

# THE OUTBACK WAY GOOD FOR QUEENSLAND

The Outback Highway Development Council Inc. is actively lobbying for \$512million over 10 years to seal the Outback Way. 5 Shires along the route contribute \$25,000 each to progress the development of the Outback Way as a tourism and freight link across Australia- linking Cairns to Perth- Winton to Laverton.

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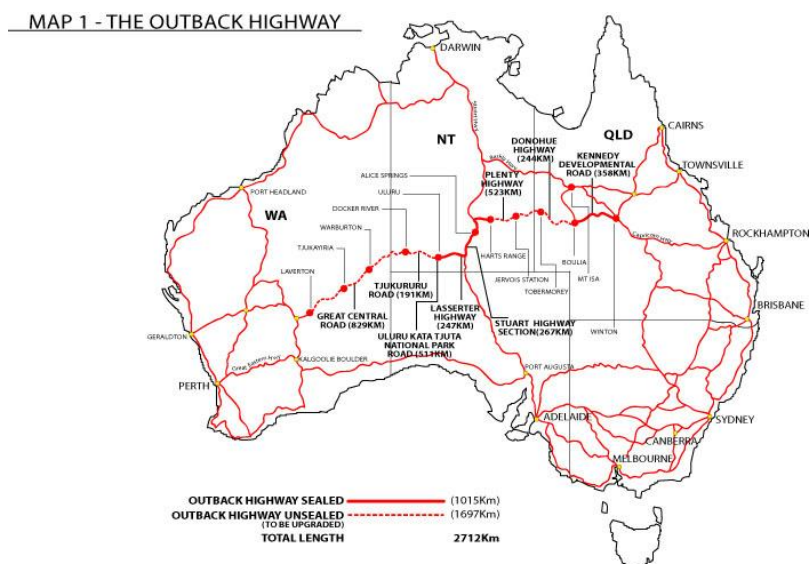
- Outback Highway Development Council Inc. is in its 13<sup>th</sup> year.
- Feb 2012 Infrastructure Australia Indigenous infrastructure policy conference- Panelist
- Submission to Infrastructure Australia –June 2012.
- Produced feasibility Study and Economic Impact Cost Analysis 2003 and updated 2009 & 2012
- \$487,390 Tourism project-November 2008 launched Alice Springs
- \$20million to upgrade the connectivity of the road with R2R2 funds in 2005
- Working with Desert Knowledge
- Friends of the Outback Way- Canberra ( Senator Trish Crossin & Senator Ian McDonald)
- Successful financial partnership with 7 local governments spanning through central Australia
- *Shire of Boulia (Qld)* • *Shire of Winton (Qld)* • *Alice Springs Town Council (NT)*
- *Shire of Ngaanyatjaraku (WA)* • *Shire of Laverton (WA) (Voting members)*
- ( *Non-Voting Members*) *Central Desert Shire & McDonnell Shire have contributed in kind, and are included in annual membership*

## Our Supporters:

- Australia’s Golden Outback- Tourism Authority
- Goldfields Esperance Development Commission
- Central Land Council and Ngaanyatjarra Land Council
- Regional Development Agencies
- Qld, NT & WA Tourism bodies
- WA, Qld, & NT Local Government Assoc.& ALGA
- City of Kalgoorlie-Boulder

## State Road Authorities

- . Main Roads, Queensland
- . Planning & Infrastructure, Northern Territory
- . Main Roads, Western Australia



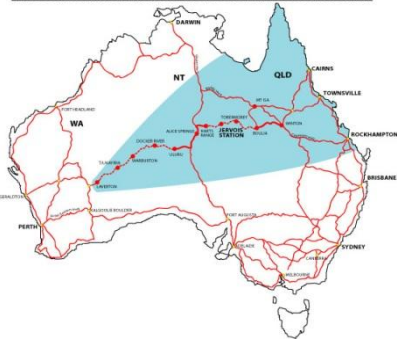
**TOTAL BENEFIT COST** - If the monetised wider benefits outlined above are added to the direct benefits 2.1, indirect benefit 2.6-total benefit cost ratio is a very robust level of 4.7.

