Inquiry into the integration of regional rail and road freight transport and their interface with ports



## Prepared by:

Craig Perkins Project Officer Area Consultative Committee Tasmania PO Box 85 Launceston 7250

> Email: craig.perkins@acct.org.au Ph 03 6334 9822

Mob: 0409 395 195 Fax: 03 6334 9828 www.acct.org.au

#### Introduction

Area Consultative Committee Tasmania provides the following information to the Inquiry into the integration of regional rail and road freight transport and their interface with ports. ACC Tasmania provides the information based on our assessment of how transport impacts on the economy and overall development of the State. The information contained within this submission has been sourced primarily from Tasmania Government websites, Local Government and key stakeholders.

## **Questions**

• the role of Australia's regional arterial road and rail network in the national freight transport task;

The current transport infrastructure in Tasmania supports a dispersed population, and while growth in the road network has slowed in recent years, road transport has increased substantially. Tasmania is regarded as the national number one touring destination and has recorded an increase in visitor numbers from around 570,000 visitors p.a. 1999/00 to 790,000 for the year ended Dec 2004. (<a href="http://www.tourismtasmania.com.au/research/tvs2004\_resultsjunfinyear.html">http://www.tourismtasmania.com.au/research/tvs2004\_resultsjunfinyear.html</a>). Likewise, Tasmanian ports have experienced growth of around 7.2% in containerised freight each year for the last 10 years (Meyrick, p 8).

A Tasmanian Government study identified that "Transport is a major cost for most Tasmanian industries. The road transport industry dominates freight transport within Tasmania. As freight transport is pervasive in the Tasmanian economy, expenditure on improving its efficiency can result in widespread and important economic gains". (http://www.transport.tas.gov.au/publications/connecting\_tas/tasmaniasroads.html)

Within the regions, Tasmania being divided into three sub regions, there is an identified need for an intermodal freight transport hub in the Hobart area. Hobart port no longer handles containerised freight.

Cradle Coast Authority, Tasmania' North West Region, currently have a 'draft for comment' integrated transport study open for comment. The draft study indicates that 'Generally, the regions infrastructure (all types) adequately caters for the transport task, noting there is significant scope for rail infrastructure investments (Draft Cradle Coast Integrated Transport and Infrastructure Plan, p. 14). Within the Cradle Coast areas, there are two main sea port (Burnie and Devonport).

The Northern Tasmanian Integrated Transport Plan (Launceston and surrounds), note that there is an expected high growth on road freight transport and a need to encourage greater use of the rail network. At a port level, the Port of Launceston at Bell Bay is well placed for growth but requires substantial, but achievable, infrastructure changes to ensure maximum efficiencies.

• the relationship and co-ordination between Australia's road and rail networks and their connectivity to ports;

Within the Tasmanian context, road transport is the predominant transport mode. With appropriate investment, greater use of rail transport to connect to the ports can be achieved.

# • policies and measures required to assist in achieving greater efficiency in the Australian transport network, with particular reference to:

### - land transport access to ports;

ACC Tasmania is aware of opportunities to improve the land transport infrastructure within the port of Bell Bay. These improvements can come via an upgrade to both the road and rail networks. ACC Tasmania has received a submission to Regional Partnerships to assist with this project.

### - capacity and operation of major ports;

Meyrick and Associates (2005, p. 9) report that the capacity of the ports to continue to grow (in terms of physical scale) within Tasmania is affected by proximity to cities and or the topography and physical nature of the location of the ports.

Upgrading of both road and rail networks at the port of Bell Bay has the potential to deliver significant economic benefits to the Tasmanian economy,

#### movement of bulk export commodities, such as grain and coal;

Bulk export commodities predominantly travel through Tasmania's three northern ports (Burnie, Devonport and Bell Bay).

#### - the role of intermodal freight hubs in regional areas;

Currently there is a void of intermodal hubs within Tasmanian yet there is an opportunity to exploit these benefits. The economic cost of transporting goods to road rail interfaces for the purpose of forwarding to port facilities restrict the capacity to gain any economic gains. ACC Tasmania is aware that a location for a Southern Tasmanian Intermodal Hub exists which should enable rail transport, particularly for containerised cargo, to become a more viable and attractive transport choice.

# - opportunities to achieve greater efficiency in the use of existing infrastructure

ACC Tasmania understands that the infrastructure between the transport hubs is sufficient, efficiency can be greatly enhanced through the upgrading of rail and road infrastructure with the port precincts.

# • The role of the three levels of Government and the private sector in providing and maintaining the regional transport network.

Tasmania is a small State and heavily dependent on sea transport - 99% of all freight transported into and out of Tasmania is carried by sea (Meyrick 2005, p.9). Similarly, Tasmania exports 50% of its GSP emphasising our heavy dependence on efficient port interfaces and the role that rail can take.

ACC Tasmania recognises that the role of improving the efficiency and quality of the infrastructure is primarily the responsibility of the asset owners. In this regard port and rail owners are responsible for upgrade of assets. Having said this, we recognise

that the support, or provision, of efficient transport infrastructure is often beyond the resources of the organisation to invest in all parts.

In terms of the road hierarchy, while roads within the port precinct may be the primarily responsibility of the local government authority, the economic benefits that those roads deliver are generally dispersed within the broader Tasmanian economy and not just the local areas. Similarly, the road users in most cases would originate from outside the municipal area. In this regard, it is not unreasonable for a small local government authority to request funding support to assist with the upgrade of road networks that facilitate efficient heavy transport traffic movement.

### **Tasmanian Initiatives**

ACC Tasmanian is aware through consultations with key transport operator there is a need and opportunity to further improve the efficiency of the States freight transport network.

In particular, ACC Tasmania has received a request from Northern Tasmanian Development, in partnership with the Pacific National Tasmania, Port of Launceston Pty Ltd and George Town Council to support an upgrade of the Bell Bay Transport infrastructure through the Regional Partnerships program to deliver greater export efficiencies with the Bell Bay port and industrial precinct

ACC Tasmania strongly supported this project noting that 'this is a strong, strategically based project with solid partnerships involved and has long-term viability into the future. The project has the capacity to significantly impact on Tasmania's economic future and will provide many benefits to the region. It will become the catalyst for ongoing large-scale economic development. It has the full support of the Area Consultative Committee". It was the ACC's recommendation that this project proceeds with the support of the Australian Government through Regional Partnerships, Auslink or another appropriate funding program.

## **Conclusion**

ACC Tasmania supports the upgrade of the Port of Bell Bay facility as proposed within the Regional partnerships submission. ACC Tasmania also encourage the development of intermodal transport hubs that facilitate the use of more efficient transport modes.

#### Reference

http://www.tourismtasmania.com.au/research/tvs2004\_resultsjunfinyear.html http://www.transport.tas.gov.au/publications/connecting\_tas/tasmaniasroads.htm Draft Cradle Coast Integrated Transport and Infrastructure Plan, The Northern Tasmanian Integrated Transport Plan 2003 Meyrick and Associates – Final Report (Tasmanian Ports System Dec 2004)