

**Submission to Transport for New South Wales
re the draft NSW Freight and Ports strategy**

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Although this submission has drawn on research conducted at the University of Wollongong, it does not necessarily reflect the views of the University.

The main message is that although the NSW government deserves credit for producing a new draft Freight and Ports Strategy, the measures proposed in the draft do not adequately address heavy vehicle safety and the measure are not sufficient to meet future NSW land freight transport needs.

It is agreed that the current draft NSW Freight and Ports Strategy now on exhibition is different from the November 2013 NSW Freight and Ports Strategy. However, in some ways, which this submission will touch on, the 2013 strategy is better than the current draft.

In turn, the 2013 Queensland and the Victorian Freight Strategies are in many respects superior to the 2013 NSW Freight and Ports Strategy. The challenge now is to upgrade the current NSW draft to a standard that can quickly improve heavy vehicle safety and is prepared to advocate decisive action to remedy current deficiencies in NSW freight. This includes taking the tough decisions to improve heavy truck safety regulation and to generate the funds required for the necessary rail infrastructure upgrades.

Some of the many areas that the draft can be improved follow.

1 Heavy truck safety

The draft report is far too light on heavy truck safety. The fact of the matter is that NSW needs to pay much more attention to heavy vehicle safety.

The Bureau of Infrastructure, Transport and Regional Economics (BITRE) in a report "Fatal crashes heavy vehicles Australia quarterly bulletin Oct –Dec 2017" shows that the number of fatal crashes involving articulated trucks on NSW roads in 2017 was 40, and that this number is by far the highest it has been in five years, AND, many more than the 22 in 2016.

As noted by the NSW Centre for Road Safety, Heavy truck fatal crashes, in the five years from 2012 to 2016, there were:

260 fatal crashes involving heavy trucks, on average 52 fatal crashes per year,

289 fatalities from heavy truck crashes, on average 58 people killed per year,

and 6937 injuries (including 1993 serious injuries) from heavy truck crashes, on average 1387 injuries (399 serious) per year.

This unacceptably high level of fatal crashes involving articulated trucks on NSW roads continued into January 2018.

This five year period follows (as noted BITRE) an earlier observation "Fatal crashes heavy vehicles Australia quarterly bulletin Apr-Jun 2012") a BTIRE that observation that fatal crashes involving articulated trucks are increasing in New South Wales against a national trend of decreasing.

In 2012 the NSW Centre for Road Safety was able to provide data showing that for the five years to 31 December 2010 shows a total of 190 fatal crashes on all NSW roads involving an articulated truck, and of these fatal crashes, 38 per cent (some 73) involved a B-Double.

The website http://roadsafety.transport.nsw.gov.au/downloads/dynamic/weekly_stats/heavy-truck-fatal-crashes.pdf notes that in the five years 2012 to 2016, there were 260 fatal crashes involving heavy trucks. An inquiry into <http://roadsafety.transport.nsw.gov.au/contactus/> as to how many involved articulated trucks (BITRE data says 150), and, how many of these fatal crashes involved a B Double, is receiving attention at present.

1.1 Truck operator licensing and telematics

As noted by the Sydney Morning Herald on 15 January 2018, *Toll calls on Prime Minister Malcolm Turnbull to overhaul national truck safety rules* the company outlined a six-point point plan to improve heavy vehicle safety.

The six points included “introduction of a national operator licensing system” and “mandatory application of telematics for regulatory purposes.”

It is of note that heavy truck operator licensing was raised in a NSW context in the 1980 *Report of the Commission of Enquiry into the New South Wales Road Freight Industry* by Mr G McDonell.

Along with the compulsory use of tachographs (the mechanical equivalent of telematics), truck operator licensing was raised again in 1984 a national context by a National Road Freight Industry Inquiry. Both are long overdue for New South Wales.

2 Green Freight Program

The 2013 draft and final strategies gave consideration to a green freight program, with the final one noting on page 143 (task 3B-3) *inter alia*

Mitigate emissions from freight operations

Transport for NSW will manage and reduce the emission of greenhouse gases, fine particles and nitrous oxide from freight transport.

