to remove level crossings and their commitment to a policy of no new level crossings.

The ARA is also supporting ONRSR and the Australian Centre for Rail Innovation to review international research and make recommendations to improve train conspicuity. The objective of this project is to form a national view on whether further improvements can be made to rail safety at level crossings through changes to train lighting and visibility.

The Australian Government also has an important role to play in supporting the states reduce the number of safety incidents and fatalities that occur at level crossings across the country every year. However, the costs associated with level crossing removal can be significant, particularly in urban areas. This is perhaps most clearly demonstrated by the Victorian Government's initiative to remove 75 level crossings by 2025 at an estimated total cost of \$8.4 billion.

The high cost of mitigating rail level crossing means decisions on prioritising which crossings to upgrade or remove need to be better informed by level crossing safety, incident, and risk data.

The Solution

The ARA believes that the recently completed National Level Crossing Portal could provide the key to help prioritise funding for level crossing removals or upgrades.

The data sets available through the Portal could assist decision makers in government, industry and other stakeholders to be better informed when making safety investment and planning decisions or undertaking research.

The data available is very comprehensive and accessible, with detailed information on the location of level crossings, number and type of incidents, risk rating, current safety measures and much more.

The ARA believes that the Australian Government could work with each jurisdiction to utilise the data in the National Level Crossing Portal to develop a prioritised project list and create a new fund to greatly improve level crossing safety across Australia.

Recommendation:

The Australian Government commits to establishing a new level crossing removal fund, with project prioritisation to be informed by the National Level Crossing Portal, to greatly improve safety outcomes at level crossings, particularly those in regional areas.

Summary of Recommendations

The following section provides a summary of the ARA's key recommendations for the Government's consideration in preparing the 2022-23 Federal Budget.

Faster Rail

- The Australian Government commits funding to establish a new national body tasked with working with states and territories to develop a National Rail Plan, focussed on achieving a faster rail vision for Australia (including preparation and planning for High-Speed Rail).

Infrastructure Reform

- The Australian Government establish (and commit funding as necessary) to establish a collaborative leadership group between industry and all government jurisdictions to begin implementing the critical infrastructure reforms outlined in the 2021 Australian Infrastructure Plan.
- The Australian Government commit funding (approximately \$5 million) to resource the establishment and coordination of the Future Australia Infrastructure Rating (FAIR) scheme, as recommended by the Australian Constructors Association (ACA).

Manufacturing Reform

- The Australian Government commit funding to the development of a National Rail Manufacturing Plan that includes collaboration with industry to address the priority areas for policy reform outlined in the ARA's Rail Supply Chain Blueprint.

Sustainability

- The Australian Government commit funding to develop a national strategy supporting rail freight's transition to renewable energy in support of Australia's net zero targets, including funding support for further trials and adoption of technologies to reduce the sector's carbon footprint.

Technology and Innovation

- The Australian Government commit funding to the development of a National Rail Innovation and Capability Strategy, followed by the development of an export strategy and an investment program to initiate and commercialise rail R&D.



Accessibility

- The Australian Government commits to funding the establishment of a new Accessible Transport Fund, designed to provide federal funding assistance for accessibility-related upgrades to public transport services.

Level Crossings Upgrades

- The Australian Government commits to establishing a new level crossing removal fund, with project prioritisation to be informed by the National Level Crossing Portal, to greatly improve safety outcomes at level crossings, particularly those in regional areas.