



Mildura Rural City Council



SUNRAYSIA
AREA
CONSULTATIVE
COMMITTEE

Sunraysia Mallee
ECONOMIC DEVELOPMENT BOARD



SUBMISSION NO. 22

6th May 2005

The Secretary
Transport and Regional Services Committee
House of Representatives
Parliament House
CANBERRA ACT 2600

Secretary: *J. Luthers*
RECEIVED
9 MAY 2005
HOUSE OF REPRESENTATIVES
STANDING COMMITTEE ON
TRANSPORT AND
REGIONAL SERVICES

Dear Sir/Madam

RE: SUBMISSION TO NEW INQUIRY: INTEGRATION OF REGIONAL ROAD AND RAIL NETWORKS AND THEIR CONNECTIVITY TO PORTS

Please find attached a joint submission for consideration with regard to the inquiry on the integration of regional road and rail networks and their connectivity to ports.

This joint submission is made on behalf of Mildura Rural City Council, Wentworth Shire Council, Sunraysia Area Consultative Committee and the Sunraysia Mallee Economic Development Board.

Correspondence and inquiries can be directed to Andrew Millen, Chief Executive Officer of the Sunraysia Mallee Economic Development Board, PO Box 4146, Mildura Victoria 3502, Phone 03 5018 8187 or Email andrewm@smedb.com.au

Yours sincerely

Phil Pearce
CHIEF EXECUTIVE OFFICER
Mildura Rural City Council

Michael Boyd
GENERAL MANAGER
Wentworth Shire Council

Don Carrazza
CHAIRMAN
Sunraysia Area Consultative Committee

John Irwin
CHAIRMAN
Sunraysia Mallee Economic
Development Board

Submission to the Federal Parliamentary Inquiry into the Integration of Regional Rail and Road Freight Transport and their Interface with Ports

1. Executive Summary

The Mildura and Riverland Region is a tri-state hub with high economic importance to Australia in the areas of agriculture (grain, wine, table grapes, fruit and vegetables), mineral sands mining and tourism. Direct freight connectivity to Australia's ports and major cities is presently limited by shortcomings in the existing road and rail system to and from Mildura. This submission recommends that the three levels of Government - Federal, State and Regional Councils - work together to

- ▶ Enhance national rail network by constructing a rail link from Yelta to Sayers Lake (East of Broken Hill) on the transcontinental line
- ▶ Upgrade and standardise the Geelong to Mildura Rail corridor and extend a spur from Redcliffs to Thurla proposed multi-modal freight terminal.
- ▶ Create a 24 hour freight gate/intermodal terminal and industrial park at Thurla, outside of the Mildura residential zones; relocate all major freight operations to Thurla, remove the rail line from central Mildura
- ▶ Reroute the Sturt Highway around Mildura via Meridian Rd and Wilga Rd to provide easy access to the Thurla Terminal and to remove heavy vehicle through traffic from the centre of Mildura; provide a new Murray River crossing at Monak to rejoin the Sturt Highway in NSW
- ▶ Complete the rail loop around Mildura from Thurla to Yelta, take a rail spur to Mildura Airport for a consolidated rail/road/air facility

2. Introduction

In the national context Mildura and its surrounding region are located at the junction of three states, New South Wales, Victoria and South Australia. The present population growth of the Mildura Rural City is 2% which makes it one of the fastest growing areas in Australia. Mildura is potentially within one day's land transport from 80% of the Australian population.

The Mildura and Riverland region includes some of the richest agricultural land in Australia, producing wine, table grapes, citrus fruits, dried fruits and other tree crops and vegetables. It is estimated that 10% of Australia's agricultural exports originate from this area.

1999 figures gave the volume of interstate through movements at approximately 1.9 million tonnes with a value of \$2.7 billion. The location makes it a natural pathway for travel between New South Wales and South Australia but at present connectivity to the national transport network is constrained by the relatively low quality of current rail and road infrastructure around Mildura.

sands transport upwards of 500,000 t per year could create much larger increases in traffic. The Murray Basin is the world's largest source of mineral sands and mining is just beginning. Bemax in NSW and Iluka in Victoria and NSW are the major mining companies developing the deposits.

