



CITY OF
Port Adelaide Enfield

***“The Gillman Highway
and
Third River Crossing Project”***

A Submission To a Parliamentary Committee Inquiry
Into
Infrastructure and The Development of Australia’s Regional Areas

To: **Standing Committee of Primary Industries and Regional Services**

From: City of Port Adelaide Enfield

Submission

To construct a transport corridor to link the final connection between the Port of Adelaide at Outer Harbour and the National Highway network through the construction of **a Bridge** over the Port Adelaide River for both road and rail users and **a Highway connection** to the Salisbury Highway.

This proposal is referred to as the ***Gillman Highway and Third River Crossing Project*** which essentially involves:

1. Building a new crossing accommodating both road and rail over the Port Adelaide River (currently planned between No.1 and No.2 Docks) linking up with Victoria Road just south of Adelaide Brighton Cement;
2. Extending the Salisbury Highway west of South Road, behind the Wingfield Dump through Gillman and connecting up with Eastern Parade/Francis Street.

A copy of the map indicating the transport corridor for the Gillman Highway and Third River Crossing Project is included in Attachment A.

The construction of the bridge and extension of a new highway to the National Highway network would significantly enhance the infrastructure needed to further support the development and employment in the regional areas of South Australia.

This is a vital project to link regional South Australia via the National Highway Network to critical freight infrastructure, such as the Port of Adelaide and the Rail Network.

This project will increase the export competitiveness of our businesses and generate employment. Recent results from Australian research indicate that the economic flow-on effect of this project will generate long-term increase in GDP of some \$60-80m per annum. The boost for our economy through improved competitiveness of our exports by ensuring the most direct and cost-effective road and rail transport of export products to Port of Adelaide is particularly important for:

- Primary producers, especially grain, wool and livestock;
- The Mining Industry;
- The Wine Industry; and
- Automotive and other exports.

The first three sectors represent significant employment in regional South Australia, with mining and wine representing growth areas as we move into the new millennium.

The project is supported by major industry bodies including South Australian Road Transport Association, SA Farmers Federation, SA Ports Corp, Australian Road Federation and Western Mining which has a major operation at Olympic Dam in regional South Australia, and letters of support are attached to this submission.

This project is also supported by the State Government of South Australia and has been the subject of a detailed analysis of the costs, benefits and alternatives to address the current freight limitations in our region.

The State Minister for Art, Transport and Urban Planning has written a letter to Council advising that the Cabinet has approved the adoption of a new road and rail crossing at Port Adelaide and is proceeding to negotiate with the Commonwealth Department of Transport and Regional Development to develop this proposal under the Roads of National Importance (RONI) Scheme. Copy of the letter is in the attachments.

The regions role as a vital transport hub with its major road, rail, sea and air network connections has also been highlighted in the South Australia Planning Strategy for Metropolitan Adelaide.

Background

The State of South Australia plays an important role in the consolidation and transport of products between the eastern States, Western Australia and the Northern Territory. It is also an international freight centre servicing expanding export and import markets through the Port of Adelaide at Outer Harbour.

South Australia's regional centres produce a wide variety of export products for interstate or overseas markets that are transported through an existing freight transport network which uses the extensive road, rail and port system of which the Gillman Highway/Third River Crossing represents the final link to complete the network. The export products include the following:

- Grain, livestock, meat, seafood and wine from the Eyre, Yorke and Fleurieu Peninsulas and Kangaroo Island;
- Grain, livestock, meat, oil, gas, copper, gold, uranium, steel, lead, and zinc from the Far North and Northern Spencer Gulf;
- Meat, fruit, wine, grain and vegetables from the Riverland and Murraylands;
- Wine, horticultural, dairy products, meat, seafood, livestock, seeds, cereals, timber, and paper products from the Southeast;
- Motor vehicles from the northern Metropolitan Adelaide at the City of Playford.

A comprehensive road network and a highly competitive urban, intrastate and interstate road transport industry currently services metropolitan Adelaide and regional South Australia which represent a key component of the State's freight system.

The corridor from Wingfield/Gillman through to Port Adelaide and on to Outer Harbor is a major **Trade Gateway** for South Australian industry.

However, road and rail links through the corridor are less than ideal. The rail infrastructure is unable to accommodate heavy freight trains with double stacked containers and the road route through built up areas creates inefficiencies and limits A-double access. This project would address these deficiencies in the current transport network.

Heavy road vehicles travel through the historic Port Adelaide Regional Centre causing unwelcome environmental and social impacts and encountering delays that increase costs and reduce transport efficiency. Freight trains loop around Port Adelaide adding distance, times and cost to freight movements to and from Port of Adelaide at Outer Harbor.

The current situation is imposing inefficiencies and additional costs on business in Regional Areas of South Australia and Metropolitan Adelaide while constraining the ability of the City of Port Adelaide Enfield area to realise its potential in terms of tourism, recreation and urban development.

This project will increase the export competitiveness of our businesses and generate employment especially for the regional areas.

Proposal

The proposal involves construction of a new road (Gillman Highway) linking South Road at Wingfield to Francis Street at Port Adelaide to link with a new low-level opening road and rail bridges located between No. 1 and No. 2 Docks.

