



ARTC Submission to Victoria's draft 30-year infrastructure strategy

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ARTC

Australian
Rail Track
Corporation

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INTRODUCTION

ARTC welcomes this opportunity to provide feedback on Infrastructure Victoria's draft 30-year infrastructure strategy (the strategy).

ARTC operates the interstate rail network throughout Victoria, facilitating the movement of millions of tonnes of freight and passenger journeys each year within and across the state's borders.

Victoria plays a pivotal role in the national freight and logistics supply chain. Australia's largest container port, key intermodal freight terminals and key freight generating industries are located in the state and this is reflected in much of the traffic on the ARTC network originating and ending their journeys in Melbourne.

As the state with the largest population growth, Victoria is facing challenges in accommodating the growing and competing commuter and freight needs in a fiscal environment that is not conducive to new large infrastructure projects.

Hence, ARTC is pleased with the strategy's focus on increasing the attractiveness of rail freight to boost utilisation of the existing network through non-infrastructure initiatives. Additionally, planning for key infrastructure projects is also important to provide industry with confidence that future transport capacity will be provided.

Our network presents an opportunity for the Victorian Government to act on several of the recommendations in the strategy, including:

- decarbonisation
- improved safety and amenity
- transport network and supply chain resilience
- reduced road congestion.

ARTC welcomes the opportunity to engage with Infrastructure Victoria and the Victorian Government and share knowledge and expertise to address future freight and supply chain challenges.

SUMMARY POINTS

- ARTC supports initiatives aimed at making rail freight more competitive, reliable and efficient. We are pleased this is a standalone recommendation in the draft strategy.
- Completion of the Murray Basin Rail Project should be identified as a priority in the strategy.
- ARTC is keen to play a key role in achieving significant growth in rail volumes and modal share, particularly across metropolitan Melbourne.
- Modal shift can be achieved through greater coordination of the broader rail freight system to deliver an optimal rail market share in key markets. ARTC has valuable experience in this area.
- Meaningful modal shift is required to realise environmental and safety outcomes for the transport industry and government. The current modal balance has negative impacts on the wider transport network, which will only be exacerbated by population growth.
- There are transitional costs to facilitating modal shift. ARTC believes that incentive schemes should be strategically designed and targeted to offset these costs, particularly for longer haul freight where rail offers significant environmental and efficiency benefits. In the case of Melbourne where there is no short-haul rail freight, focus should also be given to this market.
- ARTC supports greater separation between passenger and freight services. However, the growth of passenger services to western Melbourne does not need to compromise the current broad gauge freight services.

- Interoperability of rail networks within and across state borders is critical to enhancing the attractiveness, efficiency and effectiveness of the rail freight supply chain. There needs to be a national approach to overcome legacy system challenges and deliver benefits.
- ARTC supports the identification and commencement of planning activities for key longer term infrastructure initiatives to support population growth in northern Melbourne, that will have flow on benefits for ARTC, its customers, industry and local communities.
- ARTC supports land use planning that protects freight and logistics purposes and the protection of future freight corridors. One key project is the Webb Dock Rail Link to accommodate significant growth in container movements through the Port of Melbourne. This should be considered within the strategy.
- The ARTC network has been heavily impacted by adverse weather events in recent years. ARTC supports initiatives that improve network resilience. We are keen to work with Infrastructure Victoria and the Victorian Government to ensure our future investments in the state's rail network are aligned to deliver the greatest benefits.

In Appendix A we provide detailed responses to the relevant recommendations outlined in the draft strategy. ARTC is particularly supportive of those recommendations relating to growing rail freight and modal share and delivering greater resilience.

CONCLUSION

ARTC appreciates the opportunity to provide feedback on the draft strategy. We look forward to working with you to achieve the strategy's goals and deliver benefits to Victoria, the freight supply chain and local communities. If you would like to discuss anything in this submission, please contact ARTC's Manager Infrastructure Strategy at [REDACTED]

