



**PARKES**

*It all adds up.*

# Parkes Shire Council Submission NSW Draft Freight and Ports Plan

23 March 2018

The Hon Melinda Pavey  
Minister Freight, Roads and Ports  
Transport for NSW  
18 Lee Street  
Chippendale NSW 2008

Dear Minister,

## Re: NSW Draft Freight and Ports Plan

Parkes Shire Council thanks the NSW Government for the opportunity to submit comments to the NSW Draft Freight and Ports Plan (The Draft Plan).

Having a NSW Freight and Ports Plan which is aligned to a National Supply Chain Strategy is invaluable. As a regional Council we understand the challenges of freight, but we also understand that getting it right is so important at a national, international, state and for us on a local level. We need a stagey/ plan that not only deals with the issues of the here on now but looks forward and facilitates and plans for freight movement in the future.

Parkes Shire Council strong believes that projects such as the Bells Line Express and at least preserving the corridor to ensure the connection of Central and Western NSW to Sydney is essential and seems to be overlooked in the draft Plan.

Additionally Parkes Shire Council strongly believes that the Melbourne to Brisbane Inland Rail will be a game changer in the way in which freight is distributed around Australia. We believe that NSW is in a unique position to capitalise on this as Inland Rail will start in Parkes in 2018 but won't be completed until 2025..

Council would like to acknowledge and also support the submission that Centroc has submitted on behalf of its member Council's.

## Background

The Parkes Shire has a population of over 15,000 people, spread over a large area of 5,919 square kilometres. Approximately two-thirds of the population is concentrated at Parkes, with the balance residing in the smaller towns and rural areas.

The Parkes Shire has a diverse economy. The Shire generated Gross Regional Product (GRP) of more than \$1.0 billion in 2010-11, representing annual GRP growth of 2.3%. The mining industry is a key driver of the Parkes Shire's local economy, accounting for one third and almost 6% of the Shire's total GRP and employment respectively. During the last five years, industries recording the highest growth included wholesale trade, health and social assistance, construction and transport, postal and warehousing.

Council believes with freight volumes set to double, Parkes forms an integral part of the intermodal freight solution access to Sydney and all NSW ports from the Central West remains vitally important.

Parkes acts as a national transport node, as it is strategically located at the intersection of the Newell Highway and the railway linking Melbourne, Brisbane, Sydney, Perth as well as Adelaide and Darwin!

In 2006 Parkes Shire Council, with approval from the State Government, has rezoned 516 hectares for the development of the Parkes National Logistics Hub with an additional reserve of over 100 hectares.

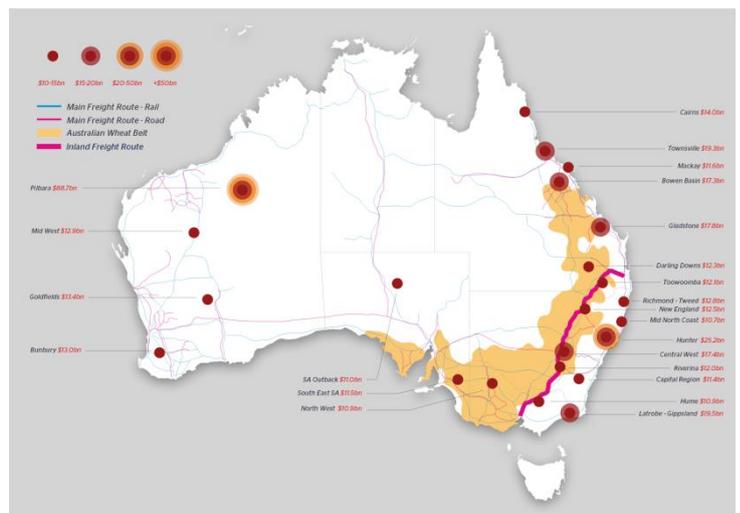
The site has been designed for 24 hour, seven days per week operation of a multi-modal transport facility. Currently 16 million people or over 80% of the Australian population can be reached in less than 12 hours by road from Parkes. The National Logistics hub boasts three main investors Linfox, SCT Logistics and Pacific National (who have recently announced a \$35 million investment into the Parkes National Logistic Hub <http://www.parkeschampionpost.com.au/story/5009529/35m-for-parkes-logistics-terminal/> ).

More Information re Parkes National Logistic Hub: <https://www.parkes.nsw.gov.au/business-investment/national-logistics-hub/>

## Regional Growth

This map is adapted from Infrastructure Australia's 15 year Infrastructure plan (pg 61), it shows the projected gross regional product for major regional centres in 2031 it is layered with the Inland Rail and the east coast wheat belt.

In the Central West there will be \$17.4 billion (currently there is \$9.6 Billion) worth of product being produced. Council agrees with IA's comment *"...in most regions, government investment is needed, either in part or full, to deliver economic infrastructure. While infrastructure investment can promote growth, it should be based on well-informed decisions about demand, scale, timing and funding of projects"*.



The map also highlights the Eastern Wheat belt, Agriculture produces work on very small margins and anything that Government can do in terms of to increase these margins by helping increase efficiencies in the supply chain and yet there is still no solution from the State for efficient freight to port.

