



FREIGHT *between Australian* CITIES

The BTE has recently completed estimates of non-bulk freight flows over seven inter-city corridors for the 25 years from 1970 to 1995.

An examination of this data shows some interesting patterns emerging.

- (1) Freight flows have grown faster than national income. Over the period 1970 to 1984, the freight growth rate was on average 1.1 times the growth rate for the economy as a whole. After 1984, it was 1.5 times the growth rate of the economy.
- (2) Non-bulk sea freight has declined in all corridors.
- (3) Rail has been losing mode share to road on almost all the corridors. The effect is more pronounced the shorter the corridor. Even on the Eastern States to Perth corridor, rail is now slowly losing share, after making gains from the reduction in coastal shipping that occurred after the Eyre Highway was sealed in 1976.
- (4) If the relationship between freight flows and national income of the recent past holds, then there will be substantial future growth in total non-bulk freight in all of the corridors considered (2020 freight flows forecast to average twice their 2000 levels). The growth in road freight will be even greater (2.2 times), if road continues to slowly gain mode share at the expense of rail.
- (5) The trend for rail to lose mode share could only be reversed by a significant improvement in rail's quality of service, relative to continually improving road service levels.
- (6) Local truck traffic often outnumbers intercity truck traffic on the National Highway System, especially along sections of the highway with substantial local populations and industries.

There are also patterns that are specific to individual corridors.

Sydney-Canberra is a short route. Over short distances, rail has the greatest difficulty competing. Since 1980, rail traffic has almost totally died away.

Melbourne-Adelaide is the exception among the corridors. Both road and rail seem to be sharing equally in the growth of traffic on this corridor.

Melbourne-Sydney has by far the largest freight flow. Sea traffic is minimal (steel is counted as bulk). Road and rail shares have been mirror images, with rail not sharing in growth, and thus steadily losing mode share.

Sydney-Brisbane has a similar pattern. After gaining share in the early 1970s due to the decline in coastal shipping, rail has been losing mode share.

On the Sydney-Adelaide corridor, rail gained some rail-specific traffics in the late 1980s. However, this temporary boost to its mode share has since given way to a resumed decline in share.

The Melbourne-Brisbane pattern is quite similar to that on the Melbourne-Sydney corridor. Rail is not benefitting in any significant way from the growth of total traffic.

The Eastern States to Perth route should be the most favourable of the seven corridors to rail. Rail and road gained from the sharp drop in coastal shipping that followed the sealing of the Eyre Highway in 1976. But since then, rail's share has continued to drift downwards. This trend implies very little forecast growth in rail traffic tonnages.

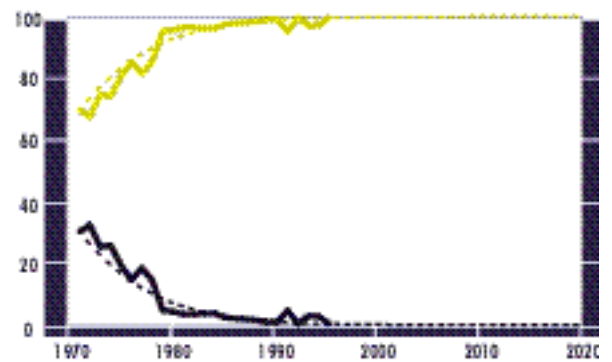
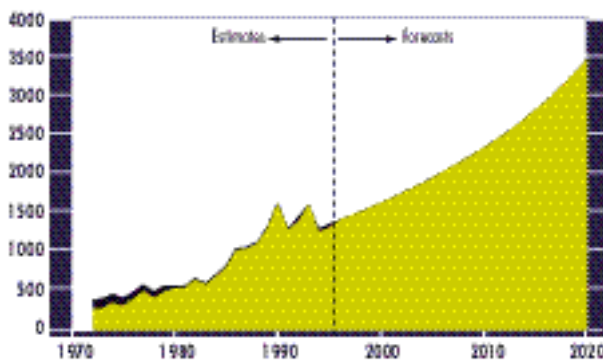


The seven corridors in graphs

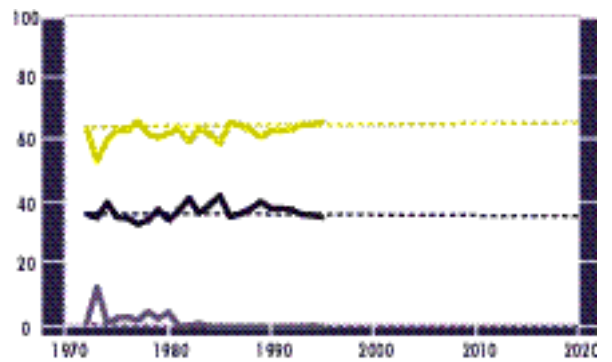
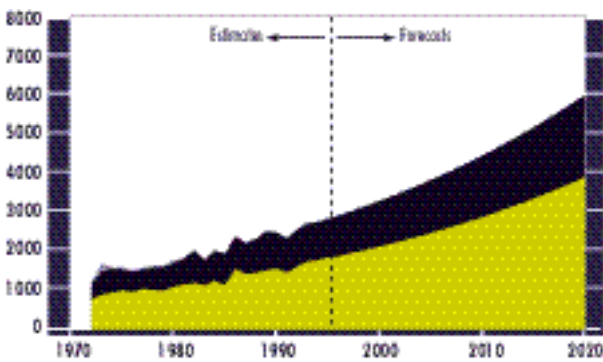
ANNUAL TONNAGES (Kt)

