

Tackling future freight task

Victorian Minister for Roads and Ports Tim Pallas gave SEATS delegates a comprehensive overview of his Government's thinking on providing the right transport infrastructure to cope with Gippsland's expanding freight task well into the future.



Vic. Minister for Roads and Ports Tim Pallas

The possible export of brown coal derivatives plus continued growth of primary industry were key contributors to this growth.

He told last month's SEATS meeting at Traralgon long term planning was needed and that required visualizing what Victoria and the Gippsland will look like in up to 30 years time, as well as considerable investment.

On road infrastructure, Minister Pallas said Gippsland had already received considerable investment over the last decade and more was planned. The Government is looking to expand the Princes Highway which it sees as the region's most important transport link.

It aims to upgrade the Princes to M-class standard between Melbourne and Sale and A-class standard between Sale and the NSW border, subject to Commonwealth funding assistance.

Other improvements include town bypasses and alternate truck routes. They will also consider whether the Highway between Melbourne and Sydney should be added to the National Network.

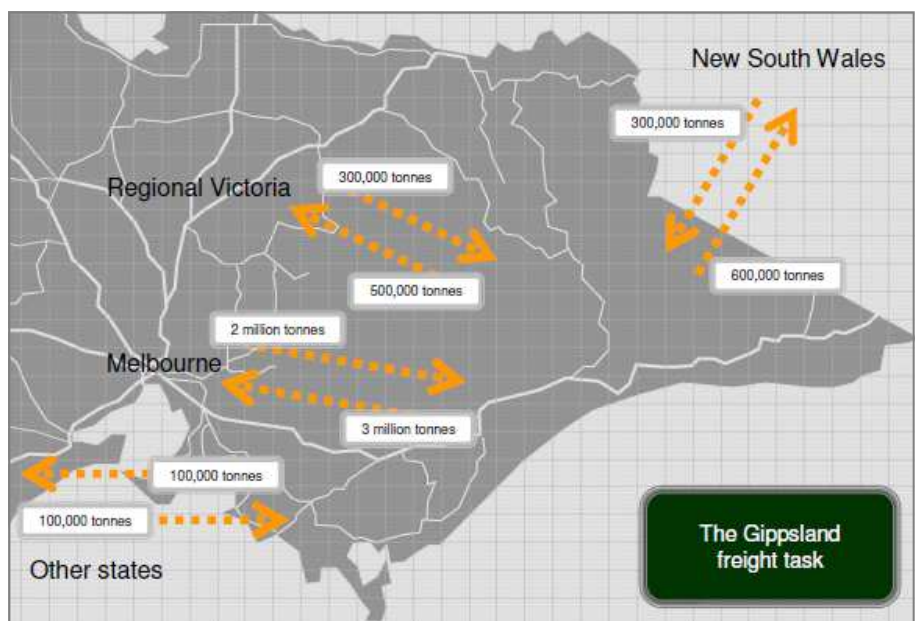
He also outlined proposed upgrades to the South Gippsland Highway, possible upgrades to the

Great Alpine Road, Monaro and Strzelecki Highways, and that the Victorian Government would continue to advocate on behalf of local councils for Commonwealth funding to upgrade local roads and improve last-kilometre access.

The region's other key transport asset is the Melbourne-Bairnsdale rail line. Despite investment in the line, he said rail freight volumes had declined largely because of improved efficiencies in road freight and improved road infrastructure.

The Minister spoke of barriers to a more efficient rail-freight sector and the closure of intermodal freight terminals, but said intermodal terminals at Morwell, Bairnsdale and possibly West Sale could become increasingly important given the anticipated increased bulk commodity exports from Gippsland. He welcomed moves to revive the Gippsland intermodal. Should the proposed coal developments proceed, this rail line has the potential to be the most heavily trafficked in Victoria and the Government.

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Gippsland's current freight task. Courtesy Victorian Department of Transport.

Port of Hastings update

Management of the Port of Hastings passed to the Port of Melbourne Corporation on 1 September 2010. This followed amendments to the Transport Integration Act. Port of Hastings Corporation CEO Ralph Kenyon said this allows the Victorian Government to put more resources into exploring the Port's long term development.

The Port of Hastings is one of four major trading ports in Victoria and is located 30km south-east of the Melbourne suburb of Dandenong.

Ralph Kenyon told the recent SEATS meeting the Port of Hastings within Western Port is now handling over 230 ships a year. That's around 5 million tonnes of product a year valued at over \$2b, mostly steel (for BlueScope Steel), oil and gas (for Esso and BHP Billiton). The Port of Hastings can accommodate ships to post-Panamax size. Port operations are managed by Patrick Ports-Hastings (Asciono).

