

## Boosting rail modal share critical to industry and community

By ROY CUMMINS, Chief Executive Officer – Port of Brisbane Pty Ltd

There's an old saying in the freight and logistics industry: *products will get to market at the lowest cost and the fastest speed.*

But it's not just a saying. It's the truest of truisms, something that has defined and shaped our industry for as long as it's been around.

That's why, at the Port of Brisbane, we don't view ourselves merely as a port. We see ourselves as a supply chain enabler, working closely with all industry players to maximise speed and minimise cost in their own operations.

But in 2019 and beyond, speed and cost aren't the only motivating factors. If our industry is to flourish well into the future, the role of community and the sustainability of mass freight movement must also be at the fore.

Nowhere is that more important than here in Brisbane, Queensland.

I may be biased, but what sets Queensland apart is our lifestyle – our people and our communities.

What's important has always been how our towns and cities have struck

the balance between growth as a community and growth as an economy.

But that journey can, and is, fraught with challenges. Our risk is that our ambition to grow is not matched by our commitment to invest in the infrastructure that supports us.

Our supply chain infrastructure network was established decades ago, for a much smaller population with a lesser appetite for consumption.

### How that has changed.

Over the last 15 years, Queensland's population has grown by around 36%. Over the same period, containerised freight through the Port of Brisbane has grown by around 135%.

And when you consider that just 2% of those containers travels by rail – 98% on road – it's clear that we must think big to ensure our industry can continue to thrive and support the community while also minimising our impact.

Today, over 1.3 million containers of freight move through our Port every year. That equates to almost 4 million truck movements on our roads.

In 2050, the 5.1 million containers forecast to move in and out of the Port will require almost 13 million truck movements.

That's 13 million truck movements on our roads – triple the number today – on the same roads that south-east Queensland families drive on every single day.

We simply can't allow the liveability of our region to suffer through ever-increasing congestion and everything that goes with it – road safety risks, noise, increased emissions, slower travel times and increased road maintenance costs that could be invested elsewhere.

We are facing a flood of heavy vehicles

on the streets of Brisbane. If we don't act now, our major motorways and even many suburban thoroughfares are at risk of becoming truck carparks.

Simply put, we need to get more freight off the road and onto rail.

It's one of the key reasons why the Port of Brisbane advocates for a dedicated freight rail connection to the current Inland Rail project, which stops some 38km out from the Port.

While there is a pre-existing line that gets to the Port, it shares the network with passenger trains, leading to less reliability and greater cost. This ultimately means the brand new \$10 billion-plus Inland Rail project will flow into the same inefficient, costly freight rail network we have in Brisbane today.

Research by Deloitte Access Economics makes it clear that building a dedicated freight rail connection to the Port of Brisbane – connecting Inland Rail to the Port – would be transformative for the region.

The DAE paper found a 30% rail modal share to the Port of Brisbane by 2035 could deliver:

- 2.4 million less truck movements
- around \$820 million in economic, social and environmental benefits each year
- an average of 1,200 new jobs each year to 2045
- \$195 million in reduced congestion costs to the economy
- \$155 million in reduced road maintenance costs
- \$215 million in savings from reduced greenhouse gas emissions
- \$210 million in increased international export value
- savings of \$130 per TEU
- a \$5.4 billion increase to Gross Regional Product over the period to 2045.

A dedicated freight rail connection has already been acknowledged by all levels of Government as a key priority through the SEQ City Deals proposition, and it is viewed by industry as a game-changer for the Queensland economy.

But its greatest benefits will be for the community – thousands more jobs, safer roads for all commuters, less congestion and less emissions.