The estimated cost of the Gillman Highway, bridges, rail links and associated works is \$110 million.

The key features of the proposal includes the following:

1. Gillman Highway
 - Construct a four lane road from South Road at Dry Creek to Francis Street, Port Adelaide;
 - Francis Street extended to the west to link with the eastern end of the new river crossing.

2. Rail Links
 - New rail line north of Francis Street extended to link with the river crossing on the northern side of the road alignment;
 - New level crossing on Ocean Steamers Road;
 - Curve from Western end of the river crossing to connect with existing line to the Port of Adelaide at Outer Harbour.

3. River Crossing/Bridge

- An opening bridge with a proposed opening span of 30 metres;
- Four lanes of road traffic, a cycleway and a footway and single track rail along the northern side of the structure;
- Separate structures and lifting spans would be provided for road and rail to accommodate their dissimilar functional requirements;
- Clearance under the bridge at mid-tide of approximately 4 metres.

Transport Efficiency Benefits

The proposed Gillman Highway and Third River Crossing will facilitate significant improvements in transport efficiency which have been summarised as follows:

- ◆ Travel distance from National Highway (Port Wakefield Road) to the Port of Adelaide at Outer Harbour (Northern end of LeFevre Peninsula) will be reduced by approximately 3 km;
- ◆ The rail system will be reduced by nearly 4 km and shape curves and steep grades in the Port Adelaide area will be eliminated, resulting in operating costs savings for freight rail services estimated at up to \$0.25 million;
- ◆ Construction of a new four lane link between South Road and Victoria Road on LeFevre Peninsula will provide improve access for B-doubles and A-doubles to the Port of Adelaide;
- ◆ No disruption to import/export shipping.

Regional Economic Benefits

The transport efficiency will create flow-on benefits to the local, regional and national economy.

Efficient transport linkages are a key factor in regional economic development. The effect of improved transport infrastructure can impact in the following broad areas.

- Transport is an input to production so improved transport efficiency and reduced transport costs can contribute to increase production;
- Improved transport can permit other inputs to be more productive and the overall improvement in productivity can translate into increased competitiveness; and
- Efficient transport can act as a 'magnet' or 'catalyst' that attracts economic activity to the region.

Numerous macroeconomic studies into the impact of road investment in Australia, the United States and Europe have demonstrated a positive relationship between investment in major road infrastructure and regional and national economic growth.

There is a range of opinions regarding the precise magnitude of returns but the majority of studies have identified strong economic returns from road system upgrading. The studies have also produced the following broad conclusions:

- Most economic development effects come from new (or significantly upgraded) roads, rather than from maintenance of existing roads;
- Economic development effects are largest for urban arterial roads, especially in outer urban areas; and
- Multi-lane roads result in greater economic benefits than two-lane roads.

This suggests that significant regional and national economic effects can be expected from the construction of the Gillman Highway and Third River Crossing. These positive effects relate to the following:

- Employment during construction;
- Economic growth;
- Long-term employment generation; and
- Urban redevelopment.

At a national level, this project will increase the export competitiveness of our businesses and generate employment. Recent results from Australian research indicate that the economic flow-on effect of this project will generate a long-term increase in GDP of some \$60-80m per annum. Most of these gains should be in South Australia but the benefits will flow through the Australian economy as a whole.

The expected increase in GDP will translate into much needed long-term employment. With GDP per person of around \$40,000 it could be expected that this project would generate the equivalent of some 1,500-2,000 jobs in the long term on a national basis. This is quite apart from the direct employment generated during the construction phase, estimated at some 1,800 person-years of employment.

Regional South Australia will benefit directly from this project. For example, the grain terminal at Port Adelaide is a major point of export for grain from South Australia, a \$1.1b industry in this State with over 85% being exported. Presently there is over 520,000 tonnes of grain transported by road annually to the terminal at Port Adelaide for export and 520,000 received by rail each year. This is expected to increase by over 750,000 tonnes to approximately 1.79m tonnes per annum over the next 20 years.

This project would reduce transport costs to and from the Port of Adelaide through reducing the distance and travel time for both road and rail transport movements and allow "A" and "B" double trucks direct access to the Port and industrial areas where access is currently constrained. This would also minimise the pollution generated by freight movement and be a shift toward achieving Local Agenda 21 objectives.

Conclusion

This project meets the inquiry's Terms of Reference as it has demonstrate:

- ◆ factors that will significantly enhance development in South Australia's regional areas;
- ◆ the extent to which infrastructure development will generate employment in regional Australia;
- ◆ the potential partnership role of the different levels of government and the private sector in providing infrastructure in regional areas; and
- ◆ the benefit to the national economy of developing infrastructure that will facilitate and enhance economic development and employment in regional Australia.

The Standing Committee on Primary Industries and Regional Services is urged to strongly support the proposal to construct the Gillman Highway and Third River Crossing and recommend to the Minister for Transport and Regional Services that the project be treated as high priority and funds be allocated to the construction of the Gillman Highway and Third River Crossing.