Greenhouse emissions from freight transport are expected to increase by over 50 per cent from 2010 to 2030.

Some actions to increase the efficiency of freight transport will also help to reduce the emission of greenhouse gases. These include:

Shifting freight movements to off-peak periods (see Action 1B)

Promoting the use of High Productivity Vehicles (see Action 1D).

More specifically, Transport for NSW will also:

Promote the use of low emission technologies and fuels and programs, such as through the Green Truck Partnership.

Optimise freight network management, for example through the Green Freight Program.

The notes on page 145 of the 2013 final strategy re Green Freight Program follow:

Effective action to reduce freight emissions requires recognition that all elements of the industry need to be engaged around an emissions reduction program that is

linked to improved business efficiency. Transport for NSW therefore proposes to establish an overarching program, the Green Freight Program, which will help bring these elements together.

The Green Freight Program **will facilitate the transfer of freight from road to rail** (emphasis added), where it can be shown to reduce emissions and provide complementary benefits such as reductions in road congestion, deferral of additional road expenditure, improved road safety, continued employment in regional communities and reduced transport costs to industries such as agriculture, manufacturing and heavy industry.

Opportunities are being created for the rail industry through the construction of new rail infrastructure such as the Southern Sydney Freight Line and the Northern Sydney Freight Corridor. These developments are designed to improve the competitiveness of rail. To take advantage of these opportunities the rail industry needs to demonstrate that it can effectively compete with road freight in all aspects, including noise. This includes taking advantage of technological advancements.

The absence of a Greenfreight initiative in the 2017 draft raises a number of questions. It is submitted that the 2013 goals, including “transfer of freight from road to rail” are good ones, and should be specifically reinstated in the final 2018 strategy.

For any such a program to be effective, it need carrots and sticks. This will need to include improved road cost recovery from heavy trucks, and failing this, some well targeted subsidies for rail freight.

3 External costs

The 2013 final strategy recognised externalities of noise, emissions and road congestion. The 2017 draft strategy deals very lightly with these topics.

It is submitted that there is a need to give more attention to external costs on two fronts:

- A. Road cost recovery from heavy trucks. A brief mention is given on this on page 45 of the draft 2017 strategy. It is suggested that more attention be given to this important question in the final strategy.
- B. The final Freight and Port strategy should include the IPART 2012 estimates of external costs of road and rail freight in NSW, with strategies for reducing these costs, including modal shifts.

4 Oil use

There is nothing in the draft NSW strategy about reducing dependence on oil use in freight cf the c2013 Queensland Freight Strategy. Oil vulnerability could be quite relevant during the 2020s.

5 A better balance between road and rail freight/ sea freight

There is little about getting oil freight transferred from rail to road over the past ten years back onto rail. Instead the 2017 draft talks more about Higher Productivity Vehicles. It is submitted that to avoid worsening road congestion (let alone improved

road safety and less emissions) that a more balanced approach is required, with some serious attention to improving rail freight productivity with heavier and faster trains.

It is of note that the 2013 Queensland Freight strategy *Moving Freight* had its first group of priority actions to move more freight onto rail.

Sea freight can also be used to reduce road congestion. One case in point was the use until 2011 of a coastal ship to move quarry products from Bass Point to a facility near Glebe. Now it goes by heavy trucks, adding to road congestion on the Mt Ousley road and the F6.

6 More comment re freight

Ongoing Hume, Pacific, Newell and other highway upgrades over the years have allowed road transport to improve its productivity with longer and heavier trucks. Coupled with other road upgrades with generally low road cost recovery from articulated trucks (as noted by the 2010 Henry Tax Review and other reports), rail has lost market share in the North South corridor.

Put bluntly, the North South existing track upgrades delivered to date by the ARTC have been far outranked by the total reconstruction of the Hume Highway (completed in 2013) and Pacific Highways (due 2020 or so) to modern engineering standards.

6.1 An Inland Route

The 2017 draft NSW strategy notes an inland railway.

Most Melbourne-Brisbane intercity freight continues to move by road. This is despite the length of haul where, as observed in 1994 by a National Transport Planning Task Force rail should dominate but fails to dominate due to extra track length and Sydney congestion.

