

**Submission to:** Transport for New South Wales

**Title:** NSW Long Term Transport Master Plan

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## 1. Introduction

This submission details the views of the members of the ATA NSW on the NSW Long Term Transport Master Plan Discussion Paper released for public comment.

All elements of NSW transport, from publicly provided transport and freight, through to pedestrians, cyclists and commuters, are all significant users of NSW transport infrastructure. With populations predicted to rise, and an anticipated increase in freight movements, the purpose of this discussion paper and the NSW Government's vision for the future of transport is supported by ATA NSW. Accordingly, ATA NSW is committed to working with Transport for NSW and other relevant departments to achieve a workable, acceptable and viable solution.

## 2. Australian Trucking Association – New South Wales

The Australian Trucking Association – New South Wales (ATA-NSW) is the peak state body that represents the trucking industry. Its members include some of the nation's largest transport companies, and businesses with leading expertise in truck technology.

## 3. Overview

Change is essential to ensure efficient transport of freight in the future. Continuing to move freight the way it is currently undertaken, and expecting a different outcome, is short-sighted and irrational. While we applaud the NSW Coalition Government for taking this step to identify improvements for the future, it would all be in vain if the suggestions and ideas provided by stakeholders were disregarded or put in the "too hard" basket.

There is a real opportunity for growth within this state, and bold decisions need to be made to ensure the future of freight transport in NSW is undertaken in a productive and safe manner. Previous mismanagement of state infrastructure assets has hurt the productivity of NSW under utilising some assets while other roads are crumbling and bridges falling into disrepair. To ensure the state moves forward and maintains momentum, infrastructure needs to be at its economic best, thus providing a sound base for the movement of freight into the future. Without strong infrastructure, NSW will not progress and will not cope with the demands about to be placed upon it.

Bureaucracy within NSW has previously caused the state's productivity to stagnate. For example, the current policy position within RMS regarding higher mass limits (HML) is completely unjustified, and contradicts internationally recognised research. This seemingly minor policy decision is having major repercussions in relation to heavy vehicle freight movements within NSW. Addressing such policy decisions will assist to improve productive and safe movement of freight within the state. Also, aligning NSW policy positions to nationally consistent freight transport policy positions will further enhance the ability of this state to be productive and competitive.

### 3.1. Recommendations

#### Recommendation 1

To reduce challenges for freight transport, the NSW government must reduce bureaucratic red tape, and ensure policy statements can be justified with strong supporting evidence. Further, heavy vehicle operators should be encouraged to take up new technologies and develop innovative freight vehicles without being smothered by over-bearing regulatory requirements.

**Recommendation 2**

To reduce challenges for import and export freight, the NSW government needs to keep up to date with trends in container dimensions and weights, and ensure regulatory requirements are adapted accordingly. Further, that innovative vehicles are provided with opportunities to move container freight in the most efficient manner without imposing costly or prohibitive requirements on their use.

**Recommendation 3**

To reduce challenges for rail freight, the NSW government should investigate the opportunity to segregate freight and passenger rail lines.

**Recommendation 4**

To reduce challenges for freight transport, the NSW government should work across borders with other state and territory governments to achieve the best outcome for the nation. The NSW government must ensure that significant funds received from tax payers through transport related taxes are directed back to supporting infrastructure.

**Recommendation 5**

To reduce challenges for grain line operations, the NSW government should investigate the viability of maintaining and subsidising grain line operations, when compared to using road transport for freight movement, which recovers its cost to infrastructure.

**Recommendation 6**

To reduce challenges for road freight, the NSW government must ensure the most efficient vehicles are allowed to perform the task, with reduced bureaucratic interference. The NSW government should learn from the Victorian model for higher mass limits (HML), and immediately remove the requirement of mandatory IAP for operators to access HML.

**Recommendation 7**

The NSW government should work with local councils to review and remove curfews wherever possible for heavy vehicles, ensuring local governments were aware of the benefits of doing so.

**Recommendation 8**

The NSW government must develop ways to improve the arterial road network to ensure heavy vehicles can access relevant freight routes quickly and easily from major arterials.

**Recommendation 9**

The NSW government must undertake effective planning to support the future freight task to ensure the success of any initiatives proposed.

**Recommendation 10**

The NSW government must undertake thorough community consultations to ensure new initiatives are embraced by the public. Lack of communication will result in a resentful public and reduced acceptance of initiatives.

**Recommendation 11**

The NSW government should consider alternative ports for export and import of freight, rather than relying on the three major ports that currently service the state.

**Recommendation 12**

The NSW government can improve productivity on the road network by ensuring the most efficient freight vehicle is permitted to be used for the freight task. An instantaneous hit for NSW's productivity can be achieved by the NSW government removing the mandatory requirement of IAP on vehicles accessing HML.

**Recommendation 13**

The NSW government must develop ways to improve the feeder road network to ensure heavy vehicles can access relevant freight routes quickly and easily local freight nodes.

**Recommendation 14**

The NSW government should investigate the opportunity of moving port freight by rail and road, and developing a dedicated freight routes for such a purpose.

