

# ***Best Practices NSW Freight Systems***

***Progress and Directions***

***FALCON:***

***Freight and Logistics Council of NSW***

***2007 Merger of***

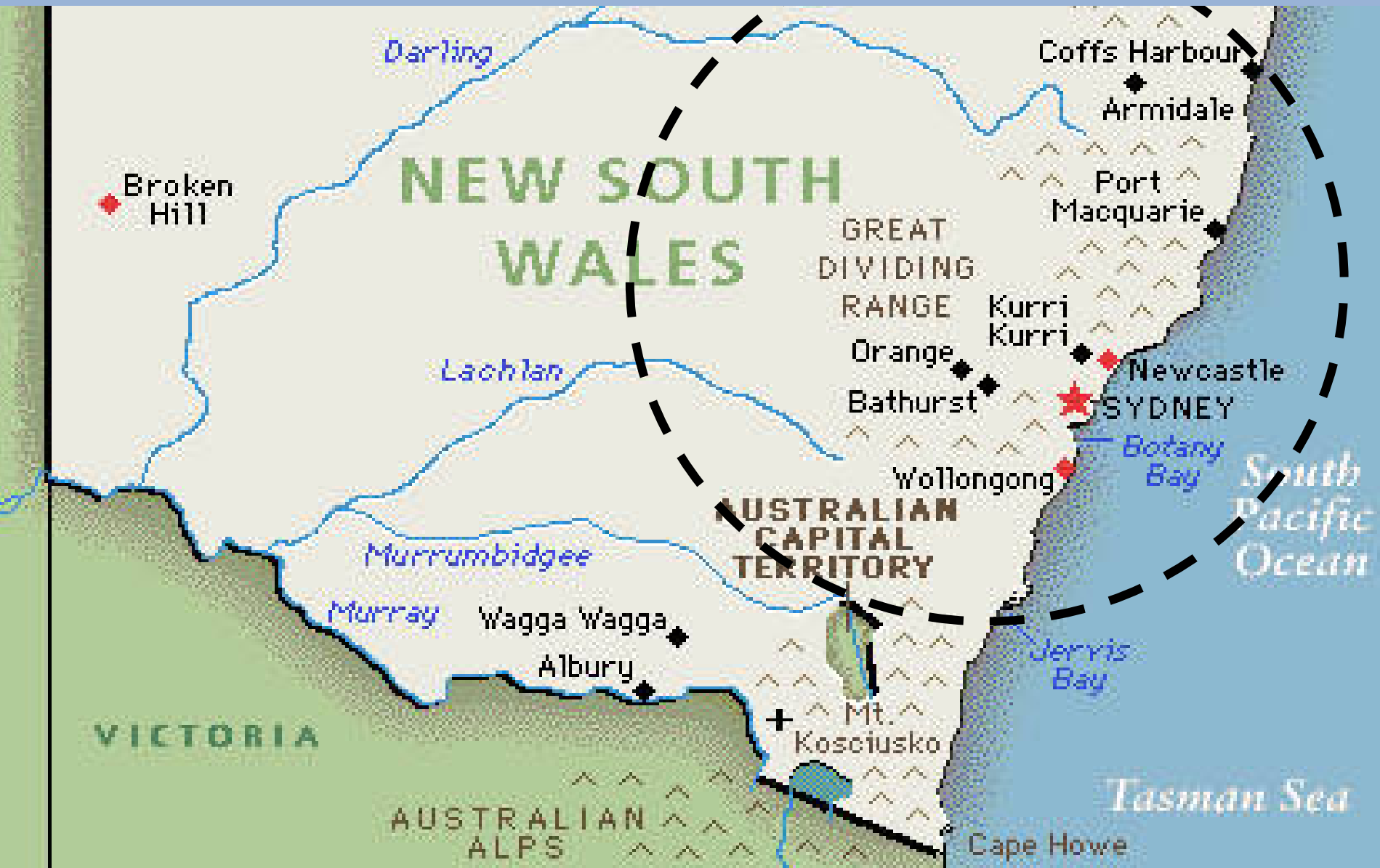
***Air and Sea Freight Councils of NSW***

