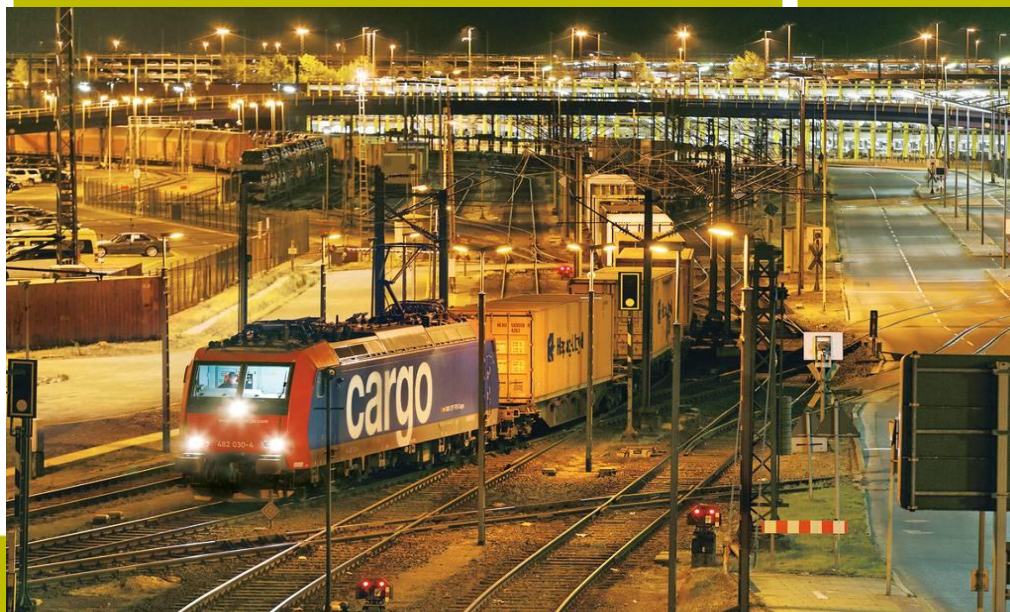


VICTORIAN FREIGHT AND LOGISTICS PLAN

AUSTRALIAN LOGISTICS COUNCIL
21 November 2012



INTRODUCTION

- In late January 2012 the Government requested that DOT prepare a Victorian Freight and Logistics Plan (VFLP) for consideration by December 2012
- The Plan is intended to provide a long term (2050) strategic policy framework to guide Government decision-making on:
 - measures to improve freight efficiency
 - the timing and nature of investment in new capacity

GOAL OF THE VFLP

To maximise the contribution of the freight and logistics sector to Victoria's ***productivity*** and ***liveability***

KEY DIRECTIONS BEING INVESTIGATED

- Plan for and deliver capacity at key freight gateways
- Improve the efficiency and productivity of key freight network links
- Ensure future options are secured for key freight network developments
- Progressively decentralise freight activities from central Melbourne to selected outer industrial areas
- Protect and enhance access to markets for regional Victoria

THE VFLP WILL INCLUDE:

- an **evidence-base** for decision-making and investment by Government and the private sector to 2050
- a preferred **long term freight network vision** and identification of **short to medium term strategies and priorities** (asset and non asset)
- a long-term **port capacity sequencing plan**
- a long-term **plan for meeting interstate rail demand**
- identification of key **freight and logistics precincts and routes**
- options for the future **role of HPFVs**
- options for extending the **role of regional rail** and **metropolitan intermodal solutions**
- **regional priorities and strategies**