**Recommendation 15**

To better serve freight customers, the NSW government must consider initiatives that ensure delivery of freight to customers can be completed in full and on time.

**Recommendation 16**

The Freight Transport Plan must aim to increase safety and productivity, improve efficiencies in the moving of freight to reduce the burden on the environment, and create achievable goals that the NSW community can relate to. The Plan must also identify future issues, and ensure problems are addressed proactively.

**Recommendation 17**

The NSW government must invest in infrastructure, in urban, rural and remote areas, that encourages and improves the efficiency of freight movement in NSW.

**Recommendation 18**

The NSW government can support an efficient freight system while meeting community expectations for safety and amenity in residential areas by ensuring initiatives and benefits are clearly communicated to the public.

**Recommendation 19**

The NSW government can address the two most obvious impediments to greater use of high productivity vehicles by removing the mandatory requirement to use IAP, and by working with local governments to provide guidance and education about vehicles operating at HML and better, safer, larger vehicles.

## 4. Commentary

### 4.1. Freight Transport

The transport of freight within, through and to NSW is essential to the state's survival. Regardless of whether it is by air, road, rail or sea, the movement of freight impacts a state's population in some way, shape or form. The key to freight transport is to balance the movement of freight to ensure the least impact that is reasonable, while allowing and encouraging the most productive outcome available.

#### 4.1.1. *What are the challenges for freight transport?*

Australia's freight task is estimated to treble by 2050, less than 40 years into the future. This means freight will need to be moved by more trains, trucks, ships and planes; considering the issues facing these modes of freight transport now, how will this be enhanced and improved in the future? What will NSW governments do to ensure the state can keep up with its northern and southern counterparts?

The challenges are to ensure that innovative solutions are not stifled by bureaucratic red tape, or unproven policy statements that suffocate the ability to change. In road freight for example, encouraging heavy vehicle operators to take up new technologies and innovative freight vehicles should not be smothered by over-bearing regulatory requirements, but rather, operators should be provided with incentives and recognition of their forward thinking and entrepreneurial ability.

#### **Recommendation 1**

**To reduce challenges for freight transport, the NSW government must reduce bureaucratic red tape, and ensure policy statements can be justified with strong supporting evidence. Further, heavy vehicle operators should be encouraged to take up new technologies and develop innovative freight vehicles without being smothered by over-bearing regulatory requirements.**

#### 4.1.1.1. *What are the challenges for import and export freight?*

Container freight into Port Botany and air freight throughput at Sydney Airport is expected to increase significantly in coming years. A recent \$1 billion investment into a third terminal at Port Botany will assist in managing higher volumes of throughput, however, it appears that no such investment has been touted for Sydney Airport. Currently, freight from Sydney Airport is carried by rail or road, with rail being forced to share public transport rail lines, and heavy vehicles sharing roads with commuters.

Dimensions of containers being imported into Australia can vary, especially in height. "Hi-cube" containers allow a higher volume of product to be packed within the container where mass constraints are not an issue. The issue that can arise with transporting this type of container by road is that it significantly impacts on tunnel and over-road infrastructure. While it is the driver's responsibility to ensure this does not occur, the use of these types of containers is increasing to a point where planning of infrastructure should include consideration of this type of freight movement. Infrastructure needs to be developed with international freight considerations.

Also regarding dimensions of containers, international container weights continue to increase. While container weight declarations provide some protection to the driver and operator, there has been poor results when attempting to prosecute further along the chain, such as the importer, due to the often international status of the offender and limits with prosecution ability. Therefore, there needs to be either an increase in allowable axle mass limits, or productive vehicles being more readily accepted for container freight transport. This means, encouraging operators that move container freight to utilise vehicles with more axles, such as prime mover with tri-axle groups, and trailers with quad axle groups.

The increase of import and export freight clearly identifies a need to improve the way freight is moved to and from port terminals. Improving rail lines (where there are dedicated freight rail routes) and encouraging productive, innovative heavy vehicles and proving freight roads will do much to reduce the impact of train and heavy vehicle movements within the port areas.

### **Recommendation 2**

**To reduce challenges for import and export freight, the NSW government needs to keep up to date with trends in container dimensions and weights, and ensure regulatory requirements are adapted accordingly. Further, that innovative vehicles are provided with opportunities to move container freight in the most efficient manner without imposing costly or prohibitive requirements on their use.**

#### 4.1.1.2. What are the challenges for rail freight?

Road and rail are often portrayed as competing, however, we see the rail sector as complementary in freight movement and evidence by BTIRE confirm this. The challenges that currently impede the use of rail for freight movements include multi-purpose rail lines (passenger and freight), and lack of ability to operate in a time-sensitive manner.

For example, freight trains operate at much slower speeds than passenger trains. This means that freight trains cannot be scheduled to mix with passenger trains, and instead must operate outside passenger peak times. This forces time-sensitive freight onto heavy vehicles, which means those vehicles are now interacting with commuter traffic on roads.