The specific improvements described below have direct benefits for the improvement of freight movements nationally and must be driven by the Federal Government - through AusLink and associated mechanisms - as well as by State Governments and Regional Councils. Without a concerted national and local approach there is the risk that progress will be delayed.

3. National Rail Network

It is in the national interest to ensure that in times of emergency transport routes are available. The existing line from Adelaide to Melbourne faces potential disasters through a fault line in the Adelaide Hills, as well as man made accidents. Serious incidents have occurred in the last 2 years, apparently from coupling failure. This link is a major barrier to competitiveness as all east-west trains, presently double stacked, are broken down at Dry Creek, SA and reconfigured to progress to Melbourne. The estimate is that 32 hours are lost in the process.

The inefficiencies are compounded for Riverland and Mildura produce which must be transported south to Adelaide and Melbourne, respectively, before making its way to back east, or north to domestic markets. Given that some of our primary industries are under threat from Chile, Argentina and South Africa, any significant infrastructure improvements, as are proposed, would diminish the advantages presently enjoyed by international competitors and would be welcomed as a boost to regional businesses. As a corollary, the advantages to Riverland agriculture and horticultural processing industries would reduce their major costs by at least 50%. These efficiencies are driven by travel distance decreasing to 80 mins to Thurla as against 3 hrs to Adelaide.

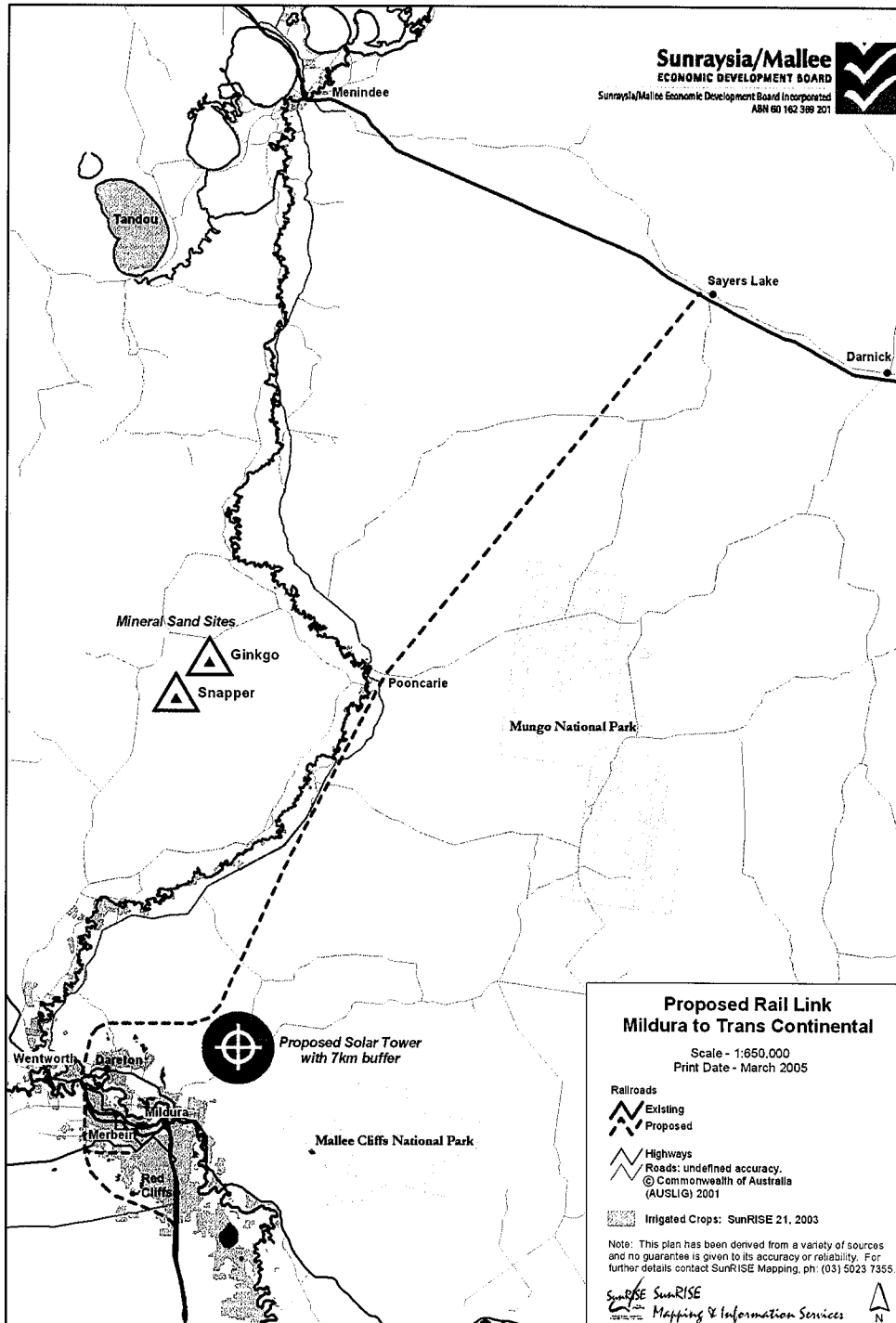
If the Mildura region is connected to the transcontinental, double stacking from Perth/Darwin/Melbourne via Mildura may prove to be economically and commercially practical, and indeed the preferred route.

