

day did not want the trade from other states impacting on their own markets.

Now we are paying an enormous price for that in that it has a negative impact on our economy, because it means that we do not have a rail system for our great continent that is north and south and east and west oriented in a network, such as you see in the economies of Europe and the United States. Even Europe had the foresight to at least establish rail systems that crossed what were then national borders, and they are much better positioned. Consequently we have far too much bulk freight on roadways, which of course creates other challenges to keeping our road system safe and capable of the huge load demanded of it.

It has been a great relief over the years to see the attention the government has been placing on creating what we should have had in the first place—that is, north-south and east-west freight routes—so that we can convey the commodities produced in regional Australia, which the member for Shortland made reference to. When you think about the way in which the rail systems were established 100 years ago, we have silos and railway stations with roughly a horse-dray drive separating them and around which communities developed. Those communities have become the villages, if you like, of regional Australia. So the member for Shortland has got that right, but we need to do much more.

It is a delight to see now that AusLink, which the government's white paper established in 2004, is now getting to the stage of implementation with \$2.4 billion to upgrade rail infrastructure before 2009. This massive injection of capital will overcome our timidity of years back when we, to the credit of the former government before the coalition, attempted to but did not commit the significant amount of funding that was needed. I

can remember the conversion of the east-west Melbourne to Adelaide rail link. Included in that were substantial north-south links in my electorate to standard gauge, which gives the valuable freight of grain another option of two ports other than in Melbourne: in Geelong and Portland. But it was undercapitalised. Near \$20 million was spent on those north-south links. To this day, the replacement of sleepers has not occurred. There was a transfer of the rail inwards of six inches to meet the standard gauge measurement. Nothing else was invested. That is now creating enormous pain in my part of the world because it was not done properly.

At least the commitments that now come through AusLink include significant capital and will entice partnerships with private enterprise across the nation. The member for Cowper has made reference to examples that are in his part of the world. The \$2 billion worth of horticulture and produce that is produced in Mildura heads south for its first journey. Ultimately it has to go north to the thriving markets of Asia. The idiocy is that its first journey is south. We badly need those commodities—which are precious and need to get to markets as quickly as possible because they are perishable—heading north directly from Mildura, crossing the Murray River, all the way up to the ports. Darwin is a new port up there. So I am delighted to see this. I congratulate the member for Cowper for bringing up this resolution for discussion. I will be working hard to make sure that that particular ingredient of \$2.4 billion gets well spent on rail. Of course, there is the additional challenge of the road system as well. (*Time expired*)

**Ms BIRD** (Cunningham) (4.54 pm)—I acknowledge the contributions of the members for Cowper and Mallee, which were by and large constructive without taking too many political points on too many occasions. I would also like to acknowledge the pres-

ence in the chamber of the member for Hinkler, who chairs the Standing Committee on Transport and Regional Services, of which, like my colleague the member for Shortland, I am also a member.

I want to take the opportunity presented by this particular debate not only because I agree with the proposed motion and its sentiments but because it quite nicely dovetails with the inquiry, which, as I have referred, the current House of Representatives Standing Committee on Transport and Regional Services is undertaking. Of course, I would not pre-empt the consideration of the committee's report or recommendations but during the evidence presented to the committee there has appeared to be a wide consensus among industry and government that we should do more—much more—for rail investment in Australia.

This debate on transport and the advantage and disadvantage of freight handling by road or rail—or even, indeed, by sea—has been widely canvassed for many decades. We have all heard the statistics that Australia's freight task is due to increase by an extraordinary amount. In fact, it will at least double in the next couple of decades. It will put tremendous pressure on Australia's east coast cities, and we are already seeing that. Already, state governments are starting to consider what this means to traffic, congestion, the environment and urban infrastructure, and how east coast ports will contend with all this activity.

In New South Wales, the Labor government has reconsidered its ports infrastructure by establishing its Ports Growth Plan, announced in 2003. The Illawarra region's Port of Port Kembla, which I share with my other colleague in the House the member for Throsby, will massively increase its own freight handling task. Since the 2003 announcement, the New South Wales govern-

ment has spent \$14 million extending the existing multipurpose berth. At the moment, it is spending another \$60 million on building administration centres, and warehouses to handle general cargo and the import of cars.