Unlike heavy vehicles, diesel powered locomotives are not subject to emission controls, and electric trains, while not obviously contributing to emissions, are powered by electricity, which has its own environmental impacts. Currently the average age of Australia's freight locomotives is 36.6 years old, and some of these are operating with diesel engines that are more than 40 years old. Compared to current technology, these engines emit:

- more than six times the level of carbon monoxide;
- approximately four times the levels of particulate matter;
- twice the levels of nitrogen oxides; and
- 20-30 percent more CO<sub>2</sub> per tonne kilometre.<sup>1</sup>

The challenges for rail moving forward will be to update its locomotive fleet to ensure these emissions and impacts on our environment will be markedly reduced. This will be an expensive process, with repowering or replacing ageing and emission-intensive locomotives expected to cost between \$424-\$721 million. This is not an immediate fix, with the process set to take place over a 10 year period. In contrast, heavy vehicles in Australia have been complying with strict European, USA and Japanese emission controls since 1996, with each iteration of the ADR adopting these controls requiring further stringent emission reduction targets. The most recent design rule for diesel engines was in 2010, which meant a 75% reduction in terms of NOx emissions, and a 92% reduction in terms of particulate matter compared to trucks manufactured in 1996. Increasing the use of rail freight where locomotive emissions are not reduced will have a negative impact on our environment.

Ideally, designated rail freight routes that are not utilised by passenger rail, particularly in port areas, would be a great improvement to the movement of freight by rail. Similarly, roads with truck priority offer efficiency and safety gains for freight and other road users.

### **Recommendation 3**

**To reduce challenges for rail freight, the NSW government should investigate the opportunity to segregate freight and passenger rail lines.**

#### 4.1.1.3. What are the challenges for freight transport?

Freight transport in all forms is often impeded by government. In particular, one government may identify funding for some freight initiative, but the next government that comes into power changes that initiative; or, the expected funding from a federal level is restricted, causing uncertainty and frustration within the freight transport sector.

<sup>1</sup> Australasian Railway Association fact sheet, *A Greener Future... An alternative fuel strategy for rail*  
<http://www.ara.net.au/UserFiles/file/Publications/Enviro-Greener.pdf>

State and federal governments need to understand that freight transport does not end at their boundaries, be it a state border or a change from federal to state owned infrastructure. Governments need to work together and commit funding over a 20 year period (or longer) to ensure freight initiatives are followed through, and that infrastructure is improved and developed to easily cope with the demands to be placed on it in coming years, and to facilitate further productivity.

The current practice of governments not wanting to make difficult or expensive decisions regarding infrastructure cannot continue. Australia's forefathers made those hard decisions and did what was necessary to ensure infrastructure was put in place to meet the demand of future generations. That infrastructure cannot be expected to withstand the challenges of the next forty years, and is now in need of significant help, whether it be through redesign, repair, or complete renewal.

Governments already receive significant funds from tax payers through vehicle registration, fuel taxes, and other transport related taxes as well as general tax revenue. Revenue from transport must not be siphoned off to other, unrelated political objectives, but instead, must be directed only to fixing and developing our freight infrastructure. This might be roads and bridges, rail upgrades, airport runways, or port development. By utilising the collected taxes for what they were intended for will ensure a better New South Wales, and a better Australia for our freight future.

#### ***Recommendation 4***

**To reduce challenges for freight transport, the NSW government should work across borders with other state and territory governments to achieve the best outcome for the nation. The NSW government must ensure that significant funds received from tax payers through transport related taxes are directed back to supporting infrastructure.**

##### **4.1.1.4. What are the challenges for grain line operations?**

Both road and rail have roles in transporting grain. Where large scale consolidation is reasonable there may be benefits to grain being transported by rail, such as keeping trucks out of port areas, but the problem remains that moving freight by rail into port areas still impacts passenger rail, is restricted by peak passenger rail curfews, and may not be cost effective if cost recovery is applied. Road transport recovers its costs, including capital. Grain rail branch lines in NSW recover on average less than 3%. Most rail systems do not achieve cost recovery at all.

Further, grain line operations rely heavily on government subsidies to remain open and operable, whereas wear and relevant capital for road infrastructure is automatically recovered through registration and fuel tax charges. Rail access is also a consideration, as rail lines do not access farm points; trucks would still be required to carry grain to large scale consolidation points where trains could then be loaded for transporting to port areas for export. This is where we see rail and road as complimentary rather than competitive. Wise use of both freight transport resources, when adequately supported by the state and federal governments, is beneficial to the NSW economy.

#### ***Recommendation 5***

**To reduce challenges for grain line operations, the NSW government should investigate the viability of maintaining and subsidising grain line operations, when compared to using road transport for freight movement, which recovers its cost to infrastructure.**

##### **4.1.1.5. What are the challenges for road freight?**

Despite the obvious efficiencies with transporting freight by road, such as reliability, timeliness of delivery, environmental benefits, and ease of access to delivery points for heavy vehicles, there are still many challenges for the road freight sector.



