

30 June 2015



SOUTH AUSTRALIAN FREIGHT COUNCIL



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Attn: SA Rail Access Regime Review
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Dear Sir / Madam

RE: SA Rail Access Regime Review

On behalf of the South Australian Freight Council's (SAFC) Membership I thank you for the opportunity to comment on the SA Rail Access Regime Review Draft Report.

SAFC is the State's peak, multi-modal freight and logistics industry group that advises both the Federal and State governments on industry related issues, and is funded by both governments and industry. SAFC represents road, rail, sea and air freight modes and operations, freight services users and assists the industry on issues relating to freight logistics across all modes.

SAFC supports the draft recommendation '*...that the current regime that provides for third-party access to South Australian railway infrastructure services should continue from 31 October 2015 for a further five-year period.*'

The evidence provided by ESCOSA and the majority of submissions clearly backs this recommendation, including that:

- While the potential for the misuse of market power exists,
- there is currently no substantiated evidence of such misuse, and
- the available alternative regulatory methods/regimes may impose higher costs, which could damage the viability of rail freight on regulated lines.

With regards to the possible improvements to the Access Regime noted in the report, SAFC makes the following comments:

Clarifying the scope of regulated infrastructure services

SAFC is surprised that some submissions have indicated confusion as to where the rail access regime operates – the ESCOSA website clearly defines the scope of the regime on its website as '*the TransAdelaide broad gauge network within metropolitan Adelaide, the Genesee and Wyoming (GWA) lines in the Murray-Mallee, Mid-North and Eyre Peninsula, and the Great Southern Railway passenger terminal at Keswick*'¹.

SAFC does note that no visual information (such as maps) is provided (including in the 'Information Kit'), which may be one of the elements leading to confusion. SAFC agrees with

¹ <http://www.escosa.sa.gov.au/sa-rail-overview.aspx>

the Commission that there is merit in exploring the possibility of increased visual information – as long as this exercise does not come with significant additional costs. For example, if the ability of the Department of Planning, Transport and Infrastructure (DPTI) to utilise current GIS capabilities to produce a set of relevant maps could be leveraged, this would be a low cost/high impact option. Creating a dedicated online GIS reference tool, like the RAVnet system used for restricted vehicle road access would likely be of significantly greater cost, and given the small likely number of investigations through such a system (and total government costs of the access regime of only \$90,000 pa) does not seem warranted.

Investigate opportunities for greater integration of transport access regimes

SAFC is pleased that the draft report has agreed with our suggestion that investigation of merging the two SA-specific rail regimes (including Tarcoola to Darwin) and the Ports Access Regime should be considered; and notes that *'the Commission recommends that the merits of a state-wide transport access regime should be explored'*.

SAFC believes that this amalgamation of access regimes can reduce regulatory confusion and inconsistency, saving both time and money for industry and governments alike, thereby assisting development of the State's economy in general, and specifically progression of prospective mining ventures requiring access to key pieces of infrastructure across modes.

SAFC would be pleased to contribute to any investigation of the operation and implications of such an amalgamation of regimes in the event that it is progressed by government.

Should you wish to discuss any aspect of this submission, or require clarification of any matter raised, feel free to contact me by telephone on (08) 8447 0688 or Email: murphy.neil@safreightcouncil.com.au.

Yours faithfully



Neil Murphy
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SA Freight Council Inc