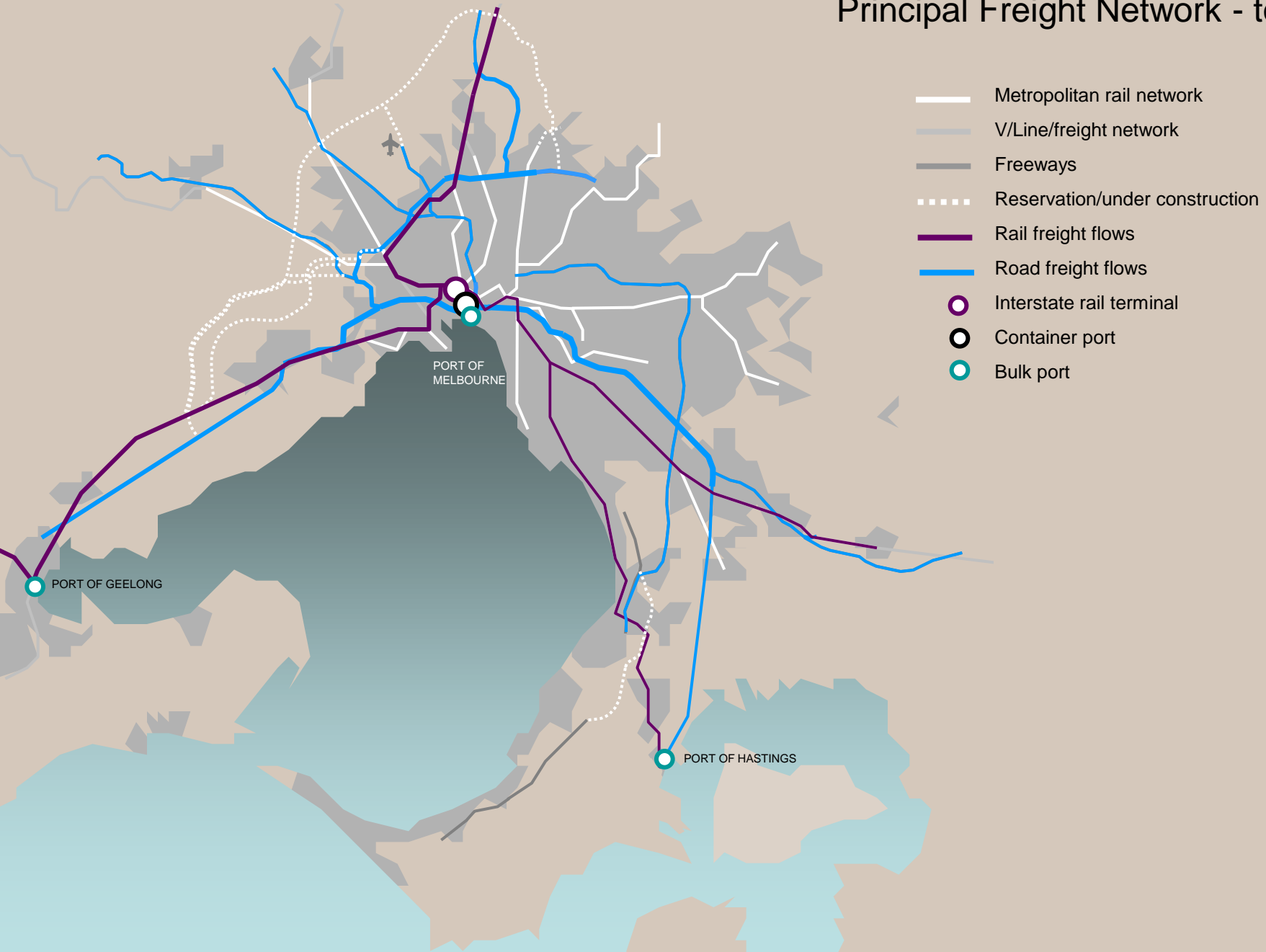
LINKS TO OTHER STRATEGIES

- Infrastructure Australia submissions
- Metropolitan Planning Strategy
- Regional Growth Plans
- Growing Freight on Rail
- Grain Logistics Taskforce report
- Transport Solutions Framework

SCENARIO TESTING AND MODELLING

- A number of long term freight network scenarios are being developed involving combinations of:
 - ***gateway options*** – port, interstate rail, airports
 - ***network options*** – roads, rail links
 - ***land use options*** – release of industrial land
 - ***demand management options*** – pricing, demand spreading
- Scenarios are being modelled using transport and economic models