Heavy vehicles such as B-doubles and vehicles operating at HML are the most efficient way of transporting products to customers in and around urban areas. However, these productive vehicles are restricted by local government decisions regarding access to customers within council boundaries. The decisions made by local government and RMS in relation to access are not able to be reviewed, and consequently, many rejected applications are unfair or made without any sound basis. This needs to be addressed to ensure improvements in NSW productivity.

In rural areas, the same issues arise, particularly in relation to poorly resourced local government staff. Council members often have no concept that by restricting access for a B-double, that decision actually increases the amount of trucks on the local government road. The table below shows how many trips are required to move 1,000 tonnes of freight using different heavy vehicle combinations.

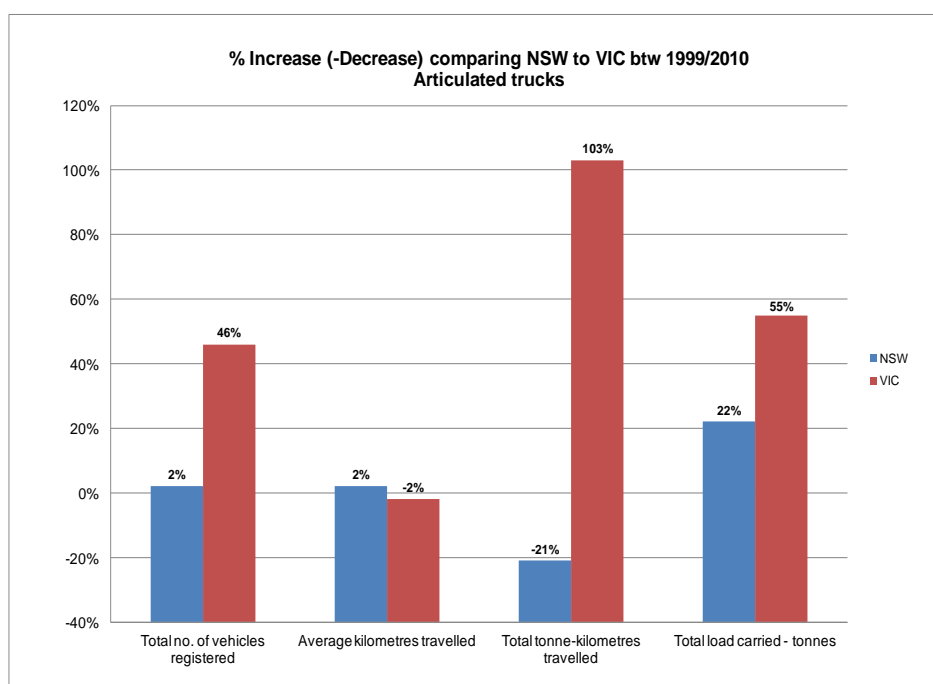
Vehicle Type	GCM (tonnes)	Payload (tonnes)	No Trips per 1,000 tonnes
Six Axle Articulated Semi-trailer (general mass limits)	42.5	24.13	42
Nine-Axle B-double Combination (general mass limits)	62.5	38.93	26
Six Axle Articulated Semi-trailer (HML with road friendly suspension)	45.5	27.13	37
Nine-Axle B-double Combination (HML with road friendly suspension)	68.0	44.43	23

General mass limits are accessible to heavy vehicles that have both road friendly suspensions and non-road friendly suspensions. HML (about 10% higher than general mass limits) are available to heavy vehicles that have road friendly suspension. International research by the OECD has shown that vehicles with road friendly suspension have a 10%-15% reduced impact on road infrastructure, which is why these vehicles are permitted to access a higher mass limit in Australia.

Unfortunately, the previous NSW government endorsed an inconsistent policy, which meant operators wanting to access HML on their vehicles were required to become enrolled in a vehicle monitoring program. HML are not being accessed by operators in NSW due to the cost and unreliability of IAP. This means, more vehicles are needed to move the freight. Instead of 37 trips for a Semi-trailer at HML, it is taking 42 trips to complete that freight task. This has increased environmental impacts, and means there are an additional five trucks on our roads for each 1,000 tonnes of freight that is moved, which wouldn't be there if this monitoring requirement was removed.

The quickest way to reduce the number of trucks operating on NSW roads is to remove the IAP monitoring requirement on operator vehicles so that HML can be accessed in a more efficient manner. The ATA has made previous submissions to Minister Gay in relation to this matter. The Intelligent Access Program is a costly government white elephant that delivers nothing in terms of compliance or surety to road users or road managers that operators are doing the right thing with HML vehicles. IAP should be used as it was intended – for vehicles that are deemed a risk to infrastructure, such as ultra-heavy cranes, and also for recidivist heavy vehicle offenders where a supervisory intervention order ordered by a court could provide some surety that the operator is doing the right thing.