*(both formed in 1999)*

# *History of Freight Councils*

- *Supermarkets to Asia Funding - Sea and Air Freight Councils' original charter was to examine and recommend solutions to impediments in the horticultural export supply chains*
- *NSW Sea Freight Council (created Dec. 1999) declared that it needed a monitoring, reporting and policy role on intermodal imports as these represented the major trade "drivers" for the NSW international supply chains' behaviour*

# **+35% of Australia's domestic consumption occurs here!**

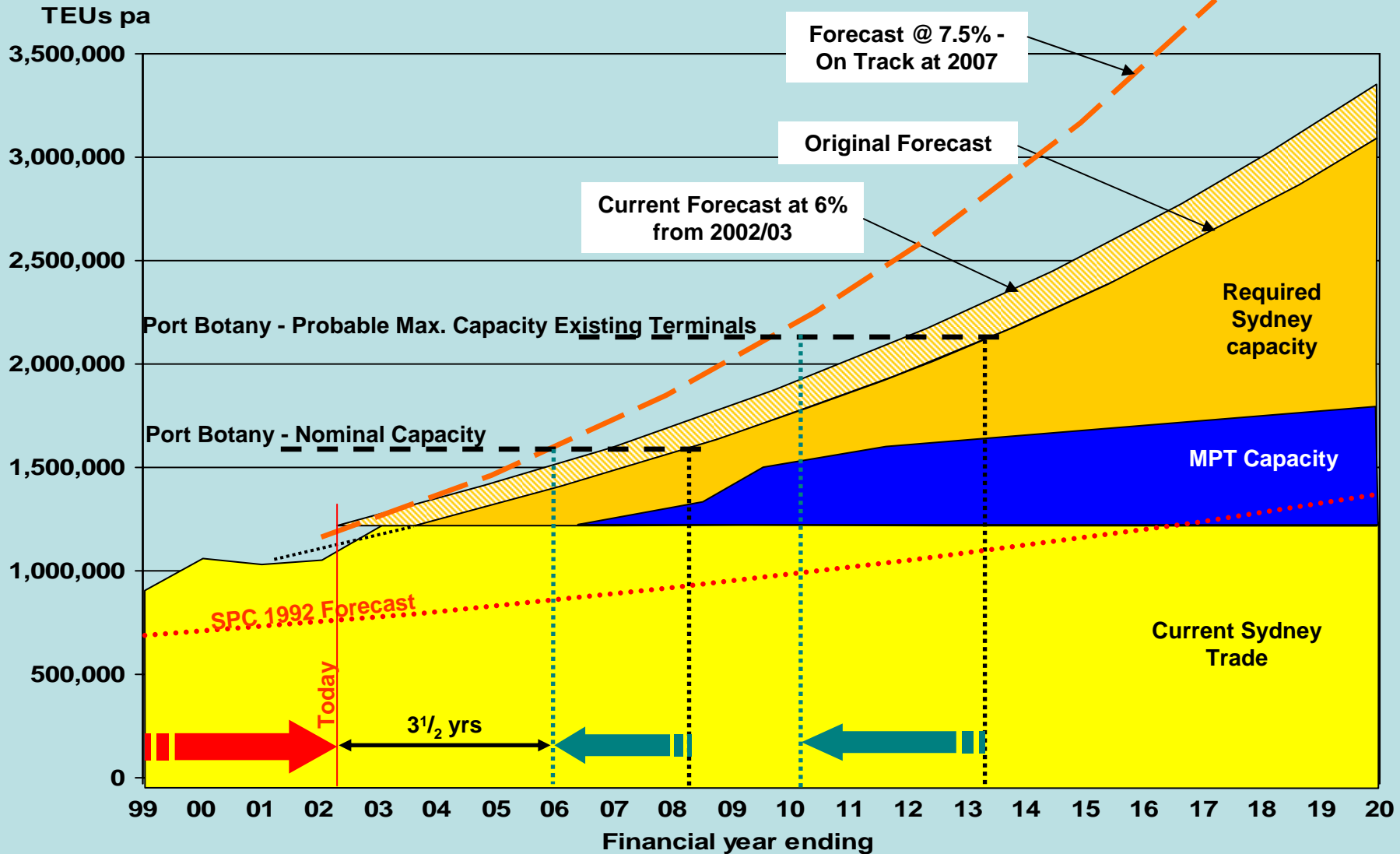


# ***History of Intermodal Projects***

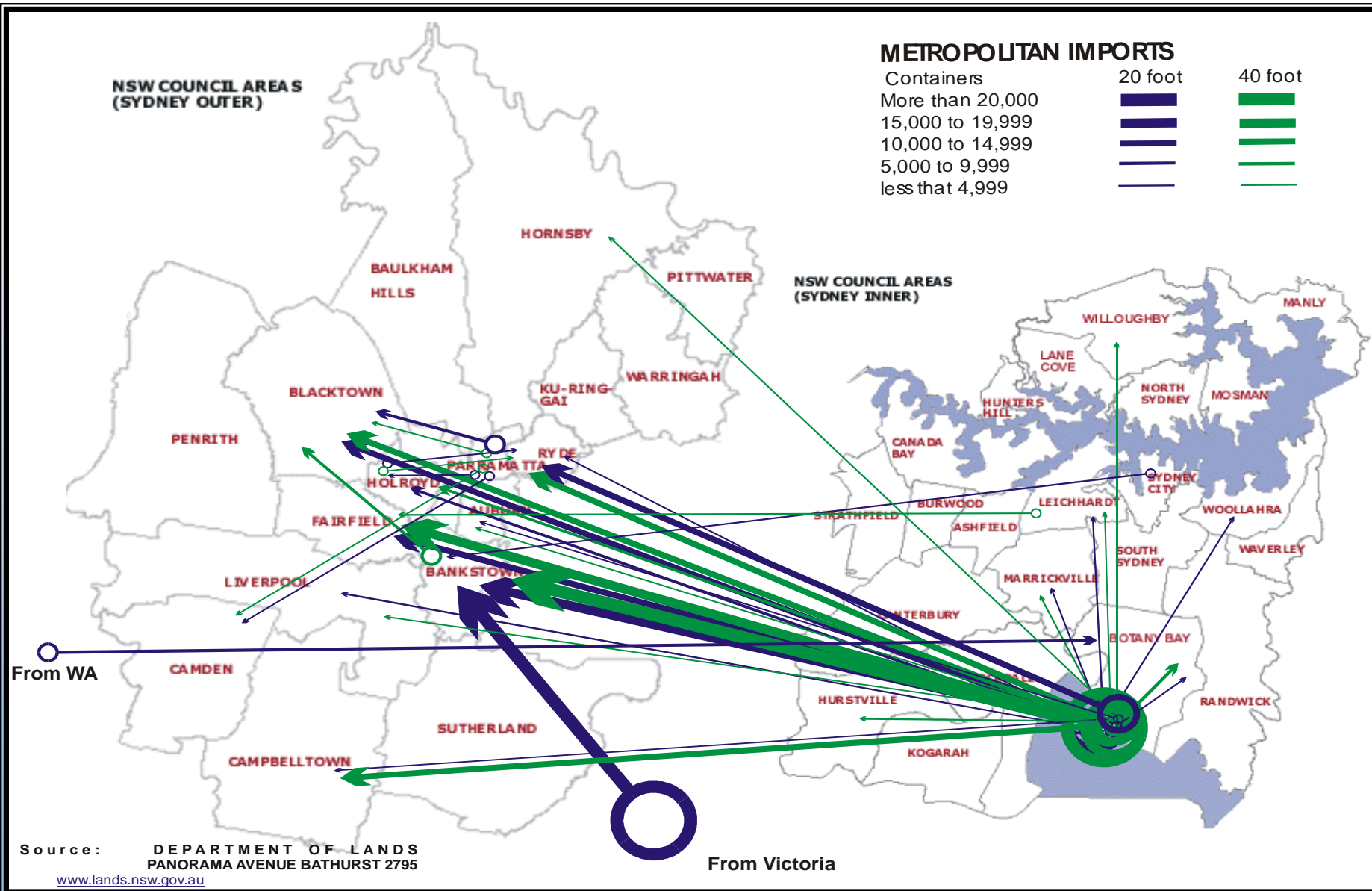
***Focus shifted towards INTERMODAL SUPPLY CHAINS – both for Imports and Exports - DoTaRS funding (2003)***

