

October 2024

To Transport for NSW,

**Re: *Freight Policy Reform: Interim Directions***

The Committee for Sydney welcomes the opportunity to provide further feedback to the Freight Policy Reform Program.

We commend the Independent Panel for their genuine and thorough engagement with industry and stakeholders on this task. This is reflected in the Interim Directions report's acknowledgement and inclusion of many of the key issues raised.

The Committee for Sydney is an urban policy think tank. We are advocates for the whole of Sydney, focused on developing solutions to the most important problems we face. We are proud to have over 160 members that represent key business, academic and civic organisations across Sydney.

Getting freight right is critically important to the long-term economic prosperity of NSW and Sydney. The opportunity of an interconnected network of ports, airports and freight infrastructure underpins the next wave of economic development for the state.

Much of our feedback in this submission is based on consultation that we have undertaken with our own members and other relevant stakeholders, including local councils, freight and logistics providers, economists, land-use and transport planners and consultants.

In the below we provide feedback and matters for further consideration on the sections relating to:

- Information and data
- Strategic planning and industrial lands
- Decarbonisation

We broadly agree with the interim actions and directions set out in this paper, and particularly commend the Panel's strong focus on the importance of embedding freight in strategic land-use planning and recognising the importance of industrial land in Sydney.

**Information and data**

We note Australia and NSW's digital maturity in the freight and logistics sector is far behind other countries. Digital transformation in some sectors, along with the development of Single Windows, is critical to boost industry efficiency.

Identifying and addressing data gaps, as well as standardising data metrics and systems, will better inform strategic government plans for the economy, land-use and transport. It will also enable more efficient industry coordination, planning and investment.

Based on our own consultation with Committee for Sydney member organisations, we recommend the following actions and reforms:

- **Appoint a single coordination aggregator or policymaker** that 'sets the rules' for how information and data should be standardised, captured and shared.
- **Use Single Windows.** Learn from best-practice around the world, for example those used at Rotterdam and Valencia ports respectively. This requires better coordination within and between each level of government as well as industry.
- **Address data "blackspots".** Once goods leave the port, before they reach a container yard, and once they leave the container yard, there is no information or data captured on their movement – i.e. where they're going, in how many vehicles, in what types of vehicles. Better understanding of freight movements will enable better planning for future freight networks.
- **Digitalise rail freight planning and coordination** to increase the availability of information and data relating to this freight mode. This needs to be addressed before we can properly scale rail freight in NSW.
- **Collect and analyse data on where friction between land-use planning and transport planning affects the coordination or efficiency** of freight movements. For example, the most efficient time to move containers on roads may be 1am, but the yards which they are moving too may not be allowed to open until 7am. This can help to identify potential reforms to optimise freight movements.
- **Provide local councils with access to sufficient, up-to-date data on heavy vehicles.** This will make it easier for local governments to plan for road maintenance or apply for funding for road upgrades. Insufficient load limits also force certain industries out of Sydney or force them to move goods via more trucks with smaller loads – which is more expensive.

### Strategic planning and industrial lands

We agree with and support the intention of immediate actions and directions set out in the strategic planning and industrial lands section of this paper. However, we suggest some of these actions and directions should be strengthened to emphasise the importance of integrating freight in strategic planning.

Embedding freight planning in economic, land-use and transport strategic plans will boost the NSW economy by supporting more businesses to stay in the state, and by optimising the efficiency of freight and logistics operations within the state, across state borders and between other countries.

Based on our own consultation with Committee for Sydney member organisations, we recommend the following actions and reforms:

- **Embed freight planning in economic, land-use and transport strategic plans.** It is critical for sustainability, efficiency and viability that it is embedded in all three, not just land-use strategic plans. This requires departments other than just Transport for NSW to share responsibility for freight. This will make freight strategic planning more sophisticated – and create a high-level view of where freight needs to go and whether routes are sufficient to accommodate this.