Yours Sincerely



Susan Furze

General Manager Policy and Regulation

APPENDIX A

ARTC Responses to recommendations in the draft infrastructure strategy

Recommendation (#)		ARTC response
<u>Victorians have good access to housing, jobs, services and opportunities</u>		
11	Extend metropolitan trains and run more services in Melbourne's west	The network serving this area of Melbourne is broad gauge and not the responsibility of ARTC. However, broad gauge rail freight from the west of the state traverses this part of Melbourne and enters the ARTC network to complete its journey. ARTC understands the need to provide more passenger services to cater for a growing population, however this will reduce rail freight availability, affecting its competitiveness as urban congestion increases with population growth. ARTC is most concerned that the uplift in the passenger services will be enabled by the removal of crossovers near Sunshine station and come at the expense of rail freight competitiveness. This would force existing broad gauge freight services from the state's west to divert 47 kilometres via Gheringhap to reach Melbourne, which would negatively impact on the cost of transporting freight by rail. ARTC believes the removal of the crossovers, as highlighted in the Port of Melbourne's 2055 Port Development Strategy, counteracts Recommendation 41 of this draft strategy.
<u>Victoria is resilient to climate change and other future risks</u>		
27	Better prepare infrastructure for climate change	ARTC supports the concept of Adaptation Plans and believes the transport sector requires its own plan, akin to the specific identification of the Energy sector's need for such a plan. ARTC's network was severely disrupted by adverse weather-related events in recent years, including a flooding event in western Victoria in late 2022 that resulted in a derailment blocking the main East-West rail line into South and Western Australia for over a week.
<u>Victoria has a high productivity and circular economy</u>		
40	Use modern traffic control technology for efficient and safe journeys	Road freight plays an important role in the movement of freight and is complementary to rail freight by providing the Last-Mile of the overall freight journey. However, ARTC believes that (in conjunction with the Future Option of Charging people fairly to use roads and Recommendation 41) many freight movements on major roads could be replaced by an equivalent rail movement. Improvements to road traffic flow with new technology in the absence of improvements to the rail network will only induce road traffic. This will result in any newly realised capacity being quickly exhausted. The rail freight network is currently being enhanced with new terminals, port upgrades, track infrastructure and renewed interest by government as a means of achieving decarbonisation, congestion and liveability objectives. ARTC believes that further government and industry investment to enhance reliability and resilience will deliver increased benefits and encourage the modal shift to rail to alleviate road congestion. Key investments include

		terminal infrastructure to enhance automation and efficiency, and advanced signalling systems that are interoperable across rail networks.
FO	Charge people fairly to use roads	See response to Recommendation 40.
41	Make rail freight competitive, reliable and efficient	ARTC is pleased this is a standalone recommendation and supports initiatives that aim to improve the attractiveness of rail freight via improved efficiency, reliability, cost competitiveness and availability. The recommendation to develop and publish a 30-year integrated rail freight network plan, fund a 10-year rail freight maintenance program and develop a freight network coordination policy, is timely and has ARTC's full support. In addition to this, ARTC believes there should be Key Performance Indicators for government agencies responsible for delivering on key rail freight initiatives to track progress and enhance accountability, similar to those in the South Australia Freight and Supply Chain Strategy. In the absence of an overarching rail freight plan, we are actively supporting the Victorian Government in their modelling of the State's rail freight needs over the next 30 years, by providing data, expertise, knowledge and advice to ensure the outputs are based on accurate inputs and assumptions. We also support the recommendation of a 10-year Maintenance Program for the V/Line network to lift network standards and performance, given the complementary nature of the V/Line network to ARTC. However, ARTC has some concerns. Disappointingly, the Murray Basin Project has not been recommended for completion. Its partial completion led to newly standard gauge Mildura and Murrayville services needing to travel via Ararat to reach Geelong and Melbourne. Completion of the full project would deliver significant savings in time, distance and operational costs for freight operators, producers, and exporters by allowing standard gauge trains to instead travel via Ballarat and Gheringhap. ARTC is also concerned by the impending removal of crossovers at Sunshine, as part of the Melbourne Metro Tunnel project, that will force broad gauge rail freight from the state's west to travel to Melbourne via Gheringhap instead of Sunshine. This will add 47 kilometres to each trip, increase operational costs and travel time and reduce the attractiveness of rail. This will also impact the ARTC network by reducing reliability because the diverted freight will be subject to curfews on the Geelong and Metro Trains Melbourne line to Newport where it rejoins the ARTC network, forcing ARTC network controllers to receive these trains at the expense of existing services. The Port of Melbourne has a very low rail modal share of containers moved into and out of the port compared with other Australian ports. All railed contained traffic is regional traffic. ARTC is pleased with the delivery of On-Dock rail facilities at the port, the pending completion of the Somerton Intermodal Terminal in Melbourne's north and completion of infrastructure at the SCT Laverton terminal to enable future port shuttles. However, more needs to be done to prove the port shuttle concept and commence moving freight on rail within Melbourne. There is also no discussion of the Webb Dock Rail Link. The project will be necessary to efficiently move significant numbers of containers from that part of the port in the future, without adversely impacting on the adjacent road network. The Port of Melbourne, in its recently released 2055 Port Development Plan, is favouring a road-based solution for Webb Dock. ARTC