- ***2003 - NSW Container Mapping Study***
  - *Understanding true flows, behaviour benchmarking and consolidation of a wide range of data into one public document*
- ***2004 - Intermodal Hub Study***
  - *A major reference document for regional aspirants*
- ***2005 - Mismatch of Hours Report***
  - *Follow-up on the Federal Government's Warehouse to Wharf Reports (1992 & 1995) / 2005 Vic. Business Activity Harmonisation Study (BAHS)*
- ***2006 - Landside Infrastructure Capacity Intermodal Freight***
  - *Risks and impediments in the expanding intermodal task*
- ***2007 - Sydney Metropolitan Intermodal Hub Study***
  - *Started out as Moorebank Open Access Study*
  - *Developed into report on where, when and how should rail / road hub facilities be developed*

# Reflection - NSW Container Trade Forecasts



# Full Import Containers - Metro



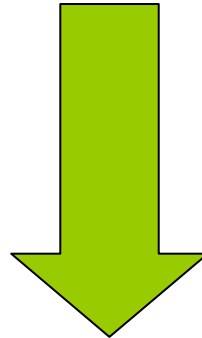
# ***2003 Container Mapping Study***

## ***“Opportunities to Improve”***

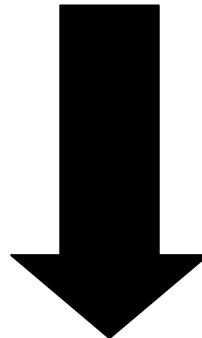
- *Communication and planning – TECHNOLOGY & COLLABORATION BUT HAS A WAY TO GO*
- *Vehicle booking systems – waiting/penalties – COMMERCIAL CONFLICTS*
- *Empty container returns – EVER GROWING CHALLENGE*
- *Container staging – 2008 PROJECT*
- *Seasonality – WIDER CONSUMPTION MARKET; DROUGHT*
- *Rail system – SYDNEY’S METROPOLITAN KEY INTERMODAL CHALLENGE*
- *Hours of operation – CONTINUOUS MONITORING BY FALCON*
- *Increasing land values – SUPPLY CHAIN BUSINESSES STILL MOVING TO CITY OUTSKIRTS*

# ***NSW Innovation Projects***

***Dept of State and Regional Development  
(DSRD)***



***Industry Innovation Development Strategy (SAHA Report)***



***FALCON - Fresh ideas to deal with supply chain industry  
challenges***

# ***Possible New Focus for FALCON***

- ***Regulation***

- *Collaboration with Australian Logistics Council and other state-based Freight Councils to support cross border regulatory harmonisation*

- ***Infrastructure***

- *Pilot web-based freight matching system at Port Botany to improve (road) vehicle utilisation*

