

Melbourne Airport Rail

14 September 2023

Committee for Melbourne (the Committee) has been a strong advocate for the design and construction of the Melbourne Airport Rail (MAR) project. From 2017, the Committee called for a high quality, mass transit link connecting Tullamarine Airport with Melbourne's CBD, which would unlock broader benefits for the city and regions and improve connectivity for Melbourne's western suburbs, including some of the fastest growing in Melbourne. Importantly, an airport rail link would have reputational benefits, bringing Melbourne in line with other major cities in Australia and across the globe.

This advocacy succeeded when the Victorian Government committed to match Commonwealth Government funding for MAR in July 2018, with a business case to be developed to guide decision making. Following this announcement, the Committee advocated for a dedicated service between the airport and the CBD, with Sunshine as the sole stop, and where MAR services would:

- Run independently of the commuter rail network.
- Be priced competitively with alternative transport modes.
- Have a journey time not exceeding 20 minutes.
- Take pressure off the congested rail networks in Melbourne's west.

MAR's final design does not fully align with the Committee's preferred concept. Its connection with the Metro Tunnel Project, where airport services will share rail tracks used by increasing passenger and freight services from Victoria's expanding western regions, contrasts with the Committee's preference for dedicated airport rail services through a tunnel linking Sunshine and Southern Cross Station.

The Committee suggests that, while the construction of MAR is on hold awaiting Commonwealth's review of the country's \$120 billion infrastructure pipeline, both governments should re-evaluate the proposal to incorporate the components endorsed by the Committee (above), before initiating the MAR project. This would ensure the development of a world-class rail link for Melbourne and Victoria.

Should the MAR proceed, the Committee has developed several additional recommendations based on four principles, to help ensure that the most effective and efficient MAR is delivered. Summary of Principles and Recommendations:

Principles	Recommendations
A. Seamless gateway experience	 Strongly consider constructing an underground airport station. Ensure efficient and comfortable access for MAR passengers traversing the airport station and their terminals.
B. Easy airport access for north- eastern rail passengers	3. Reinstate the standard gauge platform at Sunshine Station.
C. Enhanced capacity provision for freight on Victoria's rail system	4: Arrange immediate consultation with Victoria's freight and logistics industry to find a mutually positive solution for the MAR and the industry.
	5: The Victorian Government should release an integrated transport plan that includes land use and economic development planning, and which supports activities across all facets of freight and logistics.
D. Maximise Sunshine's economic potential	6: Create a formal, cross-departmental team and process for Sunshine development, made up of relevant senior ministers, bureaucrats and members of the community.



Principle A: Seamless gateway experience

Melbourne Airport has been Victoria's gateway to the world, and the world's gateway to Victoria, for over 50 years. Located 22 kilometres north-west of Melbourne's CBD and accessible via the Tullamarine Freeway, the airport supports 35 million aircraft passengers annually, serves as a freight and logistics hub and provides employment to thousands of people.

The introduction of MAR will alter movement patterns of people accessing the airport. With aircraft passengers to increase to approximately 68 million annually by 2038, MAR should improve access in and out of the airport. Ensuring a seamless journey - from flight disembarkation to destination arrival - can leave a positive impression on the airport, as well as the city and region it serves.

Further consideration for how MAR can enhance the user experience is needed. The MAR Business Case has concluded that an elevated airport terminal station is preferable to an underground option based on criteria relating to transport systems outcomes, as well as environmental, heritage, property and community impacts. There is reason to reassess each of these conclusions:

- The idea that an elevated station will provide more options for connecting to a future Suburban Rail Loop (SRL) Station requires validation, especially when the SRL will be fully underground between Cheltenham and the airport and the business case for the western section of SRL has not been developed.
- The Committee appreciates that construction time and capital costs are important considerations when making decisions on major infrastructure projects. But they should be balanced against the project's strategic importance and operational time horizon. With this vital infrastructure project to service airport passengers and precinct workers for multiple decades, and with expansion of the precinct area to occur over time, a slightly longer construction time ("approximately 21 months") and higher capital cost of delivering the underground option, might be acceptable in the circumstances.

In the event that an elevated station is chosen, it is crucial to thoroughly evaluate and optimise every aspect, such as ensuring passengers can access terminals efficiently and comfortably and supporting future terminal and precinct development. A clear and transparent plan outlining how MAR will enhance the user experience, will benefit all stakeholders involved with MAR.

Recommendation 1: Strongly consider constructing an underground airport station.

Recommendation 2: Ensure efficient and comfortable access for MAR passengers traversing the airport station and its terminals.

Principle B: Easy airport access for north-eastern rail passengers

The Victorian rail system has overlapping networks of broad gauge and standard gauge rail lines. Broad gauge is prominent throughout Victoria, including Melbourne's suburban network, though some regional passenger lines use standard gauge. All of Victoria's regional rail lines will likely be converted to standard gauge over the medium to long term.