PER CENT SHARE

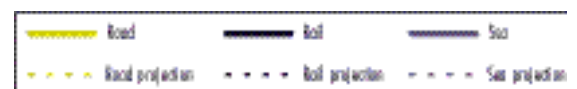
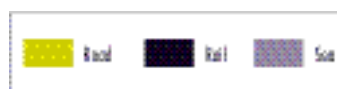
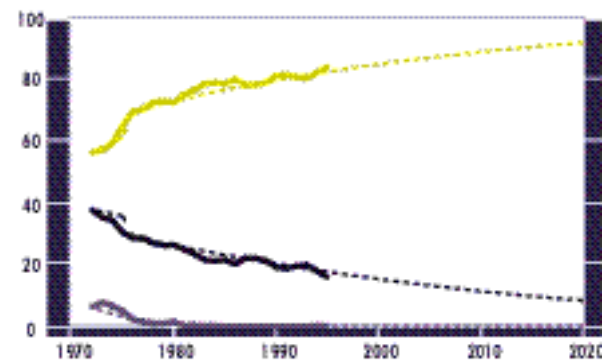
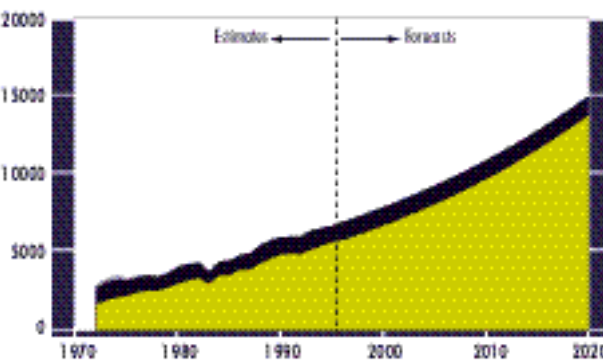
CANBERRA-SYDNEY (315 km)



MELBOURNE-ADELAIDE (740 km)



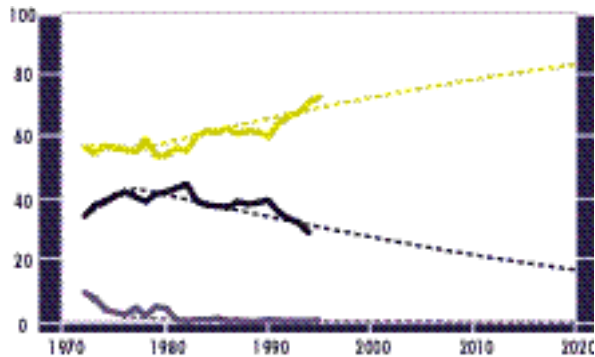
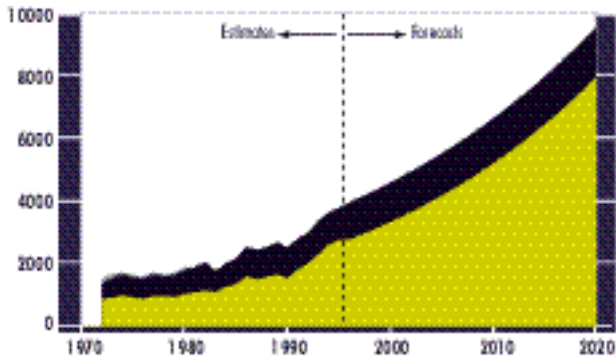
MELBOURNE-SYDNEY (930 km)



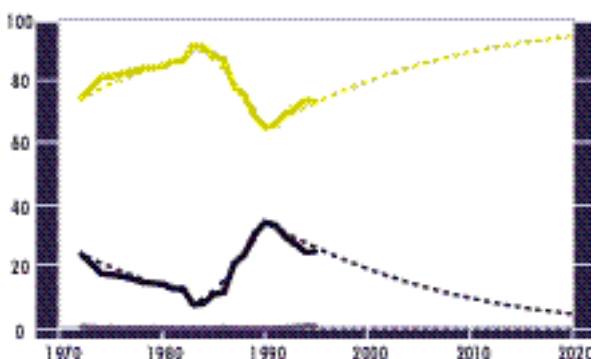
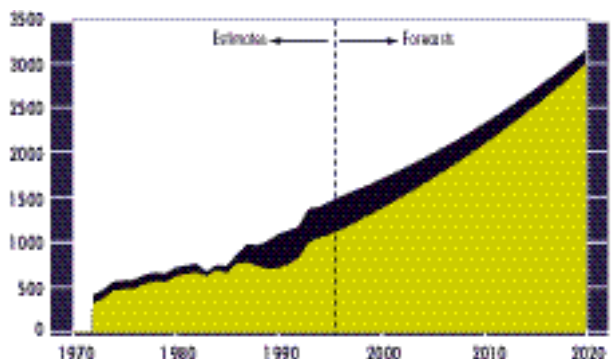
ANNUAL TONNAGES (Kt)