Mr Kenyon said the future Port is planned to



be a world leader in 'green port' development and management, where environmental issues in the sensitive Western Port area are fully assessed, the community consulted, and port development reflects the highest environmental standard possible to deliver a sustainable port of the future. Particular challenges include sensitive bird habitats, many low lying areas

and expected sea level rises.

Staged development of the port is planned.

Stage 1 (2010-2020): three multi-purpose berths in the Long Island precinct providing for bulk, break bulk, cars and general cargo, plus rail connections;

Stage 2 (2020-2035): to accommodate overflow of international container trade from Port of Melbourne when it reaches capacity in around 2030;

Stage 3 (2035+): integrating and expanding facilities constructed in Stages 1 and 2 Stages 1 and 2.

Stage 1 has the potential to handle 24 million tonnes of brown-coal-derived products, should that development go ahead. Two rail corridors have been proposed to the Port of Hastings, but Mr Kenyon said neither suits coal exports as they focus on Melbourne connections to the freight and logistics network. These corridors are being reconsidered but could require up to \$1 billion additional infrastructure. His presentation is on SEATS' website.

SEATS Chairman speaks...

We have had a busy time since the Federal election was called in mid July. This will continue for about another seven months in the lead up to elections in first Victoria and then NSW.



Cr Sue Whelan

Many candidates in the Federal election expressed support for SEATS priority projects which is most encouraging. We will put together a list of transport infrastructure projects for which funding was promised during the election campaign so it is ready for when the election results are finalised. We will pursue these promises vigorously.

Our CEO will be working with our Victorian members over coming weeks to ensure all candidates in the Victorian State election on 27 November know what transport infrastructure we believe is needed in the south east region and hopefully commit to our policies. Considerable thought and discussion has gone into determining which projects are most needed to assist in making our region more liveable and sustainable and create more employment opportunities.

Our August meeting at Traralgon, hosted by Latrobe City Council, was most encouraging. The AGM saw the previous Executive returned and I look forward to working with them as we undertake our very important work.

It was also very encouraging to have more transport operators join SEATS — Sutherlands Transport from Cootamundra, Independent Transport Group, and Sanmarc Consulting. This gives added impetus to our approaches to government in coming months.

SEATS Executive and the CEO know there is still much to be done. We seek your input into how we might advocate our priority infrastructure projects more effectively. We would appreciate hearing your ideas of what you believe we should be doing.

*Cr Sue Whelan
Chairman*

ELECTION DATES

Victorian - 27 November 2010

NSW - 26 March 2011

Making rail supply chains work

Rail supply chains are very different to road only supply chains. That was the key message from regulatory lawyer and rail freight expert Rachel Trindade to the recent SEATS meeting at Traralgon.

“Rail supply chains require a great deal of cooperation and coordination by every single element of that supply chain,” Ms Trindade said.

“If any of those elements is not aligned properly, or the interface between any of those elements isn’t quite working, then the whole thing won’t work. Alignment is vital.” Achieving that can require a team of lawyers and technical experts.

Ms Trindade said a lot of people have become disillusioned with rail. “They see it ought to work, the freight is there, the rail is there, but all you need is one impediment in the chain and the whole chain breaks down.

“Road only supply chains tend to be a little more flexible in that if there is a problem or bottleneck in the chain it can often be worked around, but



Successful rail supply chains need every element in that chain to be aligned and to work. Photo courtesy Victorian Department of Transport.

rail lacks that flexibility.”

She said one problem with rail in the past is the chain has not been considered as a whole.

“The tendency has been for either government policy or regulation to focus on one part of the rail supply chain, when really all that does is push the problem elsewhere in the chain,” she said.

“The real test is what the supply chain costs the customer, say the exporter or the importer of the freight. If using rail results in a more expensive or less reliable supply, then of course they’re not going to use rail... Where rail works is where the whole supply chain works.”

She talked through several examples where rail works. The simple one was Pilbara iron ore exports where BHP and Rio Tinto fully own everything on the rail supply chain — the ore, the mines, the rail and the port facilities, so it is highly efficient with a clear focus.

Ms Trindade said two examples in NSW are producing a lot of valuable lessons. One is the Hunter Valley Coal chain logistics team; she said it was important to know the capacity of different sections. “There’s no point in the coal mine expanding capacity if the rail owner doesn’t and there is no port capacity, and rail access arrangements have to be aligned with port access arrangements.”

The more complicated example was the Port Botany Rail logistics with many complex issues and many different operators, and where alignment is absolutely vital.

Her presentation is on SEATS’ website.

Ms Trindade has worked as a consultant to Latrobe City Council.

