



Secretary: *J. LaMotte*

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HOUSE OF REPRESENTATIVES
STANDING COMMITTEE ON
TRANSPORT AND
REGIONAL SERVICES

**SUBMISSION
INTEGRATION OF REGIONAL ROAD & RAIL NETWORKS
& THEIR CONNECTIVITY TO PORTS:
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Preamble

There are three main issues which the Central Queensland Area Consultative Committee wishes to put on the agenda. The first is the need for governments to recognise the historic opportunity that the current resources boom provides for the Central Queensland region. The second issue is to recognise the role which private enterprises can play in the development of the region and to ensure that governments facilitate and engage with private enterprise where necessary. The third issue is for governments to listen to the voices of the communities affected by these developments and to ensure that whatever developments take place result in improved quality of life for residents in the region. When all three of the above issues are successfully managed Central Queensland will be capable of delivering significant benefits to the national economy in an economic, social and environmentally sustainable manner. It goes without saying that all three levels of government need to coordinate their efforts in meeting these challenges

Central Queensland is currently experiencing a development boom with unprecedented demand for raw materials from the mining sector. The output from Central Queensland mines is shipped via rail and road through the ports of Gladstone and Dalrymple Bay at Mackay. The current transport infrastructure is operating at maximum load carrying capacity. However, there is considerable unmet international demand for materials and the means to ship these to overseas markets. In order to meet that demand there will need to be a significant increase in the transport infrastructure across the whole of the Central Queensland region. While the current focus is upon shipping large quantities of

raw material, the development of appropriate levels of infrastructure will facilitate the orderly development of secondary processing and services industries across the region.

It has already been noted by the Federal Treasurer that a lack of long-term planning in the supply chain, notably port capacity, has serious implications for Australia's terms of trade. This observation by the Federal Treasurer provides us with an opportunity to address some longstanding issues relating to the role of three levels of government in providing in maintaining the regional transport network. This also opens up discussions on possible relationships between government and the private sector in developing and maintaining critical infrastructure.

The dominant features of the arterial road and rail network in Central Queensland are the North-South corridor adjacent to the coast and the East West road and rail network linking the major coastal cities and ports to the Western interior, particularly the Bowen Basin coalfields. Central Queensland railway development over the past 50 years has been dominated by bulk material haulage from coal mining ventures. The North-South rail link, most notably the tilt train, predominantly carries passenger and general freight traffic. The increased capacity in traffic across both road and rail in the region has led to proposals to develop new linkages in the Western corridor. There is currently a proposal to develop an inland rail route to the southern states linking Toowoomba to Gladstone. Upgrading of regional beef development roads has also become a necessity as primary producer industry transport users and tourists seek to avoid the congestion on the coastal roads. The Shoalwater Bay military training area is situated to the north of Rockhampton and will expand its operations with a concomitant need for increased access. Thus, the development pressures and congestion on the coastal corridor provides both opportunities but also challenges for Central Western councils to upgrade their transport infrastructure in order to meet increased demand. As the majority of the increased traffic is generated by non-residents of those shires, the local governments in Central Queensland are reliant upon state and federal funding.

Intermodal freight hubs.

The development of a series of intermodal freight hubs within the region would provide significant benefits to all industries. Meanwhile, Port Alma at the mouth of the Fitzroy River remains underdeveloped and Dalrymple Bay at Mackay is operating at full capacity. Although it is not specifically referenced in this inquiry, airports as transport service hubs must be considered. Central Western Queensland is the birthplace of Qantas and a central link in the Royal flying Doctor service. Rockhampton has an airport capable of handling international flights and all classes of military aircraft. The air service traffic volumes through Rockhampton and the Central Queensland region which includes high volume tourist traffic through the more central remote areas have been increasing steadily over the past 10 years for both business and tourist traffic. Air services providers are now a major contributor to tourism growth. Further development of airfreight hubs such as that of Longreach will be required in the region. Developing markets in Asia for fresh foods and perishables will require increased air services. Strategically situated intermodal freight hubs in the region would provide the opportunity to redirect some of the existing traffic. This may allow for the more efficient use of the current infrastructure. However, new freight hubs must be developed. Logically, the new hubs would be adjacent to the sufficiently separated from major residential developments to reduce the competition for space or the need for noise curfews.

The port of Gladstone is adjacent to the commercial and residential areas of the city. Bulk loading facilities at the port have periodically experienced problems with dust pollution on surrounding areas. Port Alma at the mouth of the Fitzroy River is used for noxious industries. However, its position is isolated from residential areas and is unlikely to be developed in the near future. Consideration should be given to developing Port Alma to handle military cargoes, particularly with consideration to security or explosives issues. This would be in keeping with the current explosives planned at nearby Bajool.