		believes the adjacent Fishermens Bend precinct could be adversely impacted by mass road freight movements, potentially triggering restrictions on the port's operations and impacting on Australia's competitiveness. There is no discussion of incentive schemes to encourage modal shift, and our customers have consistently highlighted that there are barriers associated with transitioning from road to rail. This should be a priority because currently no metropolitan freight is being railed to and from the port. Incentives could boost rail freight and alleviate road congestion that will accompany the growing Victorian population. ARTC agrees that there is a lack of policy to coordinate reliable freight access to the rail network, which comprises multiple network operators. ARTC, as one of those operators, supports greater coordination to boost rail freight volumes and modal share. We are ready to support the Victorian Government in determining the best pathway forward to achieve these outcomes. ARTC notes the identification of the Hunter Valley Coal Chain Coordinator as an example of freight coordination. While the example is not directly transferrable to container traffic, the principles are highly relevant and ARTC is very willing to share its experiences as a key player in the coal chain. Further to the above, consideration should be given to the implementation of advanced, digital interoperable signalling systems for corridors where passenger and freight share tracks or are on adjacent tracks to reduce operating costs, travel times and complexity in operations, and improve reliability and resilience. ARTC is actively leading efforts in this space and is committed to collaborating with Infrastructure Victoria to develop and implement strategies that promote harmonisation across the national rail network.
42	Encourage off-peak freight delivery in urban areas	ARTC supports initiatives that reduce the overall cost of transporting goods. The ARTC network in Melbourne is not subject to a curfew and can play a significant role in achieving better freight outcomes by being the spine that enables cross-city freight movements, particularly between the Port and suburban terminals. As discussed in our response to Recommendation 40, enhancements to the ARTC network and associated infrastructure are aimed at improving the attractiveness of rail freight. Currently, no metropolitan rail freight services are offered in Melbourne.
FO	Plan for more efficient and sustainable urban freight	Rail freight is the most effective means to reduce emissions from freight movements, especially within cities that are increasingly congested by a growing population and travel demands. As experience has shown in Sydney, the vibrant Port Shuttle Network has avoided significant heavy vehicle trips between Port Botany and suburban locations. The rail freight network in Melbourne has been enhanced in recent years, with further improvements planned to increase rail's attractiveness and reliability to boost volumes and modal share.
43	Create and preserve opportunities for future major infrastructure projects	ARTC understands the current fiscal challenges that face governments across Australia and the impact on the infrastructure pipeline in the short term. We support the recommendation for the Victorian Government to complete business cases for identified major long-term infrastructure projects, and to undertake the following short-term actions: • complete detailed assessments to extend and electrify metropolitan trains to Melbourne's north and south-east growth areas. • apply planning protection for transport corridors and buffers for a future Bay West port, particularly for future road and rail connections, and

		monitor and report on the environmental conditions and triggers to develop a new port. • determine project staging to build the outer metropolitan road and rail corridor and connecting western intermodal freight terminal.
FO	Extend metropolitan trains to growth areas in Melbourne's north and south-east	ARTC is supportive of the potential extension of electrified passenger services north of Craigieburn towards Kalkallo and believes it should extend to Wallan as originally proposed, to better align with Victorian Government land releases over the coming decades. This growing region will be home to the Beveridge Freight Terminal in the next several years. The terminal will be the southern end point of the Inland Rail project. The terminal's significance and scale will trigger industrial developments nearby resulting in significant growth in heavy vehicle movements. This coupled with the fast-growing population places urgency on the need to grade separate the following level crossings along the rail corridor to improve safety and network efficiency: Summerhill, Donnybrook, Beveridge and Wallan-Whittlesea roads. These upgrades will increase safety and efficiency in the movement of freight and passenger services into the future across this part of the ARTC network.

FO – Future Option.