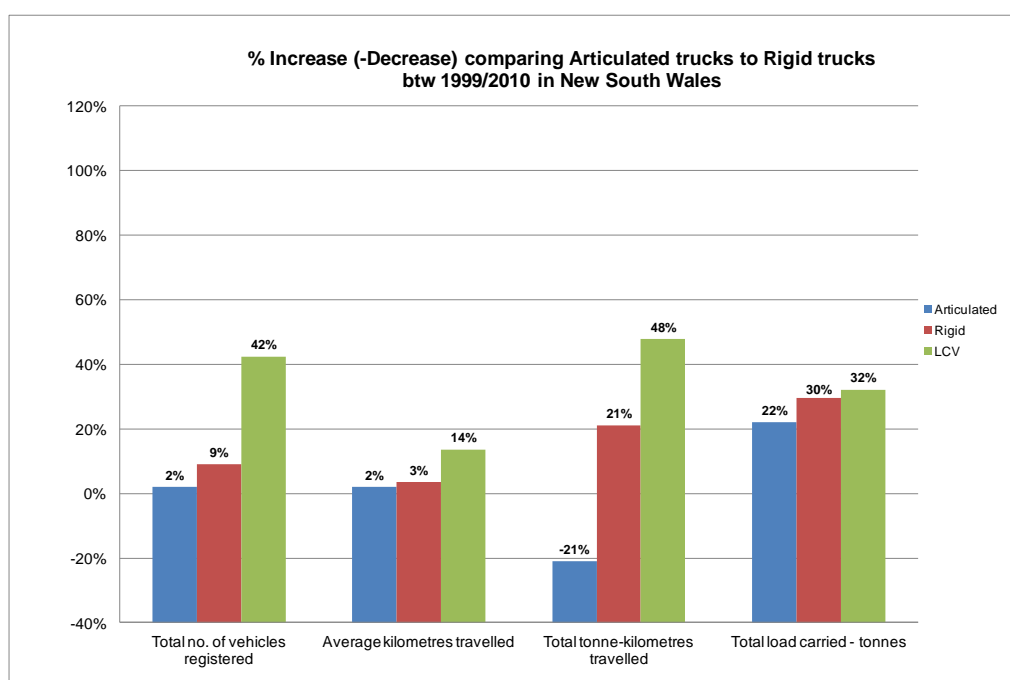
The graph below clearly shows the impact of the previous government's restrictive policy on NSW. This graph uses information from the Australian Bureau of Statistics from 1999 and then again in 2010.



Source: Australian Bureau of Statistics, Survey of Motor Vehicle Use 1999 and 2010

This graph relates to articulated vehicles only, for example semi-trailers and B-doubles. It is clear that Victoria, which has embraced HML and the use of HML B-doubles without requiring IAP, has enjoyed increased registration income from the 46% increase in heavy vehicle registrations between 1999 and 2010. However, the average kilometres travelled has dropped by 2%, indicating the fleet is being used to move freight more efficiently. NSW data, however, shows that while registered articulated vehicles has increased by just 2%, so has the average kilometres travelled, meaning the productivity of the fleet has not increased. The total load carried – tonnes has also increased by 55% in Victoria. This explains their embracing of B-doubles and HML. NSW, being a larger state with a higher population, has only managed an increase of 22% during that period.

The numbers that are cause for alarm are the differences in the last two columns. The total tonne-kilometres travelled by Victorian trucks shows a staggering 103% increase in that decade, and total load carried-tonnes increased 55%. In NSW, total tonne-kilometres travelled by articulated trucks dropped 21%, but total load carried-tonnes increased by 22%. The graph below, which delves deeper into the NSW data, shows an alarming trend in relation to those figures.



When considering rigid vehicle data from the same study, the rigid class of vehicles had an increase in total tonne-kilometres travelled of 21% in NSW. This is clear proof that operators and customers in NSW are moving away from articulated vehicles (which can move more freight more efficiently and with less trucks on the road) to smaller trucks that require a larger number to be used to move the same amount of freight. This approach means that there are more trucks on the road, more emissions, a greater amount of fuel used, more chance of third party drivers (ie. people in cars) hitting a truck, and, ultimately, more road wear.

Access to warehouses, ports and customer delivery points are also restricted in some cases by night time curfews. This means trucks are not able to operate in urban areas when it is most efficient for them to do so. Instead, heavy vehicles must then interact with commuter traffic on urban roads, increasing both their exposure to the general public, and the ill-founded perception that trucks cause congestion. Ironically, garbage trucks are not subject to these curfews, and are often much noisier than their larger counterparts.

If curfews were removed, truck drivers would be able to negotiate urban streets without the pressures of demanding commuter traffic, meaning less stress for both truck and commuter drivers, and less crashes arising from this traffic mix.

Improving the arterial road network so that heavy vehicles can access relevant freight routes quickly and easily from major arterials should be considered. This concept works well in Melbourne, where heavy vehicle traffic from ports can access major arterials very quickly, reducing the interaction with general port traffic and commuter traffic. Currently in Sydney, port traffic is often forced to interact with commuter traffic that may not even be accessing port areas, but which may be travelling through this area to access another part of the city. Roads in port areas should be restricted to prevent through-commuter traffic, which would significantly reduce the amount of congestion in these areas. Ideally, freight routes to ports would be truck-only roads with priority.

