Submission No 1

INQUIRY INTO UPDATING PROGRESS ON RAILWAY LEVEL CROSSING SAFETY

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asciano

Wednesday, 28 January 2009

Mr Geoff Corrigan MP,
Chair,
Staysafe Committee,
Parliament of New South Wales,
Parliament House,
Macquarie Street,
Sydney NSW 2000

Dear Mr Corrigan,

Asciano Submission on Level Crossing Safety on behalf of Pacific National and Patrick NSW accredited train operators.

I am responding on behalf of Mr Mark Rowsthorn in reply to your letter of the 2nd December 2008. Asciano, as the parent company of both Pacific National and Patrick, who operate trains in NSW.

We have pleasure in submitting the attached submission and would be happy to provide representation on behalf of the company to the committee during the public hearings to elaborate on our submission or provide further evidence to assist the committee in its deliberations.

Please address any further queries to the writer. I am contactable by phone on 03 9248 7350, or mobile 0416 027 422.

Yours faithfully,

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General Manager Rail Compliance

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Submission to the NSW Parliament Staysafe Committee from Asciano

Prepared by Asciano Ltd

Rail Compliance Group

January 2009

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1.1 Introduction:

Asciano, parent company of Patrick and Pacific National, welcomes the opportunity to provide this submission to the NSW Parliament Staysafe Committee

Asciano is one of Australia's largest listed infrastructure owners, with a primary focus on transport infrastructure, including ports and rail assets, and associated operations and services. Asciano generated revenues in excess of $2.8 billion for the year ending 30 June 2008, and is well positioned to benefit from expected long term growth in global trade.

Asciano's portfolios include the unique combination of the Pacific National and Patrick businesses. These two world class businesses own and operate four leading container terminals, bulk export facilities, a significant range of stevedoring equipment and associated services, extensive rail operations, investments in a number of strategic joint ventures, and a highly skilled workforce.

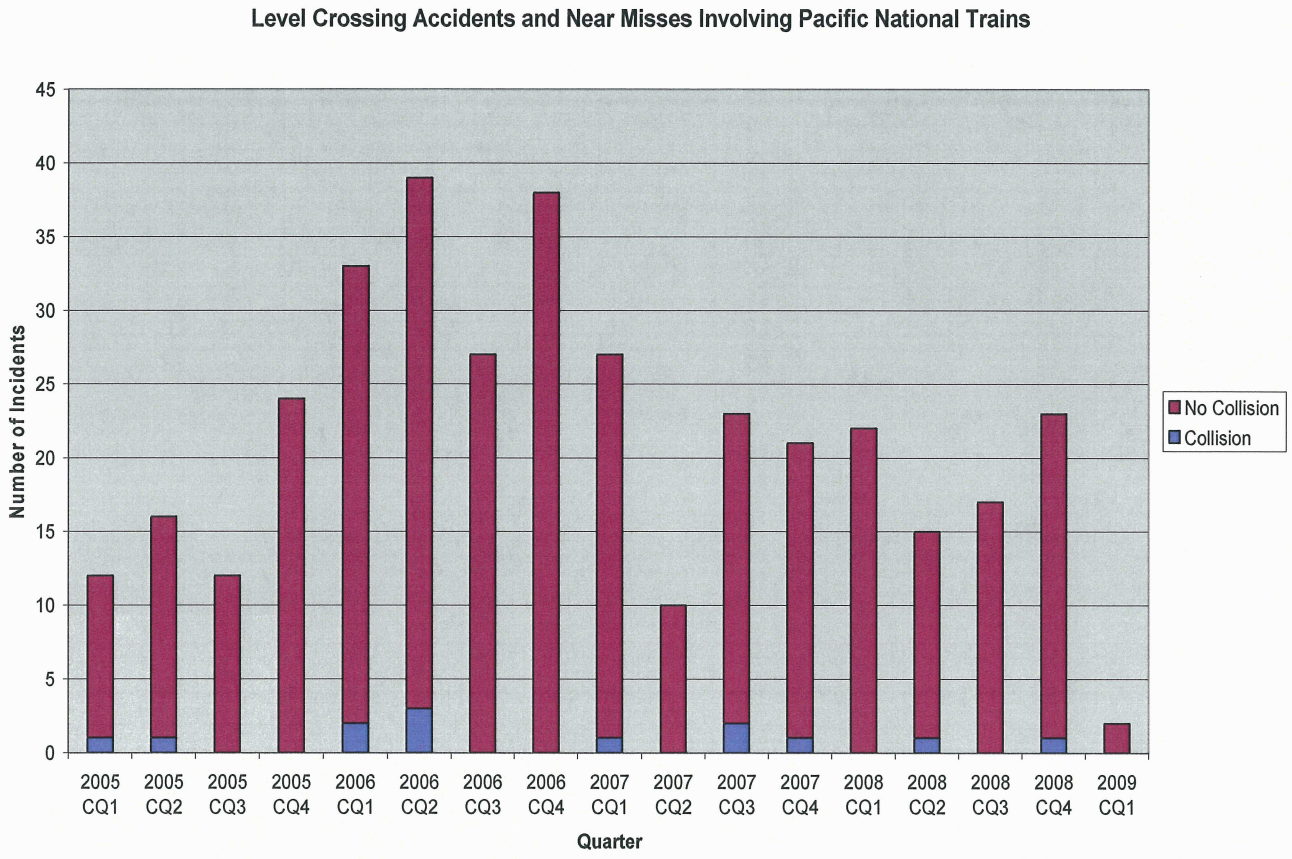
Asciano has a large commitment in NSW infrastructure businesses. These businesses are affected by state government policy and the safety of the NSW rail network. Asciano is the largest, rail freight operator in NSW. We haul coal, grain, bulk products and intermodal containers extensively over the states rail metropolitan, regional and interstate rail networks, as well as being the only operator accredited to operate rail services in every jurisdiction in Australia.