Council believes that the Draft NSW Freight Plan is missing an opportunity to tap into one of the fastest growing regions in NSW. The Central West has the capacity to help service Sydney providing vital products domestically and also for export.

## Meeting the Freight Challenge

### Road Only Solution: - The Challenge

With freight volumes set to grow rapidly over the next 20 years, a road only solution will mean supply chain costs will increase, making our exports less competitive and domestic products more expensive. According to the Australasian Railway Association (ARA) traffic congestion is costing Australians \$15 billion per year and this cost is rising.

Currently in Parkes there is approximately 1 truck a minute (24 hours a day) equating to over 1400 truck movements a day going through the centre of Parkes - this is set to double with one every 30secs. What will be the impact of 2800 trucks a day along the Newell Highway?

The existing road-dominated freight network can't cope with this growth without further investment.

### Newell Highway

The Newell Highway is the major arterial linking Melbourne and Brisbane and runs through Parkes at the midway point. In the **2013** NSW Ports and Freight Strategy the Newell highway was mentioned on **37 occasions** across text and graphs. The Draft Plan mentions the word Newell **twice** and that's in the same sentence (*to investigate over 10 years connections and improvements to allow a higher class of truck to connect to the Newell especially if it relates to inland rail pg80*). This is very disappointing especially as the Newell Highway Task Force have worked so hard to prioritise the issues on the Newell through the Newell Highway Corridor Strategy <http://www.rms.nsw.gov.au/documents/projects/western-nsw/newell-highway/newell-highway-corridor-strategy.pdf> . The 2016 flooding of the Newell Highway and the economic effect that this had on local businesses and on the Nation should be a concern for the NSW Government and there should be a focus of working with the Federal Government to flood proof the Newell.

A local issue concerning the Newell is that RAV access through Parkes is currently limited by several unsuitable urban intersections exacerbated by increasing congestion. These same intersections are some of the limiting infrastructure bottlenecks in opening this length of Newell Highway to Road Train access. The freight traffic that does access through Parkes causes road impacts on unsuitable strength local roads as well as noise, exhaust and safety complaints within the community. Providing an outer urban freight link will alleviate the above issues and open up numerous freight and transport opportunities for Parkes and the region and will also link to the Parkes National Intermodal Hub. Hence a decision needs to be made on the Parkes Newell Highway Bypass.

### Bells Line

Parkes is accessible to Sydney by road by either the Great Western Highway or Bells line of Road, however we believe that this access needs to be improved. Council has long been advocates of the preservation and eventual upgrade of the Bells Line. Council was shocked that the Bells line was not mentioned at all. By doing a Plan for the future the State Government should be taking a long term view which should allow for "blue sky thinking" and allow for options to be discussed.

## HPV access to Regional Roads and Agriculture

Agriculture is a significant component of the Central West economic mix and efficient delivery of grain during harvest time is essential for productivity of primary producers.

As agricultural production to market is a road-intensive freight task, harvest is becoming more rapid and is concentrated within a few weeks of each year, the fluency and efficiency of vehicles to and from the farm is highly valued by the producer and the freight operator. By reducing turnaround times more freight can access the rail siding to be distributed to customer points in a cost effective and timely manner. By encouraging HPV such as B-Doubles the freight journey is further economised.

Regional roads and the authorisation of those roads for HPV use are the responsibility of Local Government as the local roads authority. Councils like Parkes Shire Council have thousands of kilometres of roads to maintain and administer. Council understands that it is our responsibility to help the economic growth of our region by allowing efficient movement of agricultural product.

However, Council is increasingly pressured to consent to Road train access to the local road network to facilitate grain haulage and the delivery of agricultural products from primary producers within Parkes LGA. Council also has to ensure that it is not at the expense of the safety of our community who share the roads. Economically, the local rate payers also have to bear the full cost of expenditure on local roads for national commodities. This is becoming more and more important with the reduction of the number of silos and the reduced usage of trains to move grain locally.

This is an issue that has not been addressed in the NSW Draft Freight and Ports Plan and one we believe that that State bodies such as the RMS and Councils especially those west of the Newell Highway need to work together to find a sensible solution.

### Road / Rail solution

However simply improving the road network will not solve the freight challenge. All levels of Government need to work together to address the inadequacies in the existing networks. Regional Development Australia Central West (RDACW) has completed a study of freight movement in the Central West. <http://www.rdacentralwest.org.au/initiatives/nsw-central-west-freight-study/> One of the major findings of the study is that there needs to be greater investment on road and rail projects to ensure that freight can flow through the region in a safe, cost effective and reliable manner.

Parkes Shire Council is a strong supporter of the improvements in the rail system, be it improving rail access to the NSW ports including Newcastle or advocating for the Melbourne to Brisbane Inland Rail. Council believes there is an opportunity to provide centuries of benefit if the railway systems are built to world's best practice and tenaciously designed for low operating costs.

Aside from improving the nation's competitiveness, highly efficient railway systems will be a game changer for regional Australia and particularly agriculture. Efficient rail access opens a range of opportunities for the regions, and would increase competitiveness of agriculture. A strategically Intermodal designed railway system would allow access along the route thus significantly reducing the cost of delivering produce to port and transporting freight from ports to regional areas..



