

SYDNEY NEWSLETTER



Railway Technical Society of Australasia
Sydney Chapter
PO Box 6238,
Kingston, ACT, 2604

FEBRUARY 2006

NEXT MEETING

Thursday 2nd March

17.30 for nibbles (finger picking good!) prior to
Presentation at 18.00

**HARRICKS AUDITORIUM,
ENGINEERS AUST,
118 ALFRED ST, MILSONS POINT
(200 m north from station)**

Introduction to TETRA radio systems

This evenings presentation will be by Phil Harley,
Senior Product Manager, Rail Communications,
Alcatel Australia

TETRA Digital Radio Systems are one of the
newest and most common technologies now being
deployed in metropolitan rail networks. The
presentation will focus on

- Background.
- Key Features of TETRA systems.
- Special features available for TETRA in Rail systems.
- Examples of where and how TETRA is being used in the operation of modern rail networks.

Major work to renew signalling and communications in the London Underground is one application where TETRA has been adopted.

Before each of our normal meetings at the Harricks Auditorium (fear not, it is just a theatre where the syllabus item can be effectively presented) there is a range of finger food and hot drinks provided by the association, to postpone the time when that awful feeling of evening starvation takes hold. In the mean time the evening can be enjoyed, and since the meeting generally finishes by around 19.30 most people can still be home at a reasonable hour.

LAST MEETING

ARIC – FRIEND OF THE INDUSTRY

Ian Robb, Executive Officer of the Australian Railway Industry Corporation (ARIC) gave a very interesting and informative presentation about his organisation and what it does. ARIC is 21 years old this year, which in itself is something of a landmark considering how all else has changed around it in the rail game.

ARIC is owned by industry members. It is one of the first National industry groups having been formed in 1985 to assist Austrade. It is a non profit organisation funded by member contribution and currently has approximately 50 members

ARIC is a service industry which

- Promotes Australian Railway products, services and technology internationally
- Provides a channel for **Austrade services**
- Assist **Exporters**
- Identifies **Opportunities**
- Assists with advice on **Overseas Investment**

Within Australia practical help for exporters is provided by market profiles and business briefs, administration of 23AF Tax scheme exemption and EMDG Scheme (Financial assistance program for aspiring and current exporters). Austrade Overseas Posts provide briefings on local business culture and environment, in depth market research on a fee for service basis and make appointments with relevant contacts

ARIC has strong links to Austrade. ARIC pays a significant fee to Austrade and the Senior Export Adviser Rail is also Executive Officer ARIC.

ARIC also provides help with the EFIC scheme which supports medium to long-term export finance, insurance and for smaller exporters Export Working Capital Guarantee, bonds and guarantees including a new US Bonding line to the USA.

Ian gave considerable life to this important subject, despite the worst intentions of his computer which had its Machiavelli chip active

SYDNEY NEWSLETTER



Railway Technical Society of Australasia
Sydney Chapter
PO Box 6238,
Kingston, ACT, 2604

FEBRUARY 2006

at the wrong moment. A lively question session was held after the presentation.

Ian was thanked with acclamation at the end of the evening

COMMITTEE CHANGES

Les McNaughton has decided to retire from the committee after many years of able service. He will be particularly remembered for chairing the sub-committee which organised and ran the 2002 Wollongong CORE Conference. He also may be remembered rightly or wrongly as the 'author' of those freight bogies which NSW loved but some other states didn't (but, they still keep running). Many thanks Les for your contribution over the years.

Basil Hancock has indicated that work commitments have become such that he needs to stand down as Secretary, although he will remain on the committee. The committee is looking at a replacement for Basil in this key role, coupled with some changes to lessen the burden on just one person. Bob McCotter has taken on the minute secretary function while later in this newsletter you will find two proposed new roles, both aimed at lessening the burden on the Secretary as well as providing improved service to members. Have a look and consider putting up your hand. We will shake it if you do, not bite it☺.

THE OBSERVATION POST

There are times when nothing much seems to happen and you wonder if the rail industry has gone to sleep. Then there is the middle week of February 2006 when it all happened at once. That week was quite something, with a series of exciting announcements and pronouncements that could have far reaching effects on the rail industry. In fact one of the happier players (for the whole week was much polarised) was quoted as saying the week was 'momentous'.

Although there were rumours for some time it was still something of a surprise when QR (the narrow

gauge railway once known as the Quaint and Rattly) and Babcock and Brown investment dealers announced the acquisition of most of the ARG property. QR got the above rail part of the Western business (in effect the trains plus contracts of the former Westrail) plus contracts in NSW and Victoria along with, it is understood, some of the eastern assets that were not part of the original deal when AN was sold off. B and B got the below rail part - Westnet (i.e. former Westrail track and train control) but neither were apparently enthusiastic enough to take on the ARG infrastructure in South Australia.