Flights from Wollongong

Illawarra Regional Airport’s potential for regular passenger services is being keenly explored by Shellharbour Shire Council because of the potential economic benefits to the area. The airport is located at Albion Park.

Council’s administrator David Jesson told the recent SEATS meeting that Airport Master Planning Consultants (AMPC) had prepared a Stage 1 report for Council on the airport’s potential and that will form the basis of a business plan and a separate masterplan for the airport.

The Airport is currently licensed as a public airport for regular passenger flights for turbo propeller aircraft under 70 seat capacity (Code 2c).

This \$90,000 Study was jointly funded by the NSW Government and Council. It examined what types of aircraft could work within the constraints of the runway and the surrounding topographical, community and infrastructure constraints, and what infrastructure would be needed to support them.

It also examined the airport’s potential to be licensed by the Civil Aviation Safety Authority for regular services for larger passenger aircraft.

Safer roads around farms

The gradual aggregation of smaller traditional family farms into larger properties has resulted in more farm vehicles using public roads as part of their regular farming operations, and that creates certain safety issues.

This was Neil Breeden's observation in the Wellington Shire of Victoria but he said it is a national issue and, while there may be some variations in different areas, the principles are the same.

He told the recent SEATS meeting, his concerns led him to produce a DVD through Wellington Shire Council, with assistance from Victorian Police. It aims to heighten awareness of what's required by property owners and contractors when they use public roads in this way. Called 'Safer Roads on and around Farms', it was funded by the Transport Action Commission.

"As a result of the aggregation of properties, today we see more quad bikes, traditional ag bikes and various agricultural equipment including large tractors going up and down public roads, turning in and out of different parts of properties, whereas in the past

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He also outlined infrastructure needs for the Port of Hastings to develop as a container port and the export of coal-derived products.

An issue for Gippsland's timber industry accessing the Port of Eden was also mentioned where B-doubles in Victoria can be loaded to 68.5 tonnes, if fitted with road-friendly suspension and operators have the right accreditation, whereas in NSW the same size B-double is limited to 62.5 tonnes.

Minister Pallas paid tribute to contribution made by SEATS and individual members to the freight strategy currently being developed by his department.

His presentation is on SEATS' website.



Difficult access for milk tankers and stock trucks onto farms creates safety issues on public roads.

movements were mainly within a property," he said.

"Another change is the increased use of agricultural contractors. Now more farms use contractors, and they're carting things like cropping equipment or silage up to five kilometres on public roads behind these big 150hp tractors day and night, and they're often over-dimensional, over 2.5 metres standard width."

Mr Breeden said larger service vehicles like milk tankers and stock trucks are now going to properties, some are B-doubles, so larger accesses into properties are needed so these vehicles don't have to cross to the other side of the road to turn in. "A lot of people also don't realize road rules apply even running quad bikes beside the road," he said.

"We have gone for a DVD because we believe the days of people absorbing information from pamphlets are numbered, particularly among younger people."

The DVD has been distributed through Murray-Goulburn Cooperative to their suppliers, and some through the Department of Agriculture at Maffra.

What is SEATS?

South East Transport Strategy (SEATS) aims to stimulate and facilitate investment in transport and infrastructure in south eastern NSW, eastern Victoria and the ACT. Its 43 members represent councils, industry and other organisations from Wollongong to Dandenong.

Business & marketing

A SEATS working party will meet in Merimbula 7/8 October to update the current Business and Marketing Plan so it is ready for action once the Federal election is finalized.

Very Fast Train

The long proposed Very Fast Train project from Sydney to Melbourne via Canberra has been identified as a transport infrastructure need for Southern Inland NSW in a 5-year strategic plan.

Keeping road toll tally

The RTA's Planning and Analysis Unit for the Southern Region is now producing a Monthly status report on the road toll for its region.

SEATS meetings

18-19 November: hosted by Kiama Municipal Council at Kiama.

17-18 February 2011: hosted by South Gippsland Shire Council at Foster Victoria.

19-20 May 2011: Hosted by Goulburn Mulwaree Council in Goulburn.

17-18 November 2011: Hosted by Wollongong City Council at Wollongong.

SEATS Executive

Chairman Cr Sue Whelan (Queanbeyan City Council), Deputy Chairman Cr Graeme Middlemiss (Latrobe City), Sec/ Treas David Byrne (Cooma-Monaro).

Victorian representatives: Gordon Charles (East Gippsland), Cr Jeanette Harding (South Gippsland) and Cr John Duscher (Bass Coast)

NSW representatives: Cr Bob Stewart (Bombala Shire), Greg Pullen (Shoalhaven City) and Greg Miller (Tumut).