In the absence of a clear railway standardisation plan, measures that improve rail integration and passenger accessibility are crucial. With Sunshine station to become a major transport interchange that links Melbourne's CBD, the airport and western Victoria's regions, it needs to support broad gauge and standard gauge passenger services.



Sunshine station now has three broad gauge platforms, but the standard gauge platform was removed in 2004. This is problematic for rail services linking Melbourne and Victoria's north-east, including Seymour, Benalla, Wangarattta and Albury-Wodonga, that use standard gauge track.

Without a standard gauge platform at Sunshine, north-eastern rail passengers will be deprived of direct rail access to the airport, the Metro Tunnel and other regional rail services. Instead, they will continue to disembark at Broadmeadows Station for a direct SmartBus airport connection or commute from Southern Cross Station to Flinders Street Station for access to the Metro Tunnel; both burdensome options which could be avoided by reinstating the standard gauge platform at Sunshine.

Recommendation 3: Reinstate the standard gauge platform at Sunshine Station.

Principle C: Enhanced capacity provision for freight on Victoria's rail system

Efficient and low-cost freight transport is critical for a trade-exposed economy. It supports local businesses and producers, boosts job creation, improves productivity and helps ensure timely delivery of goods. Freight and logistics support over 260,000 jobs in Victoria, with the value of all goods exported annually totalling over \$26 billion.

Heavy vehicles are the primary freight transportation mode in Victoria, contributing to traffic congestion, air pollution and carbon emissions. Given the significant investment in urban and regional passenger trains, it is crucial to explore opportunities for increased investment in freight trains. Special attention should be given to the planning process to ensure that freight receives the appropriate priority, especially in areas where both freight and passenger lines intersect.

The Committee recognises the importance of incorporating future rail freight requirements into the planning process for MAR. In its 2020 <u>Transporting Melbourne</u> report, the Committee underscores the significance of an integrated transport plan that considers land use and economic development planning for Melbourne. Population growth in western Victoria is driving an increased need for passenger rail services to Melbourne, and this surge in demand is expected to extend to freight and logistics services in the region as well.

The plan to remove the Sunshine broad gauge crossover tracks will only compound the state's freight challenges. Freight trains destined for the Port of Melbourne will be unable to use the Ballarat to Melbourne line and the Regional Rail Link. The result will likely be the transfer of more freight to road with over 10,000 additional truck trips on Victorian roads expected per annum, in addition to private investment flowing to other states and higher supply chain costs for regional exporters.

Enhanced capacity provision for rail freight is needed. The Committee's <u>Benchmarking Melbourne</u> 2022 report highlights that Melbourne's demand for industrial and logistics space is growing faster than Sydney's and most global peer cities, but growth could be hampered if freight capacity in transport does not match demand. For example, that report also highlights that 6 per cent of freight currently enters or leaves the Port of Melbourne via rail. Government projects such as the Port Rail Transformation project, aimed at improving rail access to the port are welcome. However, the removal of the broad-gauge tracks at Sunshine may undermine the effective development of an efficient and sustainable port rail freight system.

Recommendation 4: Arrange immediate consultation with Victoria's freight and logistics industry to find a mutually positive solution for the MAR and the industry.

Recommendation 5: The Victorian Government should release an integrated transport plan that includes land use and economic development planning, and which supports activities across all facets of freight and logistics.



Principle D: Maximise Sunshine's economic potential

Sunshine is poised to become a major commercial activity centre. As the primary connection point linking Melbourne's CBD, western Victoria and the airport, and located within Victoria's fastest growing region, Sunshine has enormous strategic value and economic potential.

As one of the few metropolitan precincts supported by high-capacity public transport rail, Sunshine will be accessible to a large portion of the working population and could become the major visitor and destination centre in Melbourne's west. Maximising this potential will require an appropriate governance framework, as well as a clear vision and strategy that builds on current momentum.

Strategic oversight of Sunshine should comprise a team with transport and place-based development expertise to ensure a holistic plan is created that fosters economic growth and community development. With an appropriate governance framework in place, authorities could foster strategic partnerships with community, local government, industry and institutions to develop a vision for Sunshine that considers:

- Rail infrastructure investment as a catalyst for economic growth and population densification.
- Land-use controls that support industry development, including for the education, freight and logistics, health, manufacturing, professional services and tourism sectors.
- Leveraging Sunshine's position to develop an aerotropolis, with services supporting
 Melbourne Airport, Avalon Airport, Port of Melbourne, the WIFT and potentially Bay West.

Recommendation 6: Create a formal, cross-departmental team and process for Sunshine development, made up of relevant senior ministers, bureaucrats and members of the community.

Disclaimer

The views in this publication reflect the synthesis of the Committee's diverse and cross-sectorial membership. All material reflects a merging of these differing perspectives and the concepts presented in this paper should not be attributed to any individual member organisation.