In the event of any disruption on the Melbourne/Sydney/Brisbane route, this proposed option would provide an alternative north-south route with minimum disruption to national infrastructure operation.

From a national perspective, Australia's defence needs are paramount. Linking Melbourne directly to Darwin may well be an essential alternative particularly given the vulnerability of the Melbourne to Adelaide link.

The proposed route to the transcontinental is a relatively simple connection in the order of 200 km which would cost \$220 to \$250 million. Figure 1 illustrates the route, note proximity to mineral sands deposits currently being accessed.

Figure 1 Tri-state rail network showing proposed link between Mildura and Transcontinental



4. Regional Rail Network

The AusLink White Paper has identified the Melbourne to Mildura corridor as part of the National Rail Network. State and Federal Governments have confirmed the intention to gauge standardise the strategic corridor of Geelong-Mildura but so far no work has

proceeded. On the Victorian Department of Infrastructure website it is stated that “ the Government is committed to increasing the proportion of the Victorian rail network that operates on a standard rail gauge.”

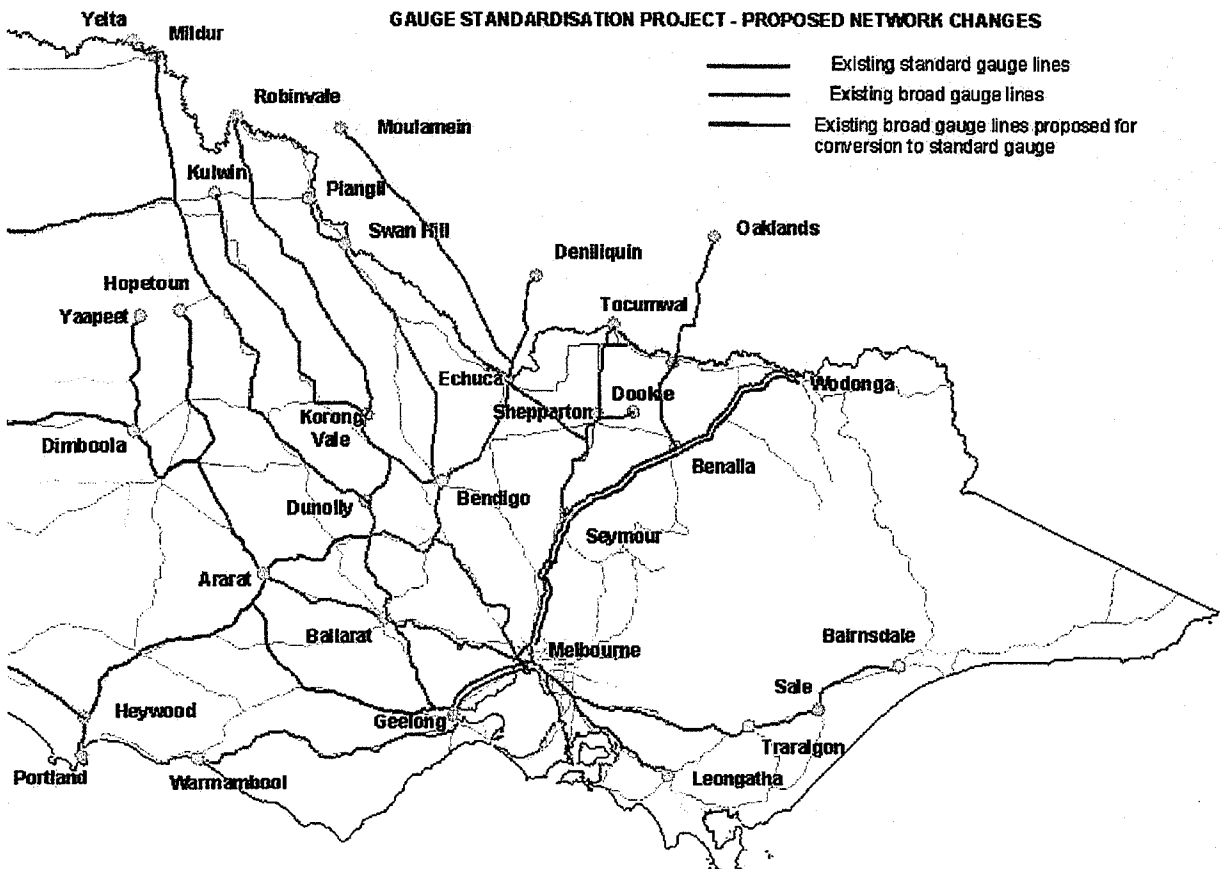
Figure 1 below shows the proposed network changes for rail gauge standardisation which are needed to optimise connectivity and provide more efficient movement of freight across the Victorian and National Networks.

Although programmed to begin in 2002, so far none of these gauge standardisation projects have moved past the study or reporting stage. Only the west of Victoria is fully gauge standardised.

Rail gauge standardisation and upgrading of the Geelong to Mildura corridor - including the introduction of longer passing loops as present loops can handle trains of 900 m length maximum - would encourage volumes to increase by simplifying connectivity to both Melbourne and Portland.