The residual track in South Australia, which had been sold when AN were broken up, had never been separated from the above rail part of the business – it remained vertically integrated, albeit on a disjointed low volume piece of property. This rump, the original ASR, has been recreated, with the buyout by partner American regional Genesee and Wyoming of the half share owned by partner Westfarmers. The ASR piece of property includes standard gauge branch lines to Pinnaroo, Loxton and Apamurra, broad gauge lines from Gawler to Angaston, Burra and Balaklava along with the moribund Kapunda line, and the narrow gauge isolated Eyre Peninsula network centred on Pt Lincoln and Thevenard. As well ASR will presumably retain the operation of the OneSteel iron ore lines at Whyalla, and the ARG equity and operation on the Darwin line. Given the parlous state of most of their track in S.A. it would be surprising to see ASR in existence in its reincarnated form for very long. Eyre Peninsula has just been given \$40 million of federal and state funding to keep it afloat, while most of the broad gauge and some of the standard gauge has now been placed in suspense – 'service suspended'. Given the amount of funding required to revive these lines, particularly in the light of implicit ASR capitalisation of only around \$40 million, it is unlikely that ASR will be able to revive their residual network even if they want to. It may be that ASR is designed to be a 'staging post' to allow the main transaction to proceed rapidly without having to sort out the longer term future in S.A.

Hands up those people who only five years ago would have been visionary enough to bet the

SYDNEY NEWSLETTER



Railway Technical Society of Australasia
Sydney Chapter
PO Box 6238,
Kingston, ACT, 2604

FEBRUARY 2006

family fortune on QR being the operator of all the significant narrow gauge on the mainland, or that QR would own a reasonably modern fleet of high power standard gauge locomotives within six years. Not many hands up are there!

Hardly had the buzz (and bottomless e-mails) from this event got started when the Federal Court found in favour of QR in the drawn out legal action between QR and PN over control of the Acacia Ridge terminal in the southern suburbs of Brisbane. Acacia Ridge is the only standard gauge domestic terminal in Queensland and is also a key domestic narrow gauge terminal and transfer point. In a matter of only two days QR added 40 million tonnes per annum (and a handy portfolio of locomotives and rolling stock) to its armoury, and made a significant breakthrough in opening up large capacity terminal access on a similar basis to track. In fact in some ways the second issue, terminal ownership and access, is the more fundamental issue for competition on rail. At the moment there are a number of smaller terminals that are open to all comers, but these have limited capacity and in general are inadequate for serious competition. Acacia Ridge was the Brisbane equivalent of Chullora, South Dynon, Islington or Kewdale – major inter-modal terminals which just coincidentally were all controlled and operated by Pacific National, itself a legacy of the formative days of National Rail. These terminals hold the key to access to the domestic inter-modal market, with the alternatives, such as Fisherman Islands, Yennora, North Altona, or Port Adelaide being of limited or no value to potential new start operators. SCT, who have invested heavily in their east – west trains and small but functional terminals to suit their needs, have been unable to get a foothold on rail on the east coast – the result of which is that they have a north – south trucking service instead.

The decision in regard to Acacia Ridge should eventually allow any suitably accredited operator to get a foothold in the northern capital but of course there is still the issue of the other capital city terminals to be resolved, although there are glimmerings !

As if the two 'QR' events were not enough for the week the erstwhile partners in Pacific National, never the best of friends since the attempted takeover of Patrick by Toll, have now counter sued each other in the courts. Patrick are trying to get control of half of PN's capacity as is apparently provided for under their partnership agreement, while Toll are trying to have the two Patrick directors removed from the PN board on the grounds of them being obstructive. It is clear from these actions that PN are a long way from being able to resume 'business as it used to be'. The best that they can achieve with a dysfunctional board and no effective chief executive is to limit the damage and try to keep the operation together as far as possible. With a newly ascendant competitor in the expanded QR, and a serious hole knocked in their hold over capital city inter-modal terminals with the loss of exclusive control of Acacia Ridge terminal it is quite possible that PN may find the going just too hard as long as they are saddle bagged with their owners fractious behaviour.

While the Toll bid has stalled since the ACCC gave it the thumbs down, Patrick has made no secret of its desire to carve PN up. Toll are not at all taken with either of these developments (to put it kindly), hence the strong words and somewhat risky action to both continue the takeover bid and take Patrick to court. Despite this it seems increasingly likely that Toll's bid will eventually fail while the prospects for Patrick seem to be rising slowly.