- ***Environment***

- *Case studies and “How To Guides” to share sustainable initiatives*

# ***Possible New Focus for FALCON***

- ***Workforce***
  - *Implement skills and accreditation strategy*
  - *Develop open learning centre*
- ***Knowledge and Information***
  - *Identification of “Best Practice” in 3 key supply chains and infrastructure, or components of same*
  - *Small business and regional workshops focusing on innovation to address logistics challenges*
  - *Work with Victoria and Queensland to develop joint freight models and improve freight planning*

# ***Intermodal Trades and Global Warming***

- ***NSW Major Exports***

- ***Coal***

- *Grow prospects remain strong*
- *Cheapest choice for energy*
- *Port of Newcastle expanding capacity to 160mtpa*

- ***Grain***

- *Higher prices in short to medium term*
- *Bio-fuel alternative production pressures*

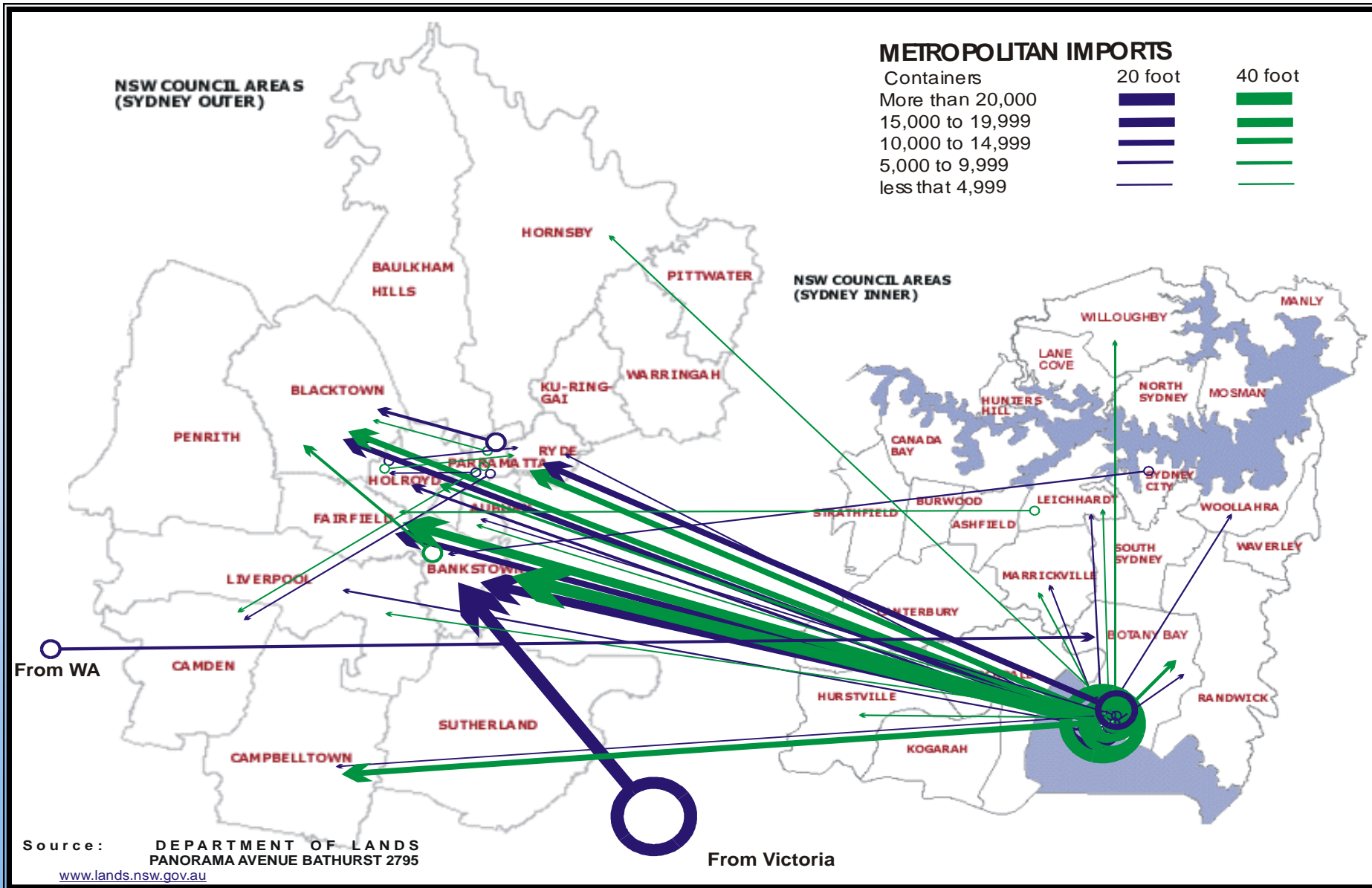
- ***Primary Aluminium***

- *Carbon footprint spotlight*
- *Supply chain has significant land-bridge risks*