#### ***Recommendation 6***

**To reduce challenges for road freight, the NSW government must ensure the most efficient vehicles are allowed to perform the task, with reduced bureaucratic interference. The NSW government should learn from the Victorian model for higher mass limits (HML), and immediately remove the requirement of mandatory IAP for operators to access HML.**

#### ***Recommendation 7***

**The NSW government should work with local councils to review and remove curfews wherever possible for heavy vehicles, ensuring local governments were aware of the benefits of doing so.**

#### ***Recommendation 8***

**The NSW government must develop ways to improve the arterial road network to ensure heavy vehicles can access relevant freight routes quickly and easily from major arterials.**

### ***4.1.2. What are the possible future approaches for freight transport in NSW?***

#### ***4.1.2.1. How can more effective planning support the future freight task?***

Effective planning to support the future freight task is imperative to the success of any initiatives proposed. For example, with appropriate planning, dedicated freight routes could emerge and limitations as such as curfews could readily be reduced in dormitory areas. Along with freight movements, buffer zones between industrial and residential areas can be addressed.

Road design and arterial road development need to be undertaken with future heavy vehicle developments in mind. The increasing use of high productivity freight vehicles, such as B-doubles and B-triples, along with innovative heavy vehicles like super A-doubles used by Qube Logistics in Sydney's port area, means the road infrastructure must be built to accommodate these vehicles.

**Recommendation 9**

**The NSW government must undertake effective planning to support the future freight task to ensure the success of any initiatives proposed.**

**4.1.2.2. How should freight efficiency and local amenity be balanced?**

Freight efficiencies and local amenity are difficult, but not impossible, to balance. The key lies in the public understanding how freight needs to operate, and being informed when initiatives are put in place to allow freight to be moved in the most efficient manner.

For example, providing alternative freight routes to allow separating freight routes from commuter and pedestrian routes during school hours around a school zone should be communicated to parents and ultimately the community, thus ensuring they are aware of the facilitated alternative route. Freight traffic will need to operate at night time without restriction as we move more to a 24/7 economy. If education and information is provided to the general public about the importance of freight movements, people will be more willing to accept some minor impost on their local amenity. There needs to be compromise from both sides.

Today's heavy vehicles have been designed to be much quieter than their predecessors. A truck travelling at 50kmh through a suburban street in the middle of the night would barely cause any noise disturbance to the local community.

**Recommendation 10**

**The NSW government must undertake thorough community consultations to ensure new initiatives are embraced by the public. Lack of communication will result in a resentful public and reduced acceptance of initiatives.**

**4.1.2.3. How should port capacity be expanded to support export and import growth?**

While Port Botany is the obvious choice for export and import growth, NSW has access to an extensive coastline that could be better utilised for port activities. There are a total of 24 ports in NSW, and while most of those are small fishing ports, there are ports that could be better utilised or considered for improved or expanded import/export activities.

There are significant benefits to increasing port activity in smaller coastal areas. The growth to the economy, increase in employment, reduced burden on larger ports and significantly lower real estate costs to purchase and expand smaller ports are all strong benefits. Reducing the burden on ports like Botany provides the added benefit of reducing truck and train traffic in this urban area. Relocating some import/export freight to other ports would allow rail and road infrastructure to be specifically developed to address demand.

Providing dedicated freight rail lines and road routes that do not intermingle or rely on commuter transport routes will enable quick removal or delivery of wharf freight. Providing staging areas on the outer fringe of urban areas also allows freight to be consolidated onto more efficient means of transport, whether that be by a dedicated rail line, or by high productivity vehicles (for example, "short A-doubles" which can carry two 40' containers, rather than one semi-trailer, which can carry only one 40' container – this innovation has the potential to reduce truck traffic by half).

**Recommendation 11**

**The NSW government should consider alternative ports for export and import of freight, rather than relying on the three major ports that currently service the state.**

**4.1.2.4. How can productivity be improved on the road network?**

Productivity can easily be improved by ensuring the most efficient freight vehicle is used for the task. As noted above, using high productivity freight vehicles provides significant benefits through reduced truck traffic. Embracing such initiatives as HML, as Victoria has done, will also do much to improve the productivity in NSW.

Unfortunately, the previous government in NSW restricted the use of HML. This ad hoc policy, which was implemented with no regard of the facts of HML, has arrested the development of productivity in NSW. While RMS may be able to claim that many roads in the state are available to HML, the actual fact is that very few operators access HML due to the requirement to participate in the Intelligent Access Program, or IAP.

Nationally the only condition on HML was the requirement to use road friendly suspension on the vehicles accessing higher mass. Then, NSW added that operators were required to pre-register for the IAP. At the end of June 2008, 3,601 vehicles were pre-enrolled for HML, and approximately 90% of the State road network within the NSW HML access zone was approved for HML, being about 14,000km of road<sup>2</sup>. By August 2009, the actual number of vehicles enrolled in the whole IAP was just 1,785, representing 300 operators<sup>3</sup>. As at February 2012, there are just 1,800 vehicles enrolled in 11 IAP applications, representing 454 operators<sup>4</sup>.