To run long trains from Mildura to Melbourne - trains of 1200 m are not uncommon and there is the occasional train of 1500 m - it is necessary to hold all other rail traffic at Maryborough to allow passage on the single line with short passing loops. This is a deterrent to the expansion of rail’s contribution to the freight task. As a strategic corridor it is a failure.

Figure 2 Heavy rail network in Victoria showing proposed network changes for standardisation



Within the City of Mildura itself there is a priority to remove the rail from the central city area for reasons of both freight efficiency and general improvement of the amenity in the city. Removal of the rail and relocating the line to loop around Mildura will open the city to the riverfront, free up developable land and encourage investment and remove a large number of level crossings (~ 20) which will improve the efficiency and safety of road movements around Mildura. This will also allow the development of a dedicated 24 hour freight gate clear of residential areas which will become a rail/ road and road/road terminal as well as a major industrial park.

In the long term a rail spur into Mildura Airport would terminate at a passenger transport station combining rail/road/air. In the interim ,reintroduction of passenger services could use a passenger terminal station at Irymple, or Red Cliffs, from which buses and taxis would provide transport to other parts of the City of Mildura.

5. Intermodal Terminal and Freight Gate

A potential site has been identified at Thurla which would provide the ideal location from the points of view of road and rail access for the creation of an intermodal terminal and industrial park for the region. The Mildura Rural City Council has enacted the necessary Planning Scheme Amendments to provide the appropriate zoning and delineation of land. The present facility at Merbein would be constrained in the long term and it is too small and inappropriately located to permit wider development.

The four fuel depots within Mildura - close to schools and residences - would also move to this secure location.