- **Develop a multi-port strategy as part of a broader economic and land use strategy.** NSW has a unique opportunity for its collective port assets to create a profound comparative advantage both for NSW domestically and Australia internationally. This strategic view of port assets in NSW's freight network should be developed in conjunction with a state economic strategy.
- **Engage more frequently and more meaningfully with local councils** on strategic plans, including freight planning. Councils need to plan their own areas, and having certainty regarding freight corridors, industrial land releases and housing targets helps them to plan with greater clarity. Working with local councils to understand these tensions is critical to help inform state strategic plans.
- **Preserve future rail freight corridors now.** Without doing this, truck freight will undermine the viability of rail freight. This is already occurring as trucks are further ahead than rail in terms of planning and technology, and are easier and cheaper to upgrade. It is also extremely difficult and costly to plan rail freight that currently shares commuter lines as commuter trains take preference and freight windows are offered up on an ad hoc basis.
- **Review load limits on local roads and bridges around industrial precincts.** Some local councils are having to turn away businesses who want to relocate there – or businesses are leaving the area – because roads and bridges do not have the required load limits for the larger format trucks and weights they need to move. The state government should consider reviewing local roads around industrial precincts that are being used for freight movements to understand where roads may need to be upgraded, freight encouraged to re-route or local roads being dedicated to state government to remove the financial burden on local councils. This is especially critical in Western Sydney.
- **Develop a rolling 10-15 year pipeline of industrial land releases.** NSW has no clear strategic pipeline of industrial lands supply, compared to VIC and QLD which have a 10-to-15-**year** pipeline. In Queensland it is a legislative requirement to have a 15-year pipeline. This makes industrial land in Sydney much more expensive than other states, means critical infrastructure is not complete when land becomes available and results in businesses not having certainty to establish, invest or scale in Sydney.
- **Retain the 'retain and manage policy'.** The current lack of supply of industrial land in NSW - and particularly Sydney - is at crisis point. While this policy is set by the NSW department of Planning, Housing and Infrastructure (DPHI) – and therefore may be out of scope for this review – we recommend the necessity of this policy is conveyed to DPHI in the strongest possible terms by the review panel to ensure the ongoing functionality of Sydney's freight network.
- **Expand the remit of the Housing Subcommittee of the NSW Cabinet to include industrial land supply.** Again, not directly related to the terms of reference of this review, but conveying this recommendation to the NSW Government will help highlight the industrial land supply crisis and ensure it is considered in difficult decisions about the trade-offs of different land-uses in different locations.
- **Maintain a working waterfront in Sydney harbour.** We recognise that while there is an industrial land supply crisis in NSW, there is also a housing supply crisis. While it is necessary for some land to be maintained for the working waterfront, if it is also deemed necessary that a portion of land is set aside for housing then policies will need to be developed to ensure the impact of noise and emissions is mitigated and a clear examination be undertaken of what essential working waterfront activities must be retained.



- **Ensure greenfield sites that are zoned for industrial uses are part of a clear precinct plan or link to broader strategic plan.** These plans need to be communicated in a timely fashion to critical infrastructure providers.
- **Improve public transport access to industrial precincts.** Many industrial precincts are poorly connected by public transport and it is not viable to provide space for staff parking, so many businesses are providing private bus services for their employees. For those that can't afford to do that, attracting employees who are able to access the sites is increasingly difficult.
- **Identify critical freight infrastructure interdependencies.** The efficient movement of freight requires freight infrastructure to interact with other critical infrastructure – particularly energy, waste services and access roads. However, ownership of the points of interaction and interdependencies are not always clear. The Committee recommends that the freight network plan for risks of disruption associated with issues such as natural disasters be more clearly articulated and planned for. The Committee for Sydney released a report on critical infrastructure interdependencies in July 2024 entitled '[No Weak Links](#)' that contains a number of recommendations that explore this in detail.

#### Decarbonisation

Decarbonisation is the most critical challenge of our time. The interim actions and directions set out in this paper are sound. However, the assumption that more freight can be 'incentivised' to move from trucks to rail is constrained by the known physical restrictions on rail freight in NSW – i.e. lack of dedicated rail freight infrastructure and the operational limitations this creates.

Incentives are not enough to encourage or enable more rail freight. The NSW government should be looking to prioritise dedicated freight rail infrastructure and ensure that future rail corridors are preserved.

Where incentives can be particularly effective in decarbonisation efforts though, is incentivising zero-emission trucks - where truck movements are necessary - by providing free use of toll roads.

#### Closing remarks

Thank you again for the opportunity to provide further feedback. If you have any questions or would like to discuss further, we are more than happy to do so.

Kind regards,



The Committee for Sydney



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