Mandatory enrolment in IAP in some jurisdictions, such as for PBS vehicles, mobile crane operators and concrete pump truck operators, mean enrolment numbers are not reflective of HML use. The IAP link to HML does not provide the productivity gain the NSW government was led to believe it would.

#### ***Recommendation 12***

**The NSW government can improve productivity on the road network by ensuring the most efficient freight vehicle is permitted to be used for the freight task. An instantaneous hit for NSW's productivity can be achieved by the NSW government removing the mandatory requirement of IAP on vehicles accessing HML.**

#### ***Recommendation 13***

**The NSW government must develop ways to improve the feeder road network to ensure heavy vehicles can access relevant freight routes quickly and easily local freight nodes.**

#### **4.1.2.5. How can the use of rail be increased as the freight task grows?**

Use of rail for time-sensitive freight will probably not eventuate, regardless of the type of initiatives or subsidies put in place to encourage the use of rail. Presumably, the most effective way to encourage the use of rail for freight is to ensure freight rail does not interact with passenger rail. The best way to ensure this is achieved is to build infrastructure that is dedicated to freight rail use.

However, while this would seem a logical solution in, say, a port environment, where freight could then be taken away from a busy port to an intermodal staging area and transported away from the city area, dedicated grain lines in country NSW have proven to be not as efficiently utilised in this manner. It may be tempting to throw government funds at encouraging the use of rail, but if farmers or customers see road freight as the most efficient and cost effective means of moving their freight, then this is what will be used. Trying to force freight onto rail will not work to manage the freight task. Customers and users of transport to move their freight take many things into consideration, including cost, timeliness of delivery, and number of times the freight is disturbed (eg. being loaded, unloaded, reloaded onto cargo carrying equipment increases the risk of damage).

#### ***Recommendation 14***

**The NSW government should investigate the opportunity of moving port freight by rail and road, and developing a dedicated freight routes for such a purpose.**

<sup>2</sup> [http://www.rta.nsw.gov.au/publicationsstatisticsforms/downloads/2008\\_rta\\_annualreport\\_mainbody.pdf](http://www.rta.nsw.gov.au/publicationsstatisticsforms/downloads/2008_rta_annualreport_mainbody.pdf)

<sup>3</sup> <http://hvtconference.com/hvt11/proceedings/papers/5b2/5b2%20Paper.pdf>

<sup>4</sup> <http://www.austroads.com.au/images/stories/Communique.pdf>

#### 4.1.2.6. How can the freight customer be better served?

Freight, whether it is delivered by road, rail, air or sea, needs to be delivered in a timely manner. DIFOT is a common term to establish a key performance indicator within logistics, and it means “delivery in full, on time”. If freight cannot be delivered in full and on time, the reputation of the logistics manager is lowered. Things that can impact on DIFOT in road freight are road works or traffic accidents, lack of access, time of day for deliveries, and congestion.

Road works and traffic accidents are the bane of the trucking industry. In NSW, a fatality can shut down a road for many hours, with no alternative route provided for the heavy vehicle driver. In some circumstances, this is understood, however in most cases, trucks could be diverted safely with police direction to ensure they are allowed to continue their journey. Instead, there is often the requirement on the heavy vehicle driver to either park the truck and wait until the road is re-opened, or, where possible, turn around and find another route. This can significantly delay the delivery of freight to the freight customer, and places undue pressure on the truck driver or transport company operator, who must then liaise with a less than understanding freight customer. If heavy vehicles were provided with better alternative routes, or the ability to engage in contra-flow in events such as this, freight customers would be better served.

Lack of access and time of day for deliveries is an ongoing frustration for freight customers. Most customers who receive freight work daylight hours, however, this is when the rest of suburbia are also wanting to utilise infrastructure. Ensuring access to a warehouse or shop can be provided by the most efficient vehicle for the task is also a key to reducing the impact on freight customers. One cannot imagine a company like Coles being instructed that heavy vehicles are not permitted to access the store dock, and therefore all deliveries to this major supermarket must be provided by medium rigid trucks. Imagine how difficult that would be to manage, not to mention the massive increase in medium rigid trucks into the suburb. For example, to move 1,000 tonnes of freight by semi-trailer would take about 42 trips at general mass limits. Using a medium rigid truck to move the same amount of freight would take about 132 trips, more than four times the number of trips required by the semi-trailer. Therefore, ensuring the best, most efficient vehicle can access the freight customer is a key to ensuring the freight customer can be better served.

These issues also lead into the congestion debate, especially in relation to curfews on trucks. If curfews were not part of the restriction on a heavy vehicle to operate, the truck driver would be able to deliver freight when most people were not on roads. This has a two-fold effect – a reduction on truck driver stress levels, as the driver would not be required to interact with anywhere near as much traffic as during the day, and further, it would remove trucks from city streets at times when the network is being used to its capacity. Removing night time curfews on heavy vehicle traffic would ensure freight customers of heavy vehicles are better served.