## Rail

One of the challenges that the RDA NSW Central West Freight Study identified was that the different rail access regimes and the need to work with multiple rail owners to transport rail freight increases the complexity of rail transportation. <http://www.rdacentralwest.org.au/initiatives/nsw-central-west-freight-study/>

There are 3 separate Network Managers across the Central West, which arguably increases the overhead component of rail freight costs. Currently to move freight to Sydney via rail from Parkes you need to deal with ARTC, John Holland and Sydney Rail not to mention dealing with the congestion in the Sydney network and the curfews. (This is listed as an issue in the NSW Port 30 year Master Plan on pg 77)

Rail freight access through Sydney is constrained due to train path availability, which was highlighted in the 2013 NSW Freight and Parts Strategy as well as the Draft Plan. Providing efficient freight access through regional areas may help alleviate the problem, this mean better access to the Ports. The new Draft Plan is very light in terms of the detail about how this should be done.

One of the suggestions that some of the \$400 million in the Fixing Country Rail fund should be used to do a study of key regional rail bottlenecks that could be strategically funded to provide greater access to the ports.

## Inland Rail

The Inland Rail will provide more choice for produces to choose the most cost efficient Port too send and receive product from. This means that Parkes will be an important intermodal point as from Parkes once the Inland Rail is developed exporters and importers can connect with ports in NSW, Victoria, Northern Territory, South Australia, Queensland and Western Australia.

The Parkes National Logistic Hub and the importance of this Terminal was referred to in the 2015 Inland Rail Business Case 2015 pg 108 which states "*Terminal investment is likely to be private funding based on acceptable commercial terms and returns, however the role of government requires further consideration, including:*

- + *Metropolitan terminals may require governments to play a role in facilitating third party access (to promote above rail competition) and land-use planning (to facilitate the optimal location of terminals).*
- + *Regional terminals are likely to be market led, with potential for government facilitation of third party access to enable **Parkes** to fulfil its crucial role in the national freight network with both north–south and east–west distribution".*

Parkes Shire Council believes that Government should invest in rail infrastructure which would complement Inland Rail and to would provide an opportunity for regional businesses to access ports. This would open up new markets to freight users across the region and provide significant economic benefits to the region and the broader NSW and national economy

The NSW Draft Freight and Ports Plan whilst referencing Inland Rail, gives no specifics on how the State is going to ensure that the impact of the Inland Rail is optimised. Council looks forward to the final Plan which will reference the final arrangements between the Commonwealth and ARTC and the State.

## Ports:

Currently by rail Parkes is linked to all of the NSW ports including Port of Newcastle, Port of Botany, Port Kembla, although these connections could be improved,

### Improvements into **Port Botany**:

- + Doubling of infrastructure into the Port (this has been discussed for a long time)
- + Availability of slots into port
- + A stream lining of rail managers (as discussed before from Parkes you have to deal with 3 managers)
- + Better access over the mountains.

### Improvements into **Port Kembla**:

- + The development of Maldon-Dombarton Line
- + Development of containerisation

### Improvements into **Port of Newcastle**:

- + Consideration of a container terminal
- + The Draft Freight and Ports Plan does not recognise the capacity that already exists within the ARTC rail network or the Port of Newcastle. The Parkes–Newcastle rail option needs to be explored as an alternate to investment in the Main Western Line. It will provide further efficiencies and avoid the bottleneck of Sydney.
- + double stacking into Newcastle.

In summary Council believes that access to all Ports is important as it will drive completion, transport efficiencies and ultimately more money into local produces and economies.

## Air Freight:

Parkes has its own regional airport servicing Sydney which is approximately 45 minutes by air. Regional Express Airlines (REX) operates three return flights between Sydney and Parkes on weekdays. The airport services 4 Local Government Areas (Lachlan LGA consist 20% of passengers, travelling up to 150km to access the airport) & is critical to the region's social & economic development.

We also believe that the Parkes Regional Airport will play an important role in moving Freight in the future. Currently there are 8 international Airports in Queensland and only three in NSW including Sydney Airport, Lord Howe Island and Williamstown. The Draft Plan states that whilst the volume of air freight is low the value is high but does not state how we are going to grow this high value and potentially international market.

## Urban Encroachment

Council welcomes the Draft Plans Statement that Transport for NSW's commitment to "*look at strategies to address urban encroachment*". This issue is also important in regional areas as well as metropolitan areas as we work to protect land for agricultural value adding and ensuring that we have the appropriate amount of zoned land to help generate freight to export/ domestic markets.

Council suggests that the Draft Plan should align with the Regional Plan for the Central West and Orana on this issue.

## Conclusion

Parkes Shire Council again thanks the Minister for the opportunity to comment on the Draft NSW Freight and Ports Plan. We look forward to collaborating with TfNSW and the RSM as well as Industry, to ensure that a robust Plan is developed to deliver faster, safer and more efficient transport and freight outcomes, locally, nationally and internationally.

Yours sincerely

Councillor Ken Keith  
**MAYOR**