Principal Freight Network - today



STAKEHOLDER ENGAGEMENT

- Consultation process through September/October involved roundtable meetings with a wide range freight industry stakeholders
- Four metropolitan roundtables (September):
 - Freight gateways
 - Freight networks
 - Freight customers
 - Local councils
- Six regional roundtables (October)
 - Barwon South West
 - Loddon Mallee
 - Grampians
 - Gippsland
 - Hume
 - Cross regional

CONSULTATION THEME 1 - Ports

The Government has recently announced the Port of Melbourne Port Capacity Project, involving expansion of capacity at Swanson Dock and construction of a new container terminal at Webb Dock, bringing total projected capacity to just over 5 million TEUs.

The Government has also established the Port of Hastings Development Authority to prepare Hastings to handle containers by the mid 2020s, when Melbourne is expected to be at capacity again

Ports (cont.)

- *Should Victoria be planning to ensure that adequate port capacity is always provided to meet the State's international trade demands?*
- *Will the Port of Melbourne, supplemented by the Port of Hastings, provide sufficient container capacity for Victoria for the foreseeable future?*
- *What is the realistic lifespan of the Port of Melbourne? Will its operations eventually become too constrained? When might this occur?*
- *Should the regional ports of Geelong and Portland continue to focus on dry bulk, liquid bulk and break bulk trades? Should either or both of them be considered for container terminal development?*
- *Are there any other sites in Victoria which should be considered for major commercial trading port development in the long term?*

THEME 2 - Roads

Since the 1990s Victoria has led the nation with the introduction of more productive freight vehicles on the road network. B- Doubles now have access to 99% of the arterial road network

The Government has recently announced its support for East West Link as one of Victoria's highest priority infrastructure projects

Roads (cont.)

- *Are there further significant productivity gains to be made by allowing greater use of larger combination trucks (HPFVs) on the road network?*
- *Is there scope for the deployment of ‘cubic’ HPFVs on the freeway network, carrying lighter domestic commodities? Would industry invest in cubic HPFVs? What sort of routes would be most beneficial?*
- *What is the scope for roll out of heavier ‘mass’ HPFVs? Should mass HPFVs be confined to a more targeted subset of the freeway network? Who should pay for the significant infrastructure investment required?*
- *From a freight efficiency perspective, what are the highest priority road projects for Melbourne in the short/medium/long term?*

THEME 3 - Rail/Intermodal

Apart from longer haul interstate rail and some bulk regional movements (e.g. grain), road transport dominates the freight movement task in Victoria

Rail/Intermodal (cont.)

- *Should the Government invest in the regional rail freight network? Is there a case for progressive upgrade of the network, including further line standardisations?*
- *Is there a need for a dedicated unit to facilitate the growth of freight on rail in Victoria? Should such a unit be located within a Government agency?*
- *Should the development of a Metropolitan Intermodal System? Can such a system ever be viable? What are the major barriers to its implementation? Who should pay for such a system?*
- *Should the interstate rail terminal at South Dynon be relocated to the west of Melbourne in the Truganina area?*
- *Should planning provision be made to protect the option of a long term interstate rail terminal and freight precinct in the Beveridge area to the north of Melbourne?*

OTHER THEMES – Last km, Regulatory measures, etc

Last kilometre deliveries into suburban areas are a critical part of the freight task, but cause friction with local communities

Road congestion on shared networks in metropolitan Melbourne is the major cause of freight inefficiency, but spare capacity exists on freeways at night

OTHER ISSUES (cont.)

- *Is there a need for greater consistency amongst local councils in setting conditions for freight deliveries into suburban retail precincts?*
- *What regulatory/other measures should be considered to improve the efficiency of freight movement on the existing shared road network?*

CONCLUSION AND NEXT STEPS

- Stakeholder engagement around these and other relevant themes is continuing through forums like this one.
- The Department is preparing advice for Government on potential Direction for the VFLP.
- Government will determine next steps over coming months in the context of work also proceeding on IA submissions and the Metro Planning Strategy.