



Association Number A03958 | ABN 64 217 302 489

AUSTRALASIAN RAILWAY ASSOCIATION SUBMISSION

To

The 2015 REVIEW OF THE NATIONAL TRANSPORT
COMMISSION



THE ARA

The Australasian Railway Association (ARA) is a not-for-profit member-based association that represents rail throughout Australia, New Zealand and Indonesia.

Our members include rail operators, track owners and managers, manufacturers, construction companies and other firms contributing to the rail sector.

We contribute to the development of industry and government policies in an effort to ensure Australia's passenger and freight transport systems are well represented and will continue to provide improved services for Australia's growing population.

The ARA thanks the Department of Infrastructure and Regional Development for the opportunity to comment on the 2015 Review of the NTC.

The ARA understands some ARA members have been contacted by the Expert Panel to discuss the Review.

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SUBMISSION

Broad Comments

The rail industry has not had a strong or deep involvement with NTC over the past few years with the exception of the rail safety maintenance program.

In the short to medium term future, the rail industry does not see this level of involvement changing. While we understand NTC's work plan is approved by Ministers, from a rail industry perspective, NTC as demonstrated in Table 2 on p10 of the Scoping Paper, the 2014-15 program is almost exclusively focused on heavy vehicle issues. Future projects have a similar bias. Some include productivity improvements which are, in some ways, anti-competitive to rail. The one issue where rail does have an active interest – heavy vehicle pricing – seems to have stalled or at least the ARA has not been kept informed of any progress.

Having said this, the ARA very much appreciates the efforts NTC have made over the past 1-2 years to engage with the rail industry. This has included regular meetings and a rail industry forum held in November 2014.

The latter was particularly well attended by the rail industry and generated a lot of interest and good will and it is therefore disappointing that no follow up action has been seen by the ARA at this stage.

The future of NTC needs to be seen in the context of what useful roles and functions they should have that would benefit all key stakeholders. A number of options are outlined in this submission.

Specific comments

1a. Where do you believe the NTC has delivered greatest value to your organisation?

The most significant involvement for the rail industry is through the rail safety maintenance sub-program.

The rail industry has little to no involvement in the remainder of the current work plan. The one work item of interest is heavy vehicle pricing which was given to the NTC following the closure of the HVICI Reform Unit in mid-2014. The ARA has not been made aware of any progress in regard to this issue.

1b. How effective is the NTC in performing all of its functions?

In regard to the rail safety maintenance program, the rail industry appreciates the NTC has a difficult role in trying to balance a range of views around the NRSL (National Rail Safety Law) from the ONRSR, jurisdictions and industry.

The NTC's performance in managing this sub-program has been mixed. There have been a number of changes in staff over the last 2 years and the most recent scheduled meeting was cancelled at late notice as a result of poor handling of the matters for discussion.

In relation to the work program the ARA appreciates the regular Industry Advisory Group meetings but finds them largely irrelevant as a result of the focus on heavy vehicles.

2a. Can you identify any areas where NTC duplicates the efforts of others or is otherwise less effective?

It is difficult for the rail industry to comment given the NTC focus on heavy vehicle issues. However, it is important in going forward that there is clarity around the roles of NTC and the ONRSR from a rail industry perspective.

2b. Do you consider the NTC has adequate skills and capabilities, internal controls, project resourcing, Commission (Board) supervision and management to undertake its functions?

The ARA acknowledges the strengths of the staff of NTC and of the members of the Commission and believes the governance arrangements and the current financial and human resources are adequate. However, consideration could be given to bringing in staff with a higher or different skill set particularly if the future role (if any) of NTC is different from its current role.

3. What are your views on the strategic drivers and challenges that should significantly influence the work of the NTC?

The ARA believes there is potentially a gap in high level infrastructure and transport planning in Australia. While appreciating the roles of Infrastructure Australia and the Commonwealth Government, there appears to be no clear responsibility for longer term planning of infrastructure and transport at a national level.

While the ARA is aware of the plan for a 15 year infrastructure plan for Australia (through IA), there may be a higher level plan around transport and logistics that is needed. The Commonwealth Government is not providing adequate leadership in this area. The National Land Freight Strategy for example is languishing and it is not clear what is happening with other matters such as the Ports strategy. Who is looking at the freight task for example and providing oversight at a national level?

4. Is NTC needed in the future? If no who would take on the NTCs existing functions?

This would seem to link to 3 above. Put another way, could there be a different looking NTC in the future with different roles and functions? Could the NTC perform a role in the high level transport planning discussed above?

From a rail industry perspective, it is possible for NTC to have NO involvement in rail matters. The rail industry believes the current rail safety maintenance sub-program could be adequately dealt with by another body, with the most obvious being the ONRSR. While some may question the law being managed by the regulator but, with the appropriate levels of governance, this should not be an issue.

In relation to projects relevant to rail, the projects could be dealt with by other organisations such as the ONRSR, RISSB, BITRE, the Productivity Commission or simply cancelled.

5a. Are any changes needed to the roles and responsibilities for reform development, implementation and evaluation between the NTC, jurisdictions, the national regulators or other bodies?

If NTC was to have a different role and other organisations took on existing NTC roles, changes would be needed. This would include rail if it was still part of NTC's roles and functions.

5b. Are any changes needed to the NTC's relationship with the Council, TISOC, individual jurisdictions, other transport bodies and industry?

If NTC was to have a different role and other organisations took on existing NTC roles, changes would be needed.

6. Where do you think the NTC's priorities should be focused for the next 3-5 years? Longer term?

Purely from a rail industry perspective, it is possible for NTC to have no direct role in rail. However, the rail industry would be concerned if government funding is being directed to heavy vehicle reform which is anti-competitive to rail.

Perhaps the NTC needs to have a focus on higher level issues such as road pricing, and transport and logistics planning. NTC could also play a role in reviewing the effectiveness of the national regulatory reforms in heavy vehicles and rail.

7. Do the Act, IGA, performance based framework or Statement of Expectations need amending?

This is not an area where the rail industry has relevance but it would seem on the face of it that amendments would be needed to at least some of these documents to reflect NTC's role.

CONCLUSION

The ARA:

- acknowledges and appreciates the efforts of NTC to engage with the rail industry since 2013;
- notes the current level of involvement in rail forms a very small part of NTC's roles and functions;
- believes options exist for existing and future rail relevant activities to be carried out by other organisations and particularly supports maintenance of the NRSL being moved to the ONRSR; and
- suggests consideration be given to a future role for NTC that fits within the context of other government bodies and the overall issue of longer term infrastructure, transport and logistics planning