The Western shires contain freight hubs which serve the horticultural, pastoral and agricultural industries. Emerald is one of the fastest developing inland towns in Australia. The strategic development of intermodal freight hubs is essential to ensure the orderly servicing of existing industry and facilitation of downstream development of secondary and service industries. The CQACC believes that this strategic transport plan is a critical element in the development of sustainable industries in Central Queensland. We will be calling upon the Federal and State

governments to develop a plan in consultation with major stakeholders in the region. Given the current level of private sector growth in the region it will be essential to ensure that public/private partnerships be encouraged.

The role of Australia's regional arterial road and rail network in the national freight transport task

Queensland is decentralised, although there has been an increasing tendency for developments to be situated in the already congested southeast corner of the state. This is placing increasing strain upon existing infrastructure. However, it can be seen as a logical reaction by big business to avoid placing itself in a relatively isolated regional area which is disconnected from the political power of the capital city. Thus, in regional Queensland the arterial road and rail network is not supported by large populations of rate-payers. The burden for the development and maintenance of these transport networks in many cases, on local governments who are ill-equipped to fund their expansion let alone maintain their up-keep. The recent expansion of resource projects in Central Queensland have tested the existing transport networks and many have been found to be deficient. This places constraints upon both regional development and also national development. State governments have been reluctant to spend money outside the southeast corner. There is a perception and to some extent a reality that there are not sufficient votes attached to these regions to require governments to respond in a positive way. Private corporations are reluctant to fund transport infrastructure over which they have no control. State government legislation such as the integrated planning act also makes development on a long to medium term project. This does not always fit into the development schedules of big corporations. Ultimately, an effective regional transport network in Central Queensland is essential in that the alternative is for industry to redirect the existing traffic through these transport and port facilities adjacent to the capital city in Brisbane some 700 to a thousand kilometres away. While this would export the problem from Central Queensland to another region of the state it would guarantee that the current State government would be forced to provide state funding for any solutions. This is however, not a feasible solution.

The relationship and coordination between Australia's road and rail networks and their connectivity to ports

The current transport Networks in Central Queensland is the result of historic patterns of migration and development, competition and co-operation between the three levels of government. Each level of government has its own priorities and constraints. However, the sheer size of many of the existing and proposed bulk export operations is beyond the capacity of local and State government agencies to address. The relationship between export industries and the national economy demands, that the Federal government exercise leadership in determining appropriate responses. There are a number of sites in Central Queensland where port facilities could be developed or upgraded to accommodate this increased trade. Some of these sites are in relatively isolated areas (Port Alma) which would reduce the problems associated with the expansion of existing sites in cities such as Gladstone where dust noise and traffic volume are factors for the local population. One must certainly consider

enhancing the capacity of the likes of Port Alma however whilst not losing sight of the more significantly important Gladstone and its connectivity as a deep sea port. In the Central Western region adjacent to the coast a number of arterial roads need to be upgraded (for example, the Duinga to Bauhinia road 30 K.). This would reduce the congestion and demand on the existing road networks on the coastal strip and existing and proposed resource projects in the Bowen Basin.

Policies and measures required to assist in achieving greater efficiency in the Australian transport network

The Central Queensland transport network plays a vital role in connecting this region to the rest of the nation but also to suppliers and customers of overseas imports and exports. The current regional transport network is functional although recent bulk export operations expansion has exposed deficiencies. Some of these deficiencies have arisen because State, Federal and local government policies and planning have not been appropriately coordinated. Private investment in infrastructure development needs to be encouraged. Public/private partnerships could provide other alternative sources of funding and development. Effective and efficient planning however, requires ongoing research and data collection and a free sharing of this information between both private and public institutions and government departments.

The role of the three levels of government and private sector in providing and maintaining the regional transport network

each of the three levels of government in Central Queensland have been performing their role and discharging their responsibilities in developing and maintaining transport networks. There is however, no well defined all coordinated approach by governments to provide a policy and investment framework which would encourage private corporations to share the majority responsibility for developing those parts of the transport network which are critical to their operations. Historically in Queensland, coalmine expansion brought with it an expectation by governments that the private corporation would fund the rail transport network needed to ship the raw product to the ports. As a result, Queensland was one of the few states in Australia actively developing and extending its rail network. Towns in Central Queensland adjacent to many of the major resource mining operations have flourished and amongst some of the highest per capita income earners in Australia. The initial resource development has resulted in vibrant communities and the development of service industries. These populations are contributing significantly to national development. However they are also demanding high levels of servicing from government departments. The tyranny of distance can be overcome by effective and efficient transport networks and many of the residents of regional and remote Central Queensland accept that they will not enjoy transport services equivalent to their metropolitan cousins. Sustainable growth in Central Queensland, as with other parts of regional Australia, ensures that the population drift to the coast into the major capital cities can be reversed. The key to their sustainable growth is to provide effective efficient and economically viable transport services for non-metropolitan Australians. Cheap and efficient and affordable road rail and air services for Central Queensland residents will underpin the future development of the region.