It is not our intention to replicate the ARA submission, which is focussed on the management of safer level crossings and how to improve level crossing safety. We at Asciano are active participants in the ARA, our Chief Operating Officer is the Chairman. Asciano endorses the ARA submission and its recommendations to improve level crossing safety at existing crossings.

To complement the ARA submission, Asciano have outlined a strategic approach to level crossing safety that will see the incidence of level crossing accidents reduced by elimination of unnecessary crossings and better and more cost effective protection at crossings that remain.

1.2 Pacific National Collision and Near Miss Incident History since 2006:

The graph below shows the number of accidents and near misses over the preceding five years involving Pacific National trains in all states across Australia. The data is not limited to NSW. We record near misses, as they are an indicator of the potential for accidents.

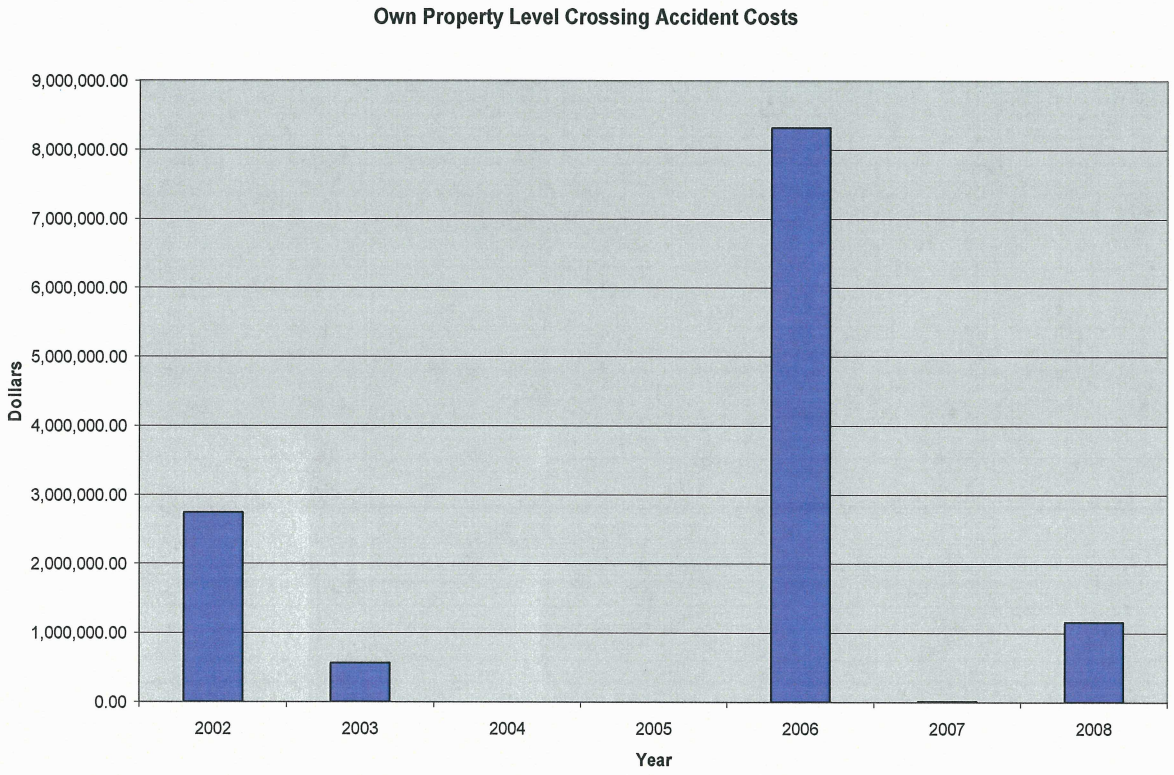


It is difficult to identify any trend. Sadly in spite of many initiatives employed across the country, we have seen some very serious level crossing accidents occur in recent years. (Front cover shows the Back Creek NSW, level crossing accident on 10th March 2007.) Anecdotally, it appears that level crossing incidents are increasing in severity. Trucks are getting bigger and passenger rail services are increasingly being operated by light rail motors. This is a concern to Asciano.

Below is a graph showing the cost incurred directly by Pacific National from level crossing accidents across Australia. This graph excludes personal injury costs, track infrastructure repair costs, road vehicle costs, emergency services, and recovery and business interruption costs. I would suggest that these costs would be substantially greater by factor of five to ten if all the third party and externality costs were included. However the issue is that there is no correlation between financial loss and the number of incidents, but a single incident can have high consequences. On most occasions, the company's loss is relatively minor and it's the community at large who carries the true cost and burden, which is difficult to fully identify. We

believe this cost to be substantial. However a single incident has cost in excess or $8 million to the company.

Pacific National



1.3 HISTORY OF NSW LEVEL CROSSING INFRASTRUCTURE DEVELOPMENT

NSW is the leading state in managing level crossing safety and has the second lowest normalised collision rate in the country.[1] This is on one of the busiest networks in the country.

There has been a long standing government policy to remove Level Crossings in the Sydney Metropolitan area. When originally initiated, this goal was considered prohibitively expensive; however, we are now

[1] ATSB - Rail Safety Occurrence Data 1 January 2001 to 30 June 2008 page 10