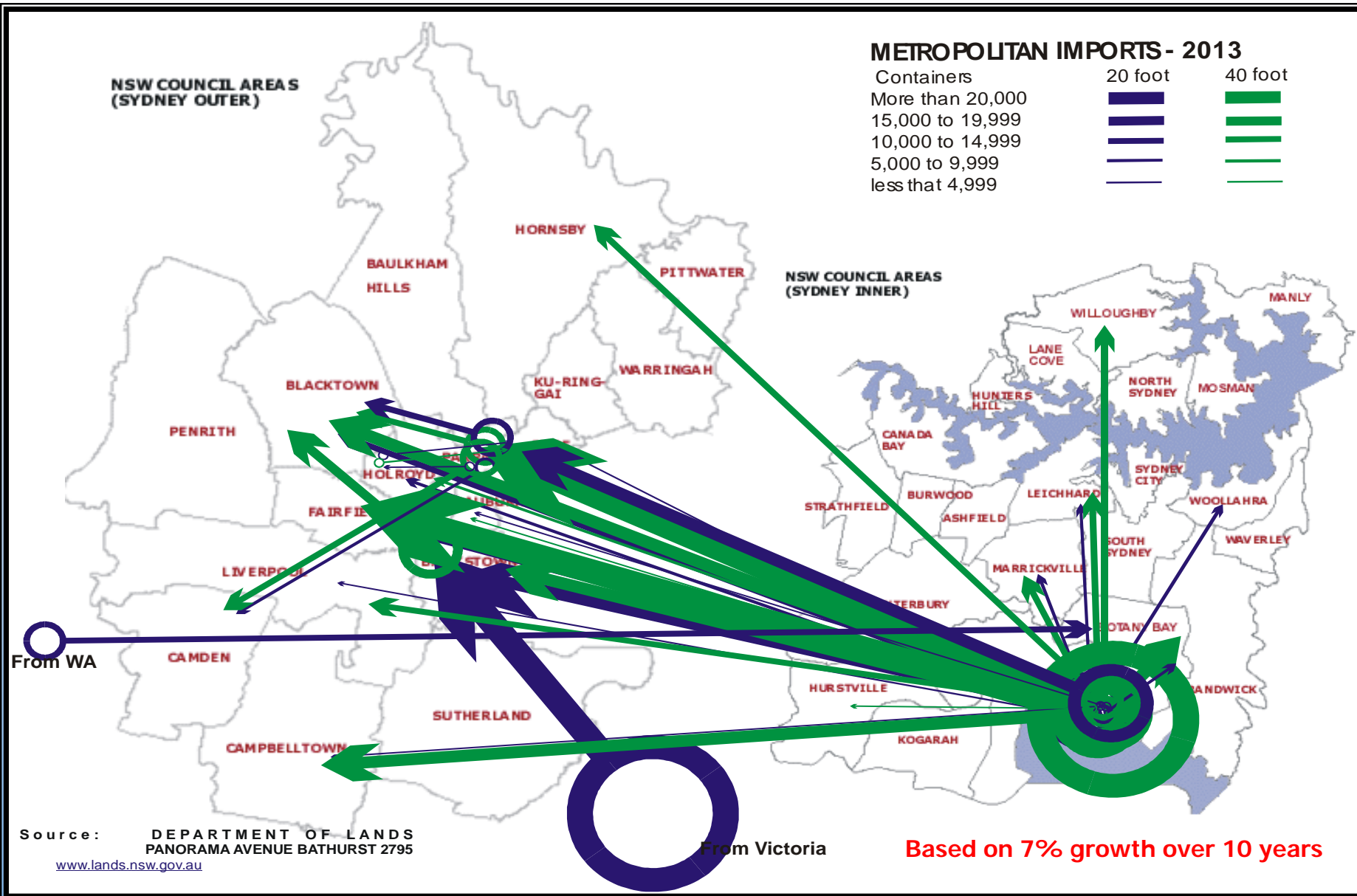
- ***Empty Containers***

- *+34% and growing*
- *40ft v's 20ft Phenomena*

# Full Import Containers – Metro - 2001



# Full Import Containers – Metro - 2013



Source: DEPARTMENT OF LANDS  
PANORAMA AVENUE BATHURST 2795  
[www.lands.nsw.gov.au](http://www.lands.nsw.gov.au)

# ***40ft Phenomena – Who's Looking?***

- ***The two previous slides, now 5 years on, still highlight our biggest single intermodal issue***
  - ***TEU's are more multi-flexible from a land transport and handling perspective***
  - ***FEU's – a much more different story:***
    - ***One FEU / road or rail transport unit (whether full or empty)***
    - ***More land transport resources***
    - ***One-on-one syndrome***
  - ***Metropolitan movements follow typical intermodal solution / actions***
    - ***Why do we continue to throw high dollar resources at these problems***
    - ***Do we have to think differently?***

# ***Will There Be Paradigm Shifts in Intermodal Thinking?***

- ***Global warming is forcing intermodal logistics industry to rethink how, where and why***
- ***Carbon footprints will emerge as the most likely measurement for users to understand environmental impacts***
- ***Long distance intermodal supply chains may not fare too well in any first leg / last leg scrutiny***
- ***Logistics must be pro-active with producers and suppliers - or else they may find themselves with nought to do!***

