

BRIEFING NOTE

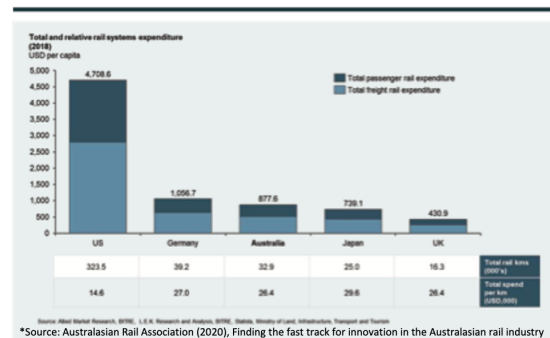
The rail industry must step up to compete globally

The rail industry needs step up to ensure its services meet the needs of the Australian population. In particular, it needs to compete better with car and air travel for passengers, and with trucks for freight. A national fast passenger rail network provides an opportunity for innovation, to become more efficient and build a steady pipeline to sustain the industry. The result could be a rail industry that can compete in the global market.

A large industry in Australia

Australia's rail network and expenditure is large by world standards. Australia's total expenditure is up there with Japan and Germany. But it is inefficient, costing about the same per kilometre despite our longer distances and lower grade of service.

Figure 11: Absolute and relative expenditure on rail systems



The opportunity

The introduction of fast passenger rail network has the potential to change this situation. It will allow the industry to provide a wider range of services to a broader range of markets. In particular it will open up opportunities to service a larger range of regional travel, that either didn't exist before, or was previously service by car or air, such as business travellers, tourists, commuters and regional trippers.

In addition, the industry needs to think hard about how it can compete more effectively with trucks for freight. Trains have many advantages over trucks, but are held back due to a wide range of



New technology in Europe allows rapid transfer between road and rail, increasing overall efficiency for freight movement

inefficiencies. A fast national passenger network would provide an opportunity for the rail industry, but it will take a concerted effort and significant investment to make it a reality.

It must become more efficient

According to the Australasian Rail Association, the key challenge is to improve the efficiency of the system. There are many good examples of innovation by the Australian rail industry.

Our coal and iron ore long distance heavy haulage networks are world leaders. But more is needed to dramatically improve the efficiency of our passenger and freight networks.

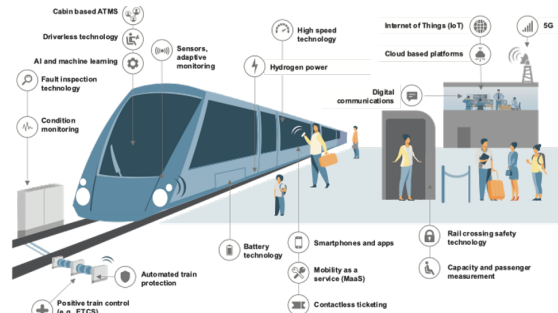
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Build a culture of innovation

The rail industry has identified a wide scope for innovation to address Australia's unique operating environment. It recognises the need to build a culture of innovation at every level of the industry, including:

- Best practice procurement and contracting to accelerate technology adoption;
- Smart rail strategies to build the planning pipeline and adoption of digital technology; and
- Build the Australian brand to showcase our innovators in the global market.



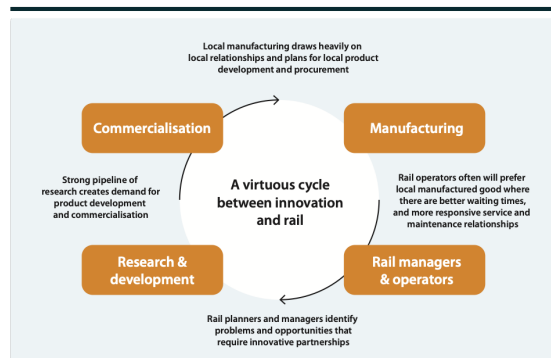
Opportunities for innovation include intelligent systems, automation, sensors, predictive maintenance, traction and train control technologies, advanced asset monitoring, and energy efficiency

*Source: Australasian Rail Association (2020), Finding the fast track for innovation in the Australasian rail industry

Steady Pipeline

Increased investment is expected, with 155 billion dollars planned in the next 15 years. Further investment in a national high speed network will build a steady pipeline to sustain the rail industry. Increased research and development, and commercialisation of local innovation, could lead to more manufacturing in Australia and open potential opportunities in the global market.

Figure 4: Interrelationships between Australian Railways and the Rail Innovation System



*Source: Australasian Rail Association (2020), Finding the fast track for innovation in the Australasian rail industry

Conclusion

But it is up to the Australian rail industry. It must become better at competing with car and air travel for passengers, and with trucks for freight. Doing so will create a globally competitive industry that could compete in global markets.

For more information

Please go to <https://www.fastrackaustralia.net/>