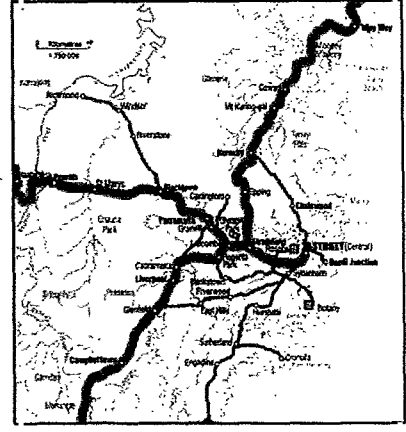
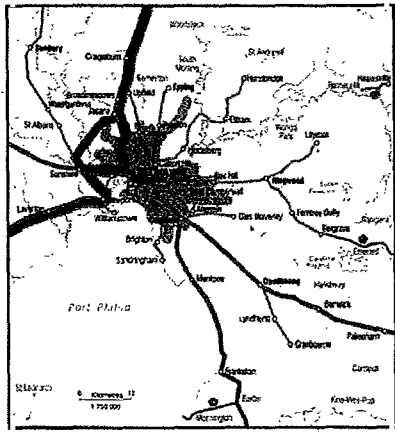
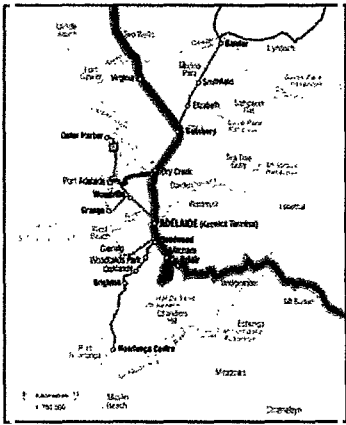
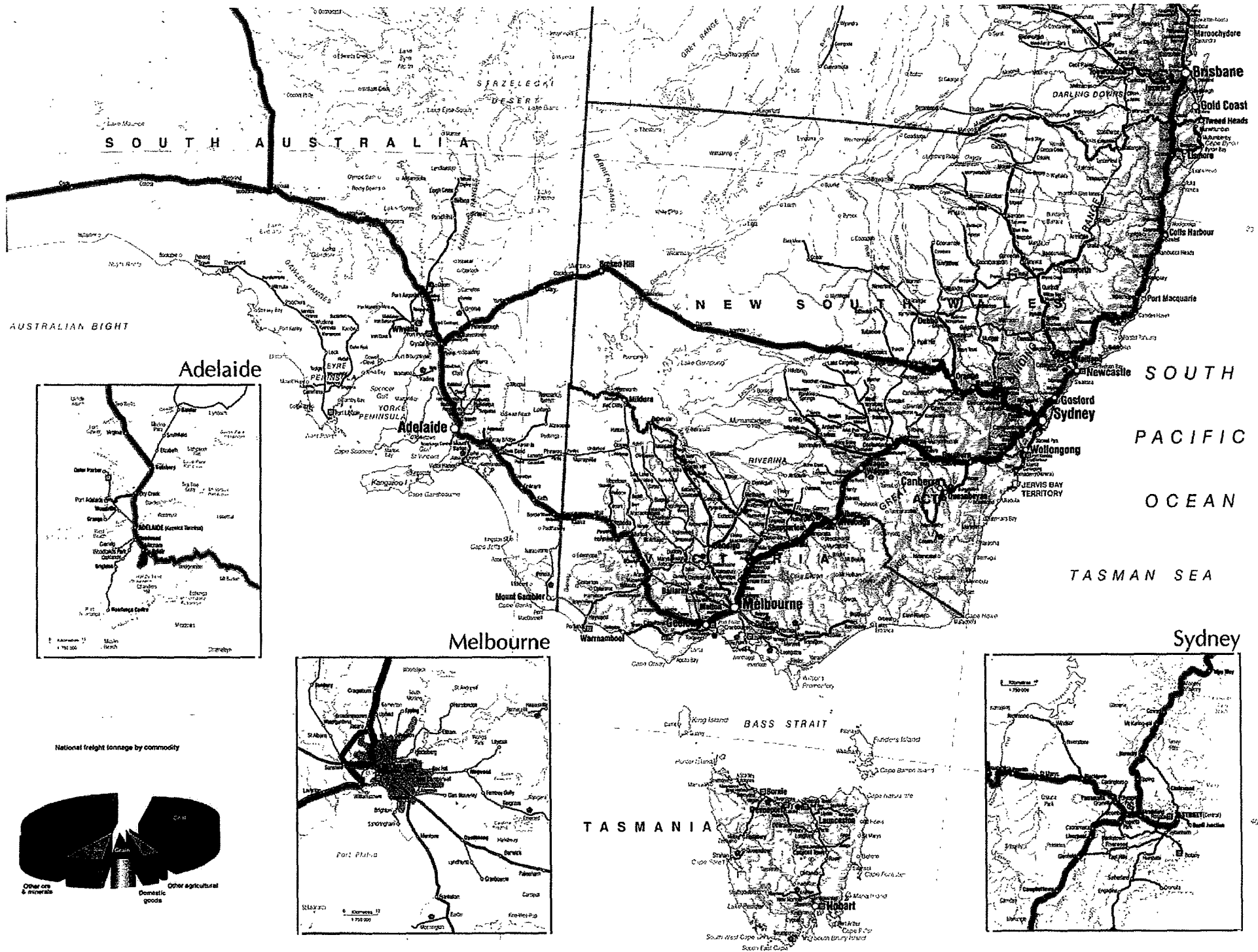
A modern facility at Thurla could attract produce from the entire region by creating a centralised point with all necessary infrastructure - storage, refrigeration, container parks etc - to permit efficient handling and turnaround of freight.