We already know the port can handle the new freight task, because we did it during the 2000 Sydney Olympics when over 9,000 cars imported during those games came through the Port of Port Kembla to take pressure off congestion in Sydney, and we undertook that task with existing infrastructure. Estimates are that, starting in 2008, the Port of Port Kembla will handle more than 240,000 car imports each year. With this port growth development underway at the Port of Port Kembla, this magnificent regional economic asset, when fully fitted up, could contribute \$400 million to the Illawarra economy, according to the National Institute for Economic and Industry Research.

When I was first elected and appointed to the House of Representatives Standing Committee on Transport and Regional Services, and indeed during the process of finalising the terms of reference for the current inquiry, I deliberately placed the completion of the Maldon-Dombarton rail link back on the agenda. The Maldon-Dombarton rail link is a 35-kilometre link to the Port of Port Kembla which is half completed. In 1983 the Wran Labor government started the planning and it implemented the enabling legislation. The Greiner government stopped the project to complete this most strategic line in 1988 at the Avon Tunnel. It paid out \$4.5 million in compensation to the contractors at this point rather than finish the job. My colleague the member for Cook would know all about that because he was the transport minister for New South Wales at the time.

Lest I be accused of being partisan, let me say that since that time I have acknowledged

that all of the government and industry advice indicated that the completion of the Maldon-Dombarton was not considered viable at that time because the business model relied heavily on coal. But, as I tell my state parliamentary colleagues and others, in acknowledging this fact, the government and industry advice also contains some very significant qualifications. In 1994, the New South Wales department of transport advice to the then minister said, 'at this stage'. The view of major industry in the Illawarra has also changed significantly. Indeed, the Port Kembla Coal Terminal has now indicated support for the completion of this link.

I also wish to acknowledge the untiring efforts of one of Australia's experts on rail, Dr Philip Laird at the University of Wollongong, who has been a constant advocate for the completion of the Maldon-Dombarton link. Since I put Maldon-Dombarton back on the agenda, I have monitored with quiet interest the range of individuals and organisations that have now emerged to champion its completion. Indeed, it is often said that success has a thousand fathers but failure is an orphaned child. I can well see the evidence of that today. As the nation experiences a minerals and resources boom and the local Wollongong community continues to see the enormous investment going into the Port of Port Kembla, a major reassessment of the feasibility of the Maldon-Dombarton is taking place. (*Time expired*)

**Mr NEVILLE** (Hinkler) (4.59 pm)—I am delighted to support the member for Cowper in this debate on the freight rail network, which I believe is one of the most important issues in Australian transport today. We have to get used to a few facts of life. One of them is that we have a very poor rail system by international standards, and we are a country that could benefit from a really good one.

Although various experts will disagree with what are the exact time frames, it would be fair to say that by the year 2020 the freight task on road will have doubled. By the year 2030 it will have trebled. The problems we are seeing on routes like the Pacific Highway and at the entry to ports around Australia are going to magnify time and time again. Equally, we are falling behind in freighting. Despite the fact that the federal government is spending \$2.4 billion upgrading the main trunk systems of rail, and despite the fact that 81 per cent of the freight between Perth and Sydney and 81 per cent of that between Perth and Melbourne is carried by rail, between Melbourne and Sydney rail freight is only 12 per cent and between Sydney and Brisbane it is only 19 per cent. If you take a theoretical direct line from Melbourne to Brisbane, although no direct line exists, it is 21 per cent.

On the best estimates, that is not going to improve beyond about 30 to 35 per cent. So we know that, through the most productive part of Australia and in linking up the major capitals of this country, we are going to have a problem in the very near future. I am pleased to see my colleagues who have been here today: the members for Shortland and Cunningham, both of whom have been great supporters of mine on the Standing Committee on Transport and Regional Services, which they spoke about, and the member for Cowper, as Cowper arguably has the worst road problems of any electorate in Australia.

While we were taking evidence in Sydney recently, Vince O'Rourke, who is arguably the best railway man in Australia, having held distinguished positions in both New South Wales and Queensland Rail, said this:

We are suggesting that we should build a modern railway line between Melbourne and Brisbane on the shortest corridor of about 1,600 kilometres to 1,650 kilometre west of the Great Dividing Range on the flat country with very low gradi-