#### ***Recommendation 15***

**To better serve freight customers, the NSW government must consider initiatives that ensure delivery of freight to customers can be completed in full and on time.**

#### 4.1.2.7. What will the Freight Transport Plan do?

The ATA NSW wants the Freight Transport Plan to achieve the following targets:

- increase safety and productivity;
- improve efficiencies in the moving of freight to reduce the burden on the environment; and
- create an achievable goal that the NSW community can relate to.

The Freight Transport Plan should also identify future issues, and be pre-emptive in its goals to ensure problems are addressed proactively, rather than waiting for problems to arise to be addressed reactively.

#### ***Recommendation 16***

**The Freight Transport Plan must aim to increase safety and productivity, improve efficiencies in the moving of freight to reduce the burden on the environment, and create achievable goals that the NSW community can relate to. The Plan must also identify future issues, and ensure problems are addressed proactively.**

## 4.2. Strategic Questions

### 4.2.1. *What investments are needed across NSW to improve the efficiency of freight movement?*

Access for high productivity freight vehicles in rural and urban areas needs to be addressed. Further, NSW needs to ensure that its policies do not conflict with nationally agreed positions. The mandatory requirement for IAP on vehicles accessing HML is contrary to other state positions, and was not the intended use for IAP. These types of conflicts need to be resolved to ensure increased productivity can be achieved in NSW.

Increasing the development of dual carriage ways will benefit the efficiency of freight movement in NSW. This type of infrastructure reduces the risk of head-on collisions, and facilitates the smooth flow of traffic. Also, while we welcome the identifying of key infrastructure that needs repair or maintenance works, the funding of these should be a priority. The NSW government must ensure that road related revenue, such as heavy vehicle registration charges, is directed to improving infrastructure as a matter of priority.

When talking about improving infrastructure, the tendency is to think only about city and urban roads and bridges. Providing access on key rural freight routes, and ensuring they are of a standard to carry the most productive vehicles, would do much to improve the efficiency of freight movement in NSW.

#### **Recommendation 17**

**The NSW government must invest in infrastructure, in urban, rural and remote areas, that encourages and improves the efficiency of freight movement in NSW.**

### 4.2.2. *How can the NSW Government best support an efficient freight system as well as meeting community expectations for safety and amenity in residential areas?*

The community has an expectation that their goods and services will be provided, with the least amount of impact on their quality of life. Encouraging warehouses and stores to adopt staggered opening hours, and facilitating heavy vehicle access accordingly (ie. outside peak traffic periods) would improve public amenity in areas where industrial or business zones adjoin residential areas. For example, Lane Cove, permit Linfox to deliver freight during the night, thus reducing the interaction of heavy vehicles with the general public.

The benefits in adopting these types of practices are many, but the most significant benefit is the reduced risk of light vehicles interacting with heavy vehicles. According to the National Transport Insurance report *2011 Major Accident Investigation Report*, 82% of fatal crashes involving a heavy vehicle and a third party (such as a car or a motorcycle) were the fault of the third party. Removing this interaction will assist in reducing the incidence of these types of crashes.

#### **Recommendation 18**

**The NSW government can support an efficient freight system while meeting community expectations for safety and amenity in residential areas by ensuring initiatives and benefits are clearly communicated to the public.**

### 4.2.3. *What are the impediments to greater use of high productivity vehicles and how can these be overcome?*

There are two obvious impediments to greater use of high productivity vehicles. Firstly, the previous NSW government's insistence that IAP be mandatory to access HML has killed productivity in this state. Secondly, local councils rejecting access for high productivity vehicles have stalled the ability of freight to be moved in the most efficient manner.

As previously shown, IAP is not required for operators to access HML in Victoria, and the state is booming. Simply removing the requirement from HML in NSW would provide an instant boom in productivity, without creating any additional wear to roads. There seems to be a long-held belief that trucks accessing HML wear roads quicker, despite an OECD report finding that in fact, vehicles operating at HML create no more wear on roads than if the vehicle was operating at general mass limits. This needs to be addressed for the government to access productivity gains.

#### ***Recommendation 19***

**The NSW government can address the two most obvious impediments to greater use of high productivity vehicles by removing the mandatory requirement to use IAP, and by working with local governments to provide guidance and education about vehicles operating at HML and better, safer, larger vehicles.**

## **5. Conclusion**

To ensure efficient transport of freight in the future, change is essential. The ATA NSW welcomes the opportunity to provide comment to the NSW government in relation to its Long Term Transport Master Plan. There are bold decisions to be made in relation to improving freight efficiencies and enhancing infrastructure for the future.

Under the previous NSW government, bureaucracy caused the state's productivity to stagnate. Improvements in policy positions regarding HML and removing mandatory IAP to access HML would do much to generate easy productivity gains in NSW. Further, by aligning NSW policy positions with nationally consistent and agreed freight transport policy positions will allow NSW to compete with its neighbours in a stronger manner.

The ATA NSW looks forward to working on this Long Term Transport Master Plan into the future with the NSW government for the benefit of its members, the government, and ultimately, the state of New South Wales.