Inland Rail Conference 18-19 July 2018 – Parkes, NSW

To provide Gladstone Regional Council's management sector with information in the area of Conferences and their Organisational benefit.



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Gladstone Regional Council Conferences Attended

a) Inland Rail Conference 18-19 July 2018 – Parkes, NSW

1.0 Conference Attended and the Synopsis

As you would have imagined most of the 398 attendees came from either NSW or Victoria with Qld being very much under represented. The conference was very much focused the 1700km of rail between North of Melbourne and Toowoomba with this project expected to be complete by 2025.

It also examined how the connections to both the Port of Brisbane and the Port of Melbourne could be achieved and recognized the huge cost to complete both. These projects are far from being finalised and indeed funded and I believe that we still have an opportunity to advocate particularly the State Government to be connected and play an important part in the Nation's Economic future. The Qld Government needs to be proactive on their commitment to the project and we will very much need their support in pushing our case. We must partner with the Port to advocate with all players, but it must be now and we will have to be loud.

Mayor of Banana Nev Ferrier and myself talked to many people including former Deputy Prime Minister Warren Truss who is still involved with the project and put our case to be included as a viable option for extending rail through to the Port of Gladstone. Advantages mentioned was that we could capture all the grain sector along the route, open more coal opportunities, diversify with multi use terminals, expand containerisation to go north or south or be exported. It was mentioned that GrainCorp could be an ally.

I learnt a great deal about the project which I hope I have captured in my report for Council's reference. Nothing was mentioned of Gladstone during the conference which took to form of a talk fest using the panel form throughout with very few keynote speakers.

We have an opportunity to be included in the project, but that must be partnering with the Port to convince Government and it must be now.

2.0 Key Learnings from each session attended or speaker session

John Fullerton – CEO Australian Rail Track Corporation (ARTC)

- The Inland Rail project is about the future prosperity of Australia creating 16000 jobs
- Freight has traditionally been moved to and from Ports at a dismally slow rate
- We are getting much more traction now and the entry of private rail companies has assisted
- ARTC was established in 1998 setting the theme of "Rail is the mode of choice"
- The past 10 years has seen more than \$10 billion of investment in the existing rail network
- Track replaced and upgraded all around the country
- The interstate network now all has concrete sleepers
- We need Inland Rail because transport costs are well below Road transport
- The Adelaide, Perth and Darwin routes are the only ones taking double sized containers
- Existing rail lines have reached their asset life and we need to invest in terminals and ports

Michael McCormack – Deputy PM

- The first stage of the Inland rail is already under construction between Parkes and Narrabeen (100km)
- Steel has been delivered and the contract awarded
- \$100 billion may have to be spent on the countries rail network in the next 10-20 years
- Parkes will be a huge logistical hub in the centre of a 1700km alignment of rail costing \$9 billion

Melinda Pavey – NSW Minister Roads, Maritime and Freight

- Commonwealth investment and approach in this project must be matched by the states
- Her government is currently recycling the states rail assets spending \$400 million on Country rail
- Loading times for grain being drastically reduced and they are removing many truck movements
- They are releasing their Freight and Ports Plan 2023 soon

Anthony Albanese – Shadow Minister Infrastructure

- This is a National interest project reducing costs from paddock to plate
- Biggest hurdles will be getting into Brisbane and Melbourne ports as this project stops short of both
- Financing of the project a concern with \$8.4 billion Capital funding required and getting a return on this
- Acacia Ridge into Port Brisbane and getting into Port Melbourne will be the most expensive parts

Panel Session Customers – Facilitator Hermione Parsons – Professor Deakin University

Paul Graham - Woolworths

- We must have predictable movements
- Freshness of product going to stores is the main priority
- it's critical to get new inland rail infrastructure
- 30-50 years behind Europe

Derek Shoen – President NSW Farmers

- While Inland rail is more than welcome disruption to landholders is the biggest concern
- Reducing property values also a concern
- It is a visionary project which must be followed by other projects

James Dixon – Australia Post

- They use 20000 containers per year and have 350 B Double trucks on the road
- Looking at capability and safety in getting trucks off the road
- Consistency end to end required
- We need consistency of policy in the transport area between Councils.

