



DEMAND

To determine the freight volumes for the inland railway, a market demand forecast model was developed. The model incorporates a number of parameters when determining modal choice: price, reliability, availability and transit time. Interviews with both freight customers and freight logistics companies were conducted to determine the effects these parameters have on the freight market.

The model assesses the movement of freight along the Melbourne-Brisbane corridor and considers non-bulk intercapital, agricultural and coal freight.

Key findings of the demand analysis include:

- With an inland railway, it and the existing coastal railway are estimated to carry 73% of intercapital freight carried by road and rail in the Melbourne-Brisbane corridor by 2050 (by tonnes). This is an increase from the current 30% rail share in the corridor. If there is no inland railway rail mode share is forecast to be 59% in 2050.
- Of the 73% rail share of freight in the corridor, the inland railway is estimated to carry nearly all of it by 2050 (72% of total road and rail freight).
- The inland railway was found to induce or divert some freight. This comprised substantial quantities of coal freight over short distances; grain (from other rail routes and from road), regional freight and freight from outside the inland railway corridor.

Revised: 23 June 2010

