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NSW Freight Policy Reform Program
Transport for NSW

29th May 2024

Dear Dr. Schott,

I am writing on behalf of AMPS Agribusiness Ltd to express our concerns under the ongoing NSW Freight Policy Reform Program. As a leading agricultural merchandise provider in the North-West of NSW, the inefficiencies imposed by current freight policies significantly impact our operations and sustainability.

AMPS Agribusiness services over 600 farmer customers, with 55 staff across six key locations: Armatree, Moree, Tamworth, Gunnedah, Caroonna, and Walgett. Our operations involve the transport of vital agricultural supplies, including chemicals, fertilisers, seed, and general farm merchandise. Efficient access to the Port of Newcastle is crucial for our business to maintain competitive pricing, timely delivery, and overall operational efficiency.

Our operational costs are driven up by the inefficiencies in the freight network and the congestion at Port Botany. Port Botany is largely avoided by almost all of our major suppliers as a result. Our closest port is Port of Newcastle which for many years has been prevented from operating as a container terminal. For many years we have been forced to route our containerised freight through distant ports, increasing our operational costs and transit times. For instance, much of the product that we sell is containerised and travels via alternate ports (Brisbane & Melbourne), resulting in increased costs, a larger carbon footprint and logistical inefficiencies.

The current freight and port policy does not recognise the Port of Newcastle as a priority container terminal. If it was recognised, it would alleviate these issues, providing a more direct, lower carbon and cost-effective route for our agricultural products. For example, sending or receiving freight from Walgett - Brisbane, 700 km away, rather than the closer 580 km to Newcastle, significantly inflates operational costs and extends the environmental footprint of our operations. Additionally, routing

of freight from Tamworth to the Port of Newcastle also result in cost savings of \$581.90 per TEU and a total emissions reduction for containerisation of 792 tonnes of CO₂.

Investment in infrastructure improvements for roads and railways connecting to major highways and intermodal facilities leading to Newcastle is essential. Upgrading the New England Highway and enhancing the Narrabri to Newcastle rail corridor with passing loops would significantly improve the efficiency of freight movements. Ensuring the rail network supports at least a 25 Tonne Axle Load (TAL) across the region would enable us to transport heavier loads more efficiently, reducing the number of trips required and lowering operational costs. Currently, the Walgett to Narrabri rail line operates at a 21 TAL, limiting the efficient transport of bulk agricultural products by rail. We would support the upgrade of this line and the development of the Special Activation Precinct in Narrabri.

Developing regional intermodal hubs with connection to Inland Rail via the interface improvements rather than relying solely on metropolitan intermodals would improve freight collection and distribution. This approach facilitates better integration between road and rail transport, optimising the overall freight logistics in NSW. Specific improvements, such as the restoration of rail lines and upgrading key junctions like the ARTC/CRN at Narromine, are crucial for supporting the movement of agricultural goods. Redirecting freight through the Mitchell and Golden Highways to Newcastle instead of Brisbane would also reduce transit times and costs, requiring upgrades to these highways to safely accommodate heavier and more frequent traffic.

Finally, we assume Inland Rail will go ahead as planned, with the Narromine to Narrabri section being of greatest importance to us in our region. However, we hope the Government will give us greater confidence of its plans to proceed, and information on the timing and planned interfaces and intermodals that will support our region to import and export via the Port of Newcastle.

Importantly, we also suggest that higher productivity heavy vehicles be approved for access along our State Highways between the north-west region and the Port of Newcastle. For example, the Golden Highway, New England and the Kamilaroi Highway.

The dependency on distant and congested ports due to current policy limitations not only increases our operational costs but also extends our environmental footprint. Immediate development of an automated container terminal at Mayfield, Newcastle, and fair infrastructure funding are the first steps towards supporting our business and region.

The current state of NSW's freight infrastructure, particularly around Port Botany, significantly hinders our ability to operate efficiently. We invite you and the Independent Advisory Panel to visit our facilities for a roundtable discussion to directly address these issues and explore viable solutions that can benefit not only AMPS Agribusiness but also the broader NSW freight and logistics sector. We appreciate

your leadership in the Freight Policy Reform Program and look forward to your support in implementing these necessary changes to enhance the efficiency and sustainability of our operations.

Sincerely,