An inland route through Parkes has been long proposed and much studied. A 2010 report, commissioned by the ARTC, identified a route through Albury with a Junee-Stockinbingal bypass of the Bethungra Spiral to Parkes, and a Narromine Moree route, and a 4 km tunnel through the Toowoomba Ranges rather than a 6km tunnel and route identified and protected in 2004 by Queensland Transport or QT.

Support, through a communiqué, was given to an early start for a high quality inland route, from a Symposium hosted on 22 June 2012 by Parkes Shire Council.

In addition, the Inland Route Alignment Study (IRAS) settled for an older (c1920s) mainline standard of a minimum curve radius of 800 metres as opposed to 2200 metres as adopted by QT for the Toowoomba tunnel.

The line from Stockingbingal and Forbes was completed in two sections during World War I, and for this line, for most curves, a standard minimum radius of 60 chains was adopted. This is about 1200 metres. One hundred years later, with modern earthmoving machinery, the ARTC should be able to meet this standard.

The current ARTC ‘service offering’ for Melbourne to Brisbane freight trains via a new Inland railway is 24 hours. In the 21st century, the goal should be 20 hours.

The expression of support in the final NSW strategy for construction of new sections of an inland railway to a high standard would be appreciated.

6.2 Hexham Fassifern Stroud Road

Page 80 of the draft (0-10 Year Initiatives: We plan to investigate) notes a “**Lower Hunter Freight Rail Corridor:** Protection of the corridor to improve freight efficiency and capacity. A freight rail bypass of Newcastle city will ameliorate noise and level crossing impacts.”

It is suggested that this work should be expedited.

In addition, consideration given to a Hexham to Stroud Road deviation. A case study of a major deviation between Hexham and Stroud Road was noted in 2007 report of the Neville Committee (*The Great Freight Task: Is Australia’s transport network up to the challenge?* page 116). Here, the construction of 67 km of new track would replace a substandard 91 km section to halve transit times and reduce fuel use by 40 per cent.

Incidentally, in releasing the 2007 report, Committee Chairman Mr Paul Neville MP, noted that despite some progress, “*it is now even more obvious that bold measures will be necessary to see a more serious movement of freight from road to rail.*”

6.3 Main South rail deviations

The draft report fails to mention the option of the NSW encouraging the ARTC to bring the main south line from Sydney to Junee or the North Coast line from Maitland to the Casino out of the steam age through deviations or track straightening. This could usefully be remedied in the final version.

The above cited 2007 Neville Committee report held that further priority is for the “*reconstruction and realignment of the main freight networks*”.

Along with the new 67 line from Hexham to Stroud Road noted, other mainline interstate track straightening options include a major rail deviation between Campbelltown and Mittagong (the Wentworth Deviation) and two others to Cootamundra requiring construction of some 194 route kilometres of new track. This would reduce point to point distance by over 50 km and cut freight train transit times by nearly two hours when compared with the existing track. There would also be significant fuel and other savings to freight train operators along with lower track maintenance costs.

6.4 Maldon Dombarton

The proposed 35 km Maldon Dombarton line was given extensive coverage in the 2013 final strategy. It is conspicuous by its absence in the 2017 draft. This is despite the corridor being reserved.

As noted by the Neville Committee report, the Maldon Dombarton rail link could tie in with the Wentworth Route.

It is clear that the existing South Coast railway is faced with capacity issues. This was noted in a 2014 business case that was not released until early 2018 (Freight could be pushed off rail line, Illawarra Mercury, March 3, 2018).

The completion of the Maldon Dombarton link would ease capacity constraints on the existing line, and leave fewer freight trains in inner west Sydney.

It is submitted that Maldon Dombarton should be noted in the final strategy. A more positive approach to bring completion of the Maldon Dombarton link forward would be appreciated.

6.5 The Cowra line

The Cowra line that closed 2009 was given one page in the 2013 final strategy. It is conspicuous by its absence in the 2017 draft.