reaping the benefits from this far sighted policy and investment. Asciano believes that only real solution to level crossing safety is to eliminate at grade crossings wherever possible.

Sydney is a prime example of foresight and good policy when it comes to Level Crossing Safety in the Sydney Metropolitan area and is the foremost example in the country. Unfortunately this policy does not cover the rest of regional NSW. Regional areas of the state and country have largely been overlooked. Largely because the volume of trains is low and cost benefit return is also minimal.

In Australia, we are a large sparsely populated country. The development of the motor car has changed the demographic of the country significantly.

In 1906, there was on average almost two square kilometres of land per inhabitant. By 1996, this had reduced to less than half a square kilometre per person. While a large increase in population density has occurred in Australia during the 20th century, it remains one of the most sparsely populated nations on this measure. However, population density does not give the complete picture. Large areas of the continent (particularly inland) are virtually uninhabited, while some coastal regions are very heavily populated.

At the start of the century, almost half the population lived on rural properties or in small towns (less than 3,000 people). Although one in three Australians lived in a city of at least 100,000 people in 1906, the most populous cities, Sydney and Melbourne, had populations only of little more than half a million people (538,800 and 526,400 respectively).

In stark contrast, most Australians (53%) lived in a city of close to, or more than, a million people in 1996. These city dwellers outnumbered almost threefold those living in small towns and rural properties, whose proportion of the total population had fallen to 18% in 1996.[3]

In the days of the horse and buggy, the imperative was to have a road taking the shortest distance. Level crossings grew for low speed road vehicles to take the shortest distance to, very often the rail head, to transfer to rail, for higher speed longer transit. Sighting distances, short staking and the road rail interface were largely irrelevant. This road infrastructure now is occupied by road vehicles, ten to fifteen times

[3]Australian Bureau of Statistics 4102.0 - Australian Social Trends, 2000

faster and longer than the specification for which the infrastructure was developed. The ability of the driver to sight or hear the train from enclosed, air conditioned cabins with radios has been substantially diminished. But, with the exception of freeways and major arterial roads, the road infrastructure is largely unchanged at the level crossing. Road crossings with sharp bends, acute angles and intersections adjacent to the rail line, are all hazards for the contemporary driver remain as it was at the turn of the last century when the rail network developed.