PER CENT SHARE

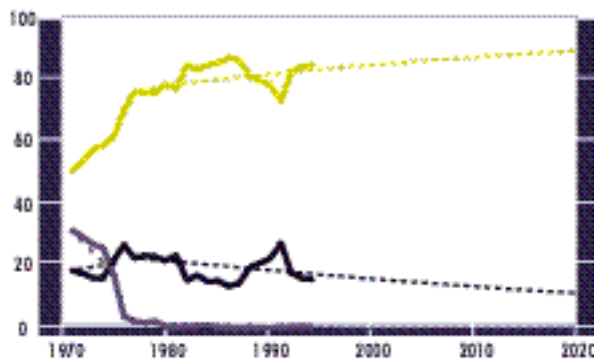
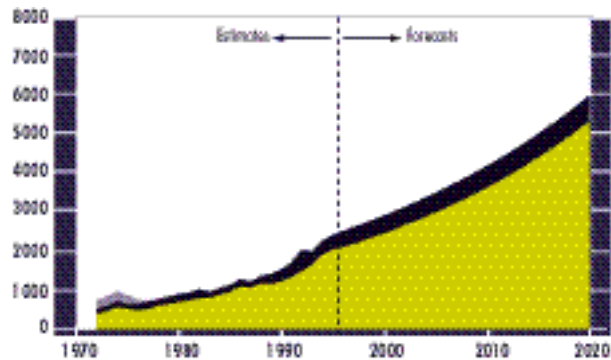
SYDNEY-BRISBANE (1000 km)



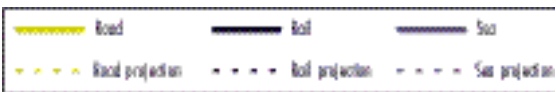
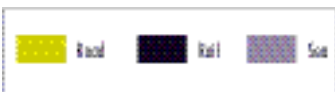
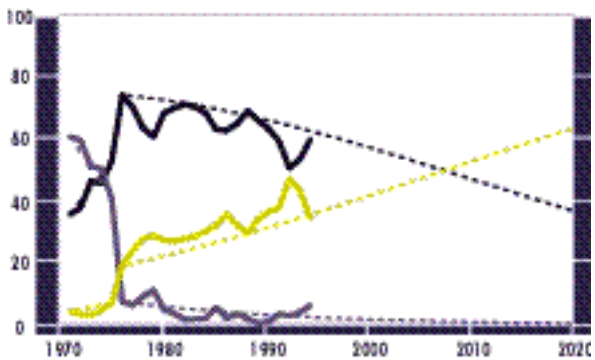
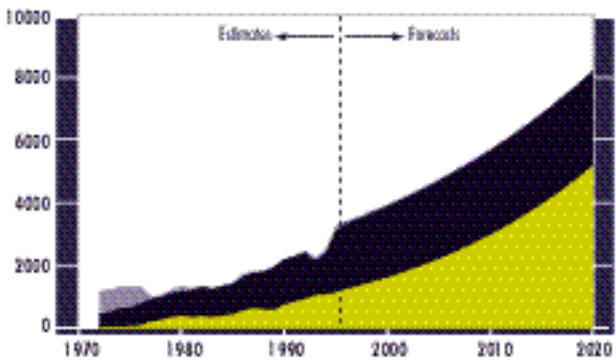
SYDNEY-ADELAIDE (1550 km)



MELBOURNE-BRISBANE (1850km)



EASTERN STATES-PERTH (3400 km)



Related Publications

- BTE (1990), *Freight Flows in Australian Transport Corridors*, Occasional Paper 98, AGPS, Canberra.
- BTCE (1995) *Greenhouse Gas Emissions from Australian Transport: Long Term Projections*, Report 88, AGPS, Canberra.
- Perry, R. and D. Gargett (1998), *Interstate Non-bulk Freight*, paper presented to the Australian Transport Research Forum, Sydney.
- BTE (1999), *Competitive Neutrality Between Road and Rail*, Working Paper 40, BTE, Canberra.

Abbreviations

ABS	Australian Bureau of Statistics
BTE	Bureau of Transport Economics
AGPS	Australian Government Publishing Service
Mt	Million tonnes
DoTRS	Department of Transport and Regional Services

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