



## PRIME MINISTER

SPEECH BY THE PRIME MINISTER  
NAMING OF THE LOCOMOTIVE "BOB HAWKE"  
ADELAIDE - 18 APRIL 1984

I am greatly honoured to have been chosen to give my name to one of the new range of "BL" class locomotives. I have noted with particular satisfaction that one of Australian National's earlier locomotives was named after one of my predecessors, that dedicated railway man and great Australian, Ben Chifley.

I understand that these locomotives are a new, improved model with state-of-the-art refinements which lead to greater fuel efficiency and improved hauling power - traits which seem eminently in keeping with the leadership that my Government is giving to the nation.

Clyde Industries is to be congratulated on the production of this fine series of locomotives; they are the latest in a long line of successful diesel-electric locomotives which have given excellent service to Australian railways over the last 30 years.

I understand that the locomotives are the result of a very successful association with the Electro-Motive Division of General Motors in an arrangement which involves Clyde adapting the basic technology of the latest United States developments to meet the exacting conditions encountered in Australian railway operations.

It is with products such as the "BL" class of locomotive, and the dedicated efforts of its employees, that Australian railways will continue to play an important and crucial role in the transport services of the nation.

The railway industry in Australia has a proud history of service to the country. In the early years, it helped to open up the country and aided in the development of our great, mainly export oriented, rural industries. In more recent times, railways have played a key role in assisting the development of recently discovered major mineral deposits and in the provision of efficient and reliable transport links over the long distances between our major centres of population.

The Government's overall transport strategy is to ensure that the nation has a balanced system, with each mode undertaking those tasks for which it is best equipped. Australia, with its vast distance and heavy dependence on exports needs an efficient and economic transport system, if it is to improve its competitiveness and realise the community's aspirations for higher living standards.

The Australian National Railways Commission, which was established in July 1975 has an important role to play in the Government's transport strategy.

The Commission, which is now trading as 'Australian National', is responsible for around 8,000 kilometres of track - about  $\frac{1}{5}$  of the total Australian network. It employs about 10,000 staff on both intra-and-inter-state passenger and freight services and commands assets of the order of \$600 million. It is a big enterprise in any sense of the term.

Despite (or perhaps because of) its size, life has not been easy for Australian National. The nature of the far-flung and disparate system it has been charged with operating has posed major problems for its management. These fundamental constraints have been exacerbated in recent years by the general economic downturn and natural disasters, such as drought. As a result, Australian National recorded an operating loss of \$109 million last financial year. While, with the improvement in the economy and the breaking of the drought, there has been a significant improvement in operating results in the current year, Australian National still has some way to go to achieve what could be regarded as a satisfactory long-term operational profile.

Strenuous efforts are being made to improve efficiency. Greater emphasis has been given to marketing, especially the acquisition and development of profitable new traffic, and to measures to match the supply of capacity more closely with the demand for rail services. Close consultations with unions are an integral and indispensable component of such efforts to improve efficiency and enhance the long-term competitiveness and employment security of Australian National.

My Government is determined that its railway, Australian National, should be equipped materially and managerially to operate efficiently in the very competitive transport market.

To this end, Australian National has just been given a modern legislative charter with flexibility to operate in a commercial manner while retaining proper accountability to the Parliament.

Strengthening the existing arrangements for the promotion and operation of freight services is also under review by the Railways of Australia Committee, the promotional and co-ordination body of the Government railways.

Australian National's position as a line haul carrier between other railway systems also brings with it some complications. It is vital to Australia National's interests that the interstate rail transport system is well marketed and operated and has adequate capacity to meet the demands place on it.

My colleague, Peter Morris, advises me that, through the Australian Transport Advisory Council, he and his State counterparts are looking to develop a range of investment and complementary operational measures for improving the national mainline network.

In this regard, the question of cost recovery between the various modes continues to plague the transport planners and decision-makers in Government.

I note that this is one of the issues that the National Road Freight Industry is currently addressing. I trust that the findings of the Inquiry will assist those responsible to determine an appropriate allocation of resources between the competing modes that will enable the transport services to be provided at the lowest economic and social cost to the nation.

The remaining areas of railways operations - covering metropolitan passenger services, long distance country and interstate passenger services and less than car load (LCL) freight services - are a major problem for rail authorities and Governments.

There is clearly a need to rationalise services where large losses are being made. However it is not always easy to discern where the public interest lies and what services should be retained as a public service obligation.

Although the rail passenger services in the major cities, such as Melbourne and Sydney, are not financially self-supporting, it is hard to envisage those cities operating effectively in the long term without their suburban rail systems.

I have great sympathy for the rail industry as it grapples with the future of this range of services at the same time as it addresses the need to reduce the large railway deficits which are a severe drain on the budgets of all Governments. I wish the industry well in its attempts to increase its competitiveness and share of the transport market as any improvements, irrespective of their success in increasing rail's share, improve the welfare of all Australians.

I would like to conclude now by formally naming this locomotive the "Bob Hawke".

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