WOODCHIPS ON THE DERWENT VALLEY RAILWAY?

The Dover woodchips project development for a proposed $42 m woodchip port at Strathblane involves the sourcing of 800.000 tonnes of woodchips annually and weekly 800 truck movements both ways between Lonnavale and the stockpile facility at Strathblane.

Tassal claimed that the Dover woodchip port could not coexist with the company’s salmon leases in Port Esperance . Following a meeting with Tassal Southwood Fibre’s Neville Smith said on June 7 that no resolution had been found without government assistance and that the development was on hold until discussions between the State government, the peak bodies of aquaculture’s and forestry provided a way forward.

There may be an alternative the proposed woodchip port.

In 2004 I gave a paper to the Association of Australian and New Zealand for the Advancement of Science which looked at the Southwood Report of Forestry Tasmania. This Report considered various routes for carrying out timber products from the Huon including saw logs. I supported its proposal for using the Lane Link Road through the Styx Valley. Steve Kerrison, then CEO of Pacific National, indicated that a transfer station could be built at Karanja for $1m to enable railing via the Derwent Valley Railway line (DVR) through to Bell Bay or Burnie.

About 80,000 tonnes of woodchips annually from the southern forests are railed from the Brighton Hub.

The DVR is State owned and leased to Tasrail .The Derwent Valley Railway Association has plans for tourism operations to Mount Field National Park. However, a completion date depends on access to the line being secured by the Association from the State government. The line from Norske Skog paper mill is open and operational to Bridgewater for freight.

Tony Mulder MLC put a case for reopening the DVR line using Karanja as railhead for the carriage of woodchips ( Mercury 3/5/15).The question is against the $42m for the establishment of the Dover woodchip project what would it cost to rehabilitate the DVR line to take freight woodchips? There is also the consideration of the tourism aims of the DVR line and their compatibility with a freight task.

No current estimates exist for the cost of this upgrading of the DVR line. Tasrail’s broad estimate of the cost for its own internal purposes for freight upgrades to the DVR line would be $60m.This would require bridge strengthening, reinstallation of signalling, upgrading of level crossings and compliance with Tasrail’s safety requirements.

A petition is before the Huon Valley Council opposed to the Dover woodchip port development. There remain conflicting uses of corporations which contribute to the State economy and workforce.

The alternative to the Dover woodchip port would be worth examining

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This article does not represent the views of the TLC

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Following the Triabunna woodchip mill and a Forestry Tasmania report the Resources Minister Harris undertook to continue subsiding the transport and harvesting of residues from Southern Tasmanian timber operations.

The southern forests currently have around 80,000 tonnes annually railed from the Brighton Hub with the Huon and the Tasman peninsula providing nearly 1.5 million tonnes.

The Productivity Commissions Report into Tasmanian Shipping and Freight 2014 noted that the Freight Logistics Co-ordination Team (Juturna) highlighted the need to prioritise road investment on the main freight corridor linking Hobart Burnie ,Devonport and its key regional freight roads links. The Report pointed out that unless upgrading of the Midland Highway occurred in a shorter framework of 10 years the rail network to Burnie would still be required to carry freight to the northern ports.

In terms of the viability of the rail network the BTCE warning of the impact of depleting the rail network should hold good. The Commission stated that Tasrail could improve its bottom line with better port connectivity (belatedly with the case of Burnie).

The concept of the Tasrail government funding, such as the $240 million yet to be allocated., to be regarded as a subsidy ignores the taxpayer’s underwriting of road infrastructure .In the end rail has to be competitive with road and this could involve opening up unused lines , such as Wiltshire, to private operators and assisting tourist rail operators like the Derwent Valley Railway to develop a niche business. Is yet to be determined by a framework under the proposed Commission’s contention that rail investment was likely to have delivered a higher return to the Tasmanian government if directed to transport infrastructure catering to B double traffic is yet to be determined under the Tasmanian Freight Strategy.

Tasrail is well positioned to carrying additional freight including woodchips and logs. It would be arguably more economic to maintain the $6 million subsidy. The Minister has received the commercial in confidence report from Tasports and Forestry Tasmania on the options for exporting woodchips and should make a final decision.

Tasrail and shipper members of the Tasmanian Logistics Committee would be in an expert position to work out the logistics to assist the Minister and his advisers.

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