Critical to this terminal would be the upgrade of the road system to provide a rerouting of the Sturt Highway to allow passage of heavy vehicles between SA, NSW and Victoria without passing through central Mildura. The present routing of heavy vehicles through central Mildura, and the proliferation of feral mini-freight terminals, is both a risk to public safety and economically unsustainable. A new bridge over the Murray River opposite Red Cliffs to rejoin the Sturt Highway in NSW would be part of this rerouting - see below.

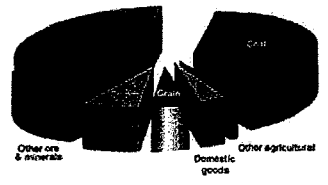
6. Road Network

Mildura is serviced by the Sturt Highway and the Calder Highway, both of which are part of the AusLink National Network. Presently, the Sturt Highway passes through the heart of the City, which presents an undesirable operating condition, particularly for through truck movements, for a number of reasons:

- ▶ Increased fuel use, increased tyre wear and general wear and tear on the trucks due to acceleration and deceleration through town as trucks are required to stop and start at busy intersections;
- ▶ Increased travel time due to the congestion, which results in increased costs to operators, which in turn are often passed on to the end customer;
- ▶ Increased safety risks to equipment and freight as well as the local community, due to the significant numbers of conflict points, including school crossings, throughout the journey; and
- ▶ Increased driver stress, particularly in busy retail areas such as Deakin Avenue, where private vehicles can perform unexpected and often dangerous manoeuvres, requiring truck drivers to take evasive action.



National freight tonnage by commodity



The realignment of the Sturt Highway around Mildura is strongly recommended and the issues noted above would only worsen as road-based freight traffic increases in the future. The realignment, which would incorporate a new bridge at Monak and a new 'A-Class' road utilising the existing Wilga Road-Meridian Road reservations, would provide a number of significant benefits to the Mildura region:

- An effective bypass of the town centre. This would remove the need for regional truck movements to pass through Deakin Avenue, resulting in reduced congestion, reduced accidents risks, environmental improvements and enhanced amenity for residents. In addition, operating costs for trucks would be reduced with fewer interruptions to the journey due to busy intersections and disruptive, local traffic movements;
- A direct connection to the proposed major industrial development at Thurla. This direct connection to the terminal would have economic advantages and can be combined with rail freight for a true, regional intermodal terminal; and
- Reduced costs associated with infrastructure deterioration due to truck usage within the town centre.

A preliminary economic assessment of the realignment of the Sturt Highway indicates a positive net present value and appropriate economic rate of return.

Figure 3 South East Australia Rail Network highlighting lack of connectivity outside of capital cities.

Figure 4 Mildura Concept Transport Strategy highlighting road/rail alternate routes.