# ***Global Warming = Economic Change***

- ***Irrespective whether you believe Global Warming is being cause by human intervention or not, the world is “switched on” to seeking actions to arrest its impact***
- ***This is an era where Economic Change will make it mark***

# ***NSW Focus***

***If I had my “Druthers” I’d take on a National Perspective:***

- ***Highly inefficient usage of international containers:***
  - ***Excessive and empty container movements***
    - ***i.e. the true costs***
    - ***carbon footprints***
    - ***global warming impacts***

***especially for land-based movements of FEU’s***

# ***NSW Focus***

- ***Explore the merits of investing in the Port of Newcastle before Sydney's projected teu's volumes become too great:***
  - ***link to (proposed) Melbourne to Brisbane Inland Rail Alliance's freight rail link***
  - ***initiate a PRADIGM SHIFT in Selective Long Distance Supply Chain thinking***
    - ***i.e. selected 40ft import trades / portside de-stuffing with contents freighted to established distribution centres in existing transport resources***



# ***No Alameda Corridor Option***



- *US\$2.4 billion - Base Project*
- *30m teu original design capacity*
- *2007 – Rail handling 39.4% of 17.4m teus' p.a.*
  - *Significant volumes are to/from east of Rocky Mountains*
  - *Southern Californian markets heavily road serviced*

- *A\$2.6 billion to link proposed Eastern Creek Intermodal to Enfield*
- *+\$500 million for approved Enfield intermodal development*
- *Sydney Metro capacity <3.5m teu's*
- *Rail target 40%*
- *North / South Inland Rail Proposal*