

FAQs

Revitalising Agricultural Region Freight Strategy

Why do we need a Strategy for the agricultural regions?

The agricultural sector in Western Australia is an important part of our State's economy.

A number of significant changes have taken place in agricultural sector in recent years. Since the *Strategic Grain Network Review* was undertaken in 2009, Bunge Agribusiness commenced grain storage, handling and export operations in the South West; changes were introduced to previous grain storage and handling packages offered to grain growers by Co-operative Bulk Handling (CBH); and the Tier 3 rail lines were placed into care and maintenance.

The State Government recognises the need for an integrated, multi-modal regional transport strategy for the key agricultural regions of WA, to ensure our agricultural sector can compete in today's global market. The holistic supply chain approach aligns with the *National Freight and Supply Chain Strategy*, which was released by the Commonwealth Government in 2019.

The *Revitalising Agricultural Region Freight Strategy* (the Strategy) identifies and prioritises specific infrastructure upgrades, and suggests regulatory and policy measures that will help make freight transport in WA's agricultural regions more productive, efficient, and safer.

The Strategy provides the context for business cases for road, rail, intermodal, and port projects for the next 10-15 years. It will help to keep WA competitive and prepare our key regional agricultural supply chains for future growth.

What area does the Strategy cover?

The *Revitalising Agricultural Region Freight Strategy* covers the primary grain-growing and agricultural regions of Western Australia.

The Project Area outlined in the map to the right, covers parts of the Mid West, Wheatbelt, Great Southern and Goldfields-Esperance regions.

Why does this Strategy focus on the agricultural regions?

The WA agriculture and food sector represents about 10 per cent of the State's economy, and the freight task associated with agricultural supply chains presents challenges that are unique to these regions.

Improving transport efficiency across supply chains can help to enhance the international competitiveness of WA products, and ensure we have a diverse and robust economy.



Project Area map for the Strategy

What about planning that has already taken place? Does the Strategy replace any existing strategic documents?

The Strategy builds on the directions of the *Western Australian Regional Freight Transport Network Plan (2013)* and applies them to specific projects that will benefit agricultural supply chains into the future. It takes into consideration existing transport strategies and plans, along with earlier grain network reviews. Previous strategic priorities and principles remain unless otherwise stated.

Who was involved in developing the Strategy?

The Strategy was developed by a multi-agency team, led by the Department of Transport and including representatives from the Public Transport Authority and Main Roads Western Australia, the Department of Primary Industries and Regional Development and the Regional Development Commissions.

As part of the consultation process to draft the Strategy, the Department of Transport identified and engaged with a large range of key stakeholders.

Major industry stakeholders included; Arc Infrastructure, CBH, WALGA, Bunge, the Western Australian Farmers Federation (WAFarmers), the Western Roads Federation, the Livestock and Rural Transport Association of Western Australia and the Pastoralists and Graziers Association of Western Australia. Key local government and State Government departments were also consulted.

The Strategy was released for public comment in June 2019, the ideas and feedback provided have been considered and incorporated into the Strategy.

How were project packages prioritised and why do some have low priority?

The infrastructure project packages have been prioritised across the State and region, based on an assessment of transport demand, current infrastructure standards, road safety issues drawn from road crash statistics, supply chain beneficiaries and alternative transport modes.

The Strategy has prioritised packages where the most effective infrastructure investments and regulatory improvements best achieve the objectives of providing connected and continuous supply chains, seamless integration between road and rail, an optimised infrastructure and policy environment, improved transport efficiency, improved road safety and regional economic growth.

"Low priority" typically indicates that compared to other projects, benefits are likely to be limited. Whilst some projects may be lower priority, they may be quicker or cheaper to implement than the more transformational "high priority" items. Subject to the funding availability, high priority projects will generally be implemented before lower priority projects.

How was my feedback considered in the development of the final Strategy?

The Department of Transport reviewed over 90 online submissions completed in response to the draft Strategy, released in June 2019, with over 70 per cent of respondents agreeing that the supply chains examined provide adequate coverage of agricultural freight issues in the project area, and support increased investment in rail infrastructure, including new intermodal terminals.

The draft release of Strategy focused on the relevant rail network and local government roads and included only the key State roads identified as desirable 42m Performance Based Standards (PBS) vehicle routes.

Feedback indicated the need for a more comprehensive plan for the road network. Accordingly, a comprehensive list of relevant State roads and the key improvements for future investment planning have been included in the final Strategy.

Consultation also indicated a strong sentiment towards reinstating Tier 3 railway lines, which were put into care and maintenance in 2014. More information on this issue is provided below.

Will the Tier 3 rail lines be reopened?

The freight rail network, which includes the Tier 3 rail lines, is owned by the State Government and leased to Arc Infrastructure until 2049.

Arc Infrastructure placed the Tier 3 railway lines into care and maintenance in 2014, due to their deteriorated condition and lower volumes transported. An arbitration process initiated by CBH under the Railways (Access) Code, which began in 2013 and concluded in November 2019, determined the costs of re-opening the Tier 3 rail lines. CBH considered those costs were not economically viable.

Since the conclusion of the arbitration, neither Arc Infrastructure or CBH have pursued reopening Tier 3 railway lines. Arc Infrastructure and CBH are focusing future investment in the rail network on operational and high-volume Tier 1 and 2 rail lines.

Both parties are working with the State Government to progress business cases for higher priority Tier 1 and Tier 2 rail projects that were identified in the RARF Strategy. Investment in State and local roads will have to compensate for increased road freight traffic in areas formerly served by Tier 3 lines.

A high-level assessment of each non-operational line will be undertaken by an independent expert as part of Arc Infrastructure's 2020 review of Performance Standards to report on lines or sections of line which are considered to be beyond what would be reasonably practicable to rehabilitate.

The RARF Strategy prioritises investment in the Tier 1 and Tier 2 rail networks; railway lines which are still operational, economically viable and carry significant volumes of grain from regional Western Australia to port.

The WA Government has commissioned a further full engineering assessment of the Tier 3 lines to advise on the cost and time required to rehabilitate each line, so that any future stakeholder proposals can be informed by this analysis.

What happens next?

The Strategy provides a guiding framework for industry to strategically align with the State's vision for agricultural freight transport into the future.

While some project packages may be progressed, and led by State Government, the State may also elect to encourage industry-led development of business cases, in consultation with government, for proposals that align with the Strategy.

Potential funding sources and options for large-scale capital projects and upgrades will be identified on a case-by-case basis as part of the business case development process to identify costs and benefits. Relevant government departments will work together to assess and implement non-infrastructure solutions and further investigative work.

The Strategy will be reviewed in five years' time.