Should the carve up of PN come about there will be some parts of the property that neither are likely to want, notably the Victorian track lease, and some that neither will want to give up, notably the remaining capital city inter-modal terminals. In different and possibly quite obscure ways these situations could result in the eventual devolution of the infrastructure part of the rail network, which is essentially a monopoly resource, back into the public fold where the inherent but non cash box attributes of rail can be appropriately captured. The ARTC model, which has shown that a public corporation with a core mission of successfully and efficiently maintaining track to allow growing the rail business, coupled with other developments in Tasmania and New Zealand, have perhaps given

SYDNEY NEWSLETTER



Railway Technical Society of Australasia
Sydney Chapter
PO Box 6238,
Kingston, ACT, 2604

FEBRUARY 2006

the clearest indication to the sort of direction that should be followed if we want to have any decent rail network left in years to come.

Of course there is much water yet to pass under the bridge, and no doubt a number of interesting surprises that will bob up at unexpected moments, but to some extent the rail industry is beginning to form up into a structurally and financially sensible arrangement that is showing some potential for eventual maturity. The key to all this will be the futures of Toll, Patrick and Pacific National and that may take some time before it is resolved. In the mean time revel in the week past, one that will be hard to beat regardless of the outcome with PN.

FUTURE MEETINGS AND EVENTS

RTSA Sydney Chapter meetings are normally held on the first Thursday of each month except December and January, generally at the Harricks Auditorium (lofE at Milsons Point) but from time to time at alternative locations. Some time in the latter part of 2006 the lofE will be moving to new premises in Chatswood (adjacent to the station) and our meeting location will move with it. The facilities will be more amenable to a variety of presentations and activities than at the current location. Prior advice will be given when the change is imminent.

From time to time joint meetings will be held with kindred organisations, such as PWI or IRSE, in which case the venue (and date) will depend on the hosting organisation. In all cases (normal or joint meetings) prior advice will be given via the newsletter.

It is proposed to have a family day at the **Illawarra Light Railway Museum** at Albion Park on **Sunday 19th March**. This is a special family day event for the ILRMS with four steam locos plus a wide range of other railway equipment running. Come and see NSW's most comprehensive collection of narrow gauge industrial railway equipment in action. The day will include rides, demonstration trains and unique photo opportunities. An area of the picnic area will be reserved for RTSA visitors. Kiosk and

souvenir shop available. Wood fired BBQs available subject to any fire bans.

Entry Fees will be as follows, payable on arrival :-

Adult \$20

Pensioner & Conc \$15

Child \$10 (to 16)

Family \$40

By public transport, take the hourly train to Albion Park and then a 15 minute walk down Station Road and into Tongarra Road.

A number of other visits and inspections are being considered for later in the year.

Key rail conferences during 2006 are CORE in Melbourne from 30th April to 2nd May, and AusRAIL in Brisbane between 21st and 22nd and November (note revised date for AusRAIL)

Annual General Meeting.

We have decided to shift the AGM to July, to better align with our parent, Engineers Aust, timetable, and to avoid that frenetic time through December and January when attention is turned to other less serious matters. All the proper notices and formal stuff will be sent out before the due date.

In the mean time we have need for a couple of volunteers who might be prepared to take on the following roles -

The Despatch Coordinator will be primarily responsible to keep and maintain the Chapter e-mail address list (sourced from the national membership records) and to send out the newsletter and any other 'mail' when required (usually this will be at monthly intervals).

The Event Coordinator will be responsible to keep a list of all the potential meeting topics, a diary of those settled for upcoming dates, and to follow up so that the presentation aids are to hand on the night.

SYDNEY NEWSLETTER



Railway Technical Society of Australasia
Sydney Chapter
PO Box 6238,
Kingston, ACT, 2604

FEBRUARY 2006

114 NEW ON LINE PLANTS

Headline! Headline! 114 new on line plants were attracted to main lines of the rail system in 2005. These included facilities that will handle timber, paper distribution, building products, fertilizers, plastics, aggregates and ethanol as well as enormous bulk storage facility that will serve a major department store chain. But don't get too excited - the downside in this case is that the railroad concerned is BNSF in USA. They apparently have an industrial development section, which from the sound of it is well worthwhile.