Whereas in the past the critical requirement for the road infrastructure was the shortest distance between twp points, with today's vehicles, good high speed road infrastructure, which can be over a longer distance, are more fuel efficient and faster than the most direct route via low quality roads. This coupled with the increasing urbanisation of the community, results in many, minimally used, poorly designed road rail interfaces. These crossing provide little advantage to the general user, but are vehemently demanded by the local user. These crossings are a recipe for disaster.

We would like to comment on the two serious level crossing accidents that involved Pacific National that we had referred to in our last evidence, illustrate this point.

1. The Trawalla (Vic) in 2006incident was an accident involving a passenger train colliding with a truck. Several people were killed and seriously injured, including Pacific National staff. (More details of the incident are available from transcripts of our previous evidence.) Subsequently the driver of the truck was charged, but was found not guilty. It was determined that the acute angle of the road approach made it impossible for the driver to see the train approaching from behind his cab. This was a level crossing that had recently been reactivated when the line had re opened to passenger train traffic. The obvious question is: How could a crossing be approved to reopen when it was impossible for the driver of a road vehicle to sight the train? With several crossings in near proximity, was this one necessary?

2. The Lismore (Vic) in 2006 incident, referred to in our previous evidence, Occurred in an area where there are two crossings 300metres apart. Again, the obvious question is: Is it necessary for two crossings to exist so closely to each other? The level crossing involving the accident subsequently was upgraded. Surely with so many passively protected crossings, one crossing could have been closed to redirect the traffic to the existing actively protected crossing?

Finally, regional Australia is littered with many disused railway lines with level crossing signage. Country drivers are conditioned to disregard level crossing signs. In the town I live in, it took nearly twenty years after a particular branch line operated with its last train to have the signage removed. I travel regularly in regional Australia and see level crossing signage on disused lines. The line at Trawalla had been closed for a number of years, with signage? Could the driver of the truck involved in the incident have become so

complacent about crossing this unused track for many years that the crossing never really registered above his threshold of awareness?

1.4 RECOMMENDATIONS:

Asciano's observation is that a very simple cost effective strategy to further reduce level crossing accidents would be to follow the strategies outlined below:

- Removal of signage from unused rail lines, or masking the signage while the line is unused. Road users should never observe warning signs when there is obviously no credible risk. Avoiding complacency.
- Removal of unwarranted crossings. In our view, many, many crossings are not justified. Crossings are expensive to maintain. Our experience in operating a network is that each crossing is maintenance intensive and costly. An objective criterion or standard should be established to justify a crossing remaining open. Crossings falling below this standard should be closed. This would release substantial maintenance funding for upgrading and improving justifiable crossings.
- Strategically upgrading crossings at points where safe usage is maximised. Journey time is minimised for the road user, by offering higher quality, better protected crossings on higher quality roads. Upgraded crossings should be placed on appropriately designed safe intersecting road / rail crossings. Crossings should be evenly spaced to minimise the diversion for the road user.
- Interface agreements between road authority and the track provider should be mandated, making both parties jointly responsible and required to undertake regular risk assessments of the road and rail traffic at the crossing, to ensure that the crossing is still appropriate for the prevailing traffic conditions.

1.5 CONCLUSIONS:

Elimination of at grade level crossings is the most cost effective and safe solution. We acknowledge that in the immediate this is perhaps an impractical solution, but proactively reducing the number of crossings maintained today will free up funding for those that remain.

Wherever Level Crossings are in place, they are hazardous. There are always opportunities to improve sight lines, upgrade protection and warning signage. These solutions are put forward in the ARA submission. If Level Crossings cannot be replaced by bridging or tunnelling or closing, then it is an imperative that they are made safer.

In our view, there are more Level Crossings in NSW than are necessary to maintain an efficient cost effective, but most importantly, less crossings will contribute to a safe transport network.