It is submitted that Cowra line should be noted in the final strategy. Something about reopening Harden Cowra line by 2020 would be helpful.

6.6 An item of note from the 2012 Infrastructure NSW report

An item in this report released October 2012 touching on freight includes the Pacific Highway: “The economic merit of the remaining sections is much lower at 0.8 (Benefit Cost Ratio) than that of the Highway as a whole. ... This reflects the relatively low traffic volumes on the remaining sections – for example the traffic between Woolgoolga and Ballina is generally below 10,000 vehicles per day.”

“Given competing priorities for NSW and Commonwealth Government funds, the high cost and relatively limited benefits of these remaining sections raises questions ...”

Currently (March 2018) some 525 kilometres, or about 80 per cent of the Pacific Highway between Hexham and the Queensland border have been reconstructed to a high standard four lane divided highway. This includes sections of higher Annual Average Daily Traffic (AADT). The remaining sections with lower AADT are under construction or being prepared for major work.

One such section is Woolgoolga to Ballina with about 155 kilometres of new highway to be built. The Australian and NSW governments are jointly funding the \$4.36 billion cost. This is at an average of about \$28 million per km. Yet, for most of this section of road, the AADT will not exceed 12,500 with 10,000 cars and 2500 trucks.

A series of simple calculations of the likely fuel excise and annual registration fees paid by motorists and trucks (using published ABS, NTC and other data) shows that it is below \$500,000 per annum for each kilometre of new Pacific Highway. The interest at 4 per cent per annum on the \$28 million is \$1.12 million per year.

6.7 Mt Ousley

The 2013 strategy notes, *inter alia*, on page 213: *RMS has commenced planning for additional climbing lanes on Mt Ousley Road. Mt Ousley Road is a key freight route as the only access route for B-doubles into the Illawarra from the North. The initiative is for the construction of four additional climbing lanes on Mt Ousley Road between the Picton Road and Bulli Pass, options for the construction of a grade-separated interchange at the junction of Mt Ousley Road and the Southern Freeway, and ...*

The Mt Ousley Road now has an AADT exceeding 50,000 with nearly 6900 trucks. Planning has advanced for grade separation at the foot of the Mt Ousley Road.

The Mt Ousley road is conspicuous by its absence in the 2017 draft. Given the importance of the Mt Ousley road to Wollongong and Port Kembla, the grade separation project should be noted in the final strategy.

6.8 Alignment with federal initiatives

The federal government is developing a National Freight and Supply Chain Strategy, with a final version due by the end of 2018. This follows the appointment of an

expert panel along with the release of a draft paper in 2017 and receipt of 126 submissions which are placed on a website. This raises the question as to whether submissions in response to the draft NSW strategy will be placed on a website.

More freight on rail (or sea, pipelines or conveyors, for that matter) with fewer heavy loads on roads is in the interest of New South Wales residents as well as in the national interest. The wide-ranging benefits include improved road safety with less use of imported liquid fuel and lower emissions.

6.9 Port of Newcastle

The current restrictions on the port of Newcastle developing an effective working container terminal should be lifted. These restrictions arose when long term leases were granted for Port Botany and the port of Port Kembla.

7 Conclusions

The current exhibition of a draft NSW Freight and Ports Strategy is raises a number of issues. It is hoped the final strategy will assist in New South Wales in getting better balance between road freight and other freight modes. The diversion of some freight from road to rail (or sea, conveyors or pipelines) would not only improve road safety but reduce the use of imported oil but also reduce greenhouse gas emissions and in some cases, after appropriate capital investment, lower freight costs.

Key indicators should include safety, energy efficiency and emissions. Progress in meeting targets such as a percentage of movement of containers to and from major ports by rail and bulk commodities to ports should also be monitored with the results easily accessible.

With the population of New South Wales now approaching 8 million with over 5 million people living in the Greater Sydney region, and Sydney road congestion costing over \$6 billion a year by 2020, freight reform is needed within New South Wales. The problems now being experienced in heavy truck safety on NSW roads suggest that the reform needs to go further than what is currently proposed at a national level. The challenge is to ensure that the present review actually leads to appreciable reform in NSW.

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