Panel Session – Operations – Chair Simon Ormsby – ARTC

Dean Della Valle – CEO Pacific National

- Interface with city rail doesn't all double stacking on wagons
- Inland rail can double stack and is quicker
- Future terminal locations critical and must match up with town planning
- Bipartisan support from Governments also critical

<u>Geoff Smith</u> - SCT Logistics

- Existing corridor lacks consistency 35hours Melbourne to Brisbane costs don't compare with road
- If Inland Rail was not built there would be no business for rail in 10 years
- Inland Rail will shave 500km off current rail link between Brisbane and Perth
- Connecting Port shuttle critical with consensus across the industry
- It will take 7 years to build

Anthony Jones – CEO LINX Cargo Group

- Safety in getting trucks of road
- 70000 tonnes out of the Riverina to Melbourne can be shifted to rail
- Trade flows to and from critical and must be competitive to change access price

Panel Session – Suppliers, Manufacturers and Maintainers

Chair Bob Herbert – Chair ARA

Bob Spurway – GM Thales

- We require Systems Engineers in signalling etc
- We have to attract overseas knowledge to deliver Inland Rail

Patrick O'Donnell – Progress Rail

- Caterpillar Rail Division Supplies Locomotives
- 60% of Locomotives owned by Progress

<u>Claire Parry</u> – Transport NSW

- Sydney Metro have Social Procurement policies
- Recruitment for maintenance facilities about collaboration
- Match training with workplace opportunities

Theuns Victor – Liberty Prime Steel

- They own the steel works in Whyalla recycling and manufacturing rail
- The steel works almost closed 4 years ago, but they are surviving with wider product range and less cost

Panel Session - Contractors

<u>Chair Bob Herbert – Chair ARA</u>

Gary Seabury – John Holland

- Two Thirds of their work is in the rail sector on many varied projects
- Main concern is mobilising the workforce
- Training and safety critical

Julian Sharp – CPB Contractors

- His company is the Australasian arm of CIMIC (formerly Laytons)
- They are looking at the scale perspective and mechanised resources
- Training directive from Government required

David Robotham – Laing O'Rourke

- The company has a 60-year history in Europe, Canada etc
- This project will require every tie of the supply chain
- Some FIFO will be required at the start of the project

Marc Allen – ARTC

- He is the program manager for the Inland Rail Project
- He is concerned about salary cultures

Panel Session – Regional

<u> Chair Melita Lanigan-King – Inland Rail</u>

Paul Antonio – Mayor Toowoomba

- Toowoomba experiencing many "Golden Moments" Wellcamp Airport, Inland Rail, Bypass
- Their growth is 6.2% GRP
- Much potential for their own producers

Kent Boyd - GM Parkes Shire Council

- Parkes will be the crossroads for 3 highways and major rail lines
- The Centre of the Universe

Sue Price – Councillor Moree Plains Shire Council

- They are the food bowl for Norther NSW
- The are logistically ready to accept Inland Rail

Panel Session – Ports

Chair Clair Gardiner-Barnes – Transport NSW

Caryn Anderson – Port of Melbourne

- We must create a Port/Rail system that works efficiently
- A Rail access study to the Port is now being done
- Infrastructure required to drive change
- They need an appropriate operating framework with commitment and certainty by industry

Peter Keyte – Port of Brisbane

- They were privatised in 2011
- They are looking at the entire supply chain
- They control their shipping channels and do their own dredging
- They have an underutilisation of rail with only 2.5% of exports coming through rail
- Corridor preservation is currently being found as existing rail is not economically viable

lan Doherty - Port of Newcastle

- They are already connected to the Inland rail corridor
- They are only running at 50% capacity out of the port with all commodities
- They are importing cars

- Diversification is high on their agenda, but they are yet to build a Container Terminal
- They don't believe that this project requires Metro Ports

Panel Session – National Freight Efficiency

Chair Hermione Parsons – Regional Development

Ken Matthews - Australian Centre Rail

- This is one of Australia's biggest projects which will break new ground
- It is of strategic national importance and we will be doing thigs differently

Clare Gardiner-Barnes – Transport NSW

- The NSW Government is doing a Future Transport 40-year plan
- A Freight and Ports plan is also about to be released
- They are preserving corridors for major freight lines
- Any investment in the network needs to be well informed

Michael Hopkin – Transport Victoria

- How will we deliver strategy and policy
- The Port of Melbourne is nearly at capacity putting infrastructure on the western side of Port Philip
- Creating a Western intermodal hub

<u>Michelle Zeibots</u> – Sydney University of Technology

- Sydney Rail very congested and Inland rail could free up lines
- Sydney is spending big on urban road development

Richard Wankmuller - CEO Inland Rail project

- The rail must be connected, must be fast, must be reliable and beneficial
- \$16 billion expected to be added to the economy
- Opens up regional opportunities, but port connectivity needs to be addressed
- They are working with Public and Private investors and hand in hand with the community
- 990 lease access arrangements in place
- Most of the project is in NSW and the Qld Government must come on board

3.0 One thing you will use as a result of your learnings

We have to push hard with the Port to be included in this project, but I believe that we will have the case to be successful. All Councillors have to advocate to be involved at every opportunity.

4.0 One thing that the organisation could use to improve its operations

Nil

5.0 Other comments

6.0 Conference attendance costs

Conference Registration Fee:	\$770.00
Travel Costs:	\$1279.00
Accommodation:	\$450.00
Sundries:	Nil
Additional Costs:	Nil
TOTAL COST:	\$2,499.00