Sure, BNSF is bigger than the whole general freight network in this country, and yes, USA has 10 times our population, but surely if the champions of profit making rail freight can attract that sort of interest to line side locations then we should be able to do something similar. I am aware of a few 'industrial park' proposals locally which include rail sidings, but the impression I get is that these are to facilitate acceptable Development Applications and EIS's rather than reflecting real customer interest, and in fact the siting of these estates has more to do with land development than on line business for the railway. There must be some scope for local alliances between the rail industry and the private and public development agencies and industries. In the end this might enable more wagonload and train load traffic and less reliance on inter-modal where the line haul is held to ransom (in both service and price terms) by the need for end on pick up and delivery. Or are we so enmeshed with third party freight forwarders that we as an industry no longer have direct contact with the customer? Maybe there is scope here for an AusLink type funding arrangement for the necessary infrastructure to hook sites into rail, based on siding use rather than simply providing track. But in any case there surely is an opportunity for the now rather fragmented (except in Queensland) rail industry in this country to cooperatively try developing more industry to rail served sites. Maybe regional development and this concept might have something in common, opening another aspect of possible alliances of like interests. The entrepreneurial types among you will see an opportunity here, the rest just please stop yawning!

ECP BRAKING EXPANDS

South Africa is a major competitor with Australia for global coal sales. Spoornet, the South African Railway, runs on narrow (Queensland) gauge, but like QR they have rather pushed the technical envelope with heavier axle loads and longer trains. Late in 2005 Wabtec announced it has received an order from Spoornet to fit around 50 locomotives and 3000 wagons with ECP braking and wire-lined distributed power control systems on their Richards Bay coal haul. The contract will be undertaken over a three year period, and follows on from a 200 wagon trial over the last few years.

The only production freight ECP braking here is installed on the QR Hunter Valley coal trains. The extensive narrow gauge coal operations in Queensland and standard gauge PN coal haul in the Hunter Valley have not yet been fitted, but with a CRC project looking at a 'bolt on' ECP module it is more than likely that these networks will convert quite quickly once the technology is available.

It is also likely in time that track owners (in this case ARTC and QR Network Access) will eventually make ECP braking and / or distributed power mandatory for longer, heavier and/or faster freight trains. The benefits of predictable and more rapid stopping and reduced in train forces are too great to ignore

SYDNEY NEWSLETTER



Railway Technical Society of Australasia
Sydney Chapter
PO Box 6238,
Kingston, ACT, 2604

FEBRUARY 2006

NOTICEBOARD

KEY RTSA SYDNEY CHAPTER COMMITTEE CONTACTS

Bill Laidlaw	Chairman	0409 602 833	blaidlaw@bigpond.com
Basil Hancock	Secretary	0408 295 131	basil.hancock@railcorp.nsw.gov.au
John Aitken	Committee	Max Michell	Committee
Arnold Aranjó	Committee	Trevor Moore	Committee
David Jehan	Committee	Chris Venn-Brown	Committee
Bob McCotter	Committee	John Watsford	Committee

CONTRIBUTIONS TO THE SYDNEY NEWSLETTER

Part of the function of RTSA is to keep members in touch with what is going on in the industry and with each other and to that end we are only too happy to publish items of interest. Articles or editorial comment for Newsletter are very welcome. We have several hundred members locally some of whom must have stories, events or developments of interest that could make an interesting item for Sydney Newsletter.

Send copy to the Editor, Max Michell, by e-mail to samrom@bigpond.com, phone 02 9241 2675 or post to 806/129 Harrington St., The Rocks, NSW, 2000. For all other matters relating to RTSA Sydney Chapter contact Basil Hancock (Secretary) or Bill Laidlaw (Chairman) as above.

CPD CREDITS

Members who attend RTSA meetings and events will qualify for CPD credits as per the Engineers Australia criteria. Members are responsible for recording their own CPD for audit.

NOTICE TO MEMBERS RECEIVING RTSA NEWSLETTER BY EMAIL

Members receiving this Newsletter by email should note that all Sydney Newsletters will be sent in a PDF format prepared using Adobe Acrobat Version 6.

Version 7 of Adobe Acrobat Reader may be downloaded free of charge from the internet at www.adobe.com. Version 6 still seems to read pdf's written in v.7 so maybe there is no urgency about upgrading.

If you should receive this Newsletter by post but would prefer to get it by e-mail (quicker and more reliable) then please let the Secretary know. E-mail saves time for you, and costs for RTSA, which in the end can only mean better service to our members

DISCLAIMER

This Newsletter is published by the NSW Chapter of RTSA. Opinions do not necessarily reflect those of the Institution, Society, Chapter or Editor. Items from this Newsletter may be reproduced provided they are appropriately acknowledged to the RTSA Sydney Division Chapter Newsletter