## DISTANCE SAVINGS

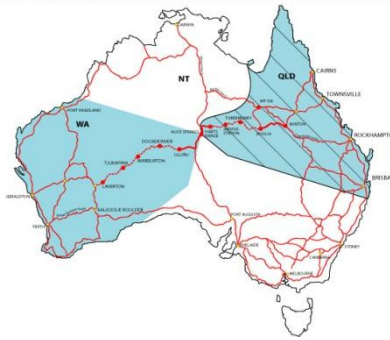
Distance savings have not changed since the 2003 report and are very large.

- Alice Springs to Perth ..... 1,136km
- Alice Springs to East Coast Regions, Nthn Qld to Brisbane ... 300 – 500km
- Perth to Nthn Qld ..... approx 1,000km
- Perth to Brisbane ..... no saving but a more 'freight efficient' triple road train route
- Perth to Darwin ..... same distance alternative to via Kimberleys
- Kalgoorlie to Mt Isa ..... 1,074km

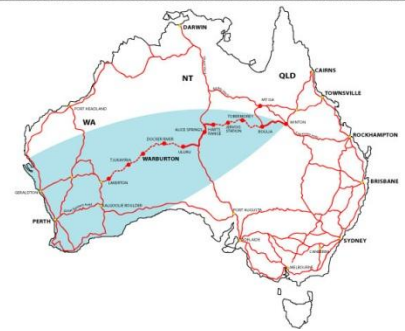
MAP 5 - THE OUTBACK HIGHWAY - AREAS OF AUSTRALIA MADE CLOSER TO PERTH



MAP 4 - THE OUTBACK HIGHWAY - AREAS OF AUSTRALIA MADE CLOSER TO ALICE SPRINGS



MAP 6 - THE OUTBACK HIGHWAY - AREAS OF AUSTRALIA MADE CLOSER TO NORTHERN AND CENTRAL QLD



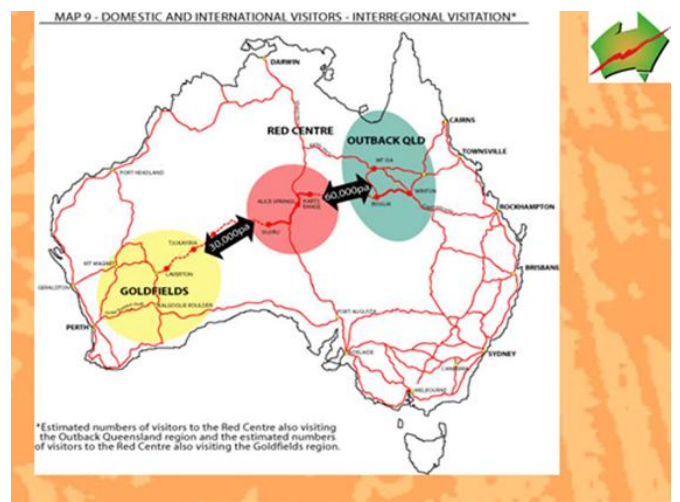
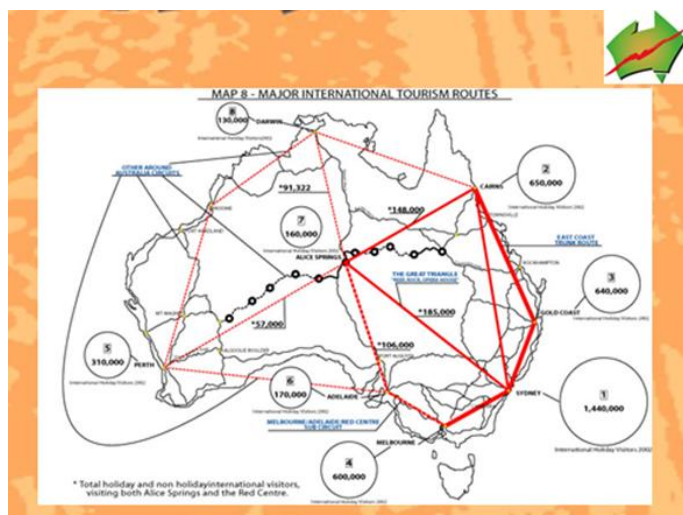
## TOURISM

The major benefit of the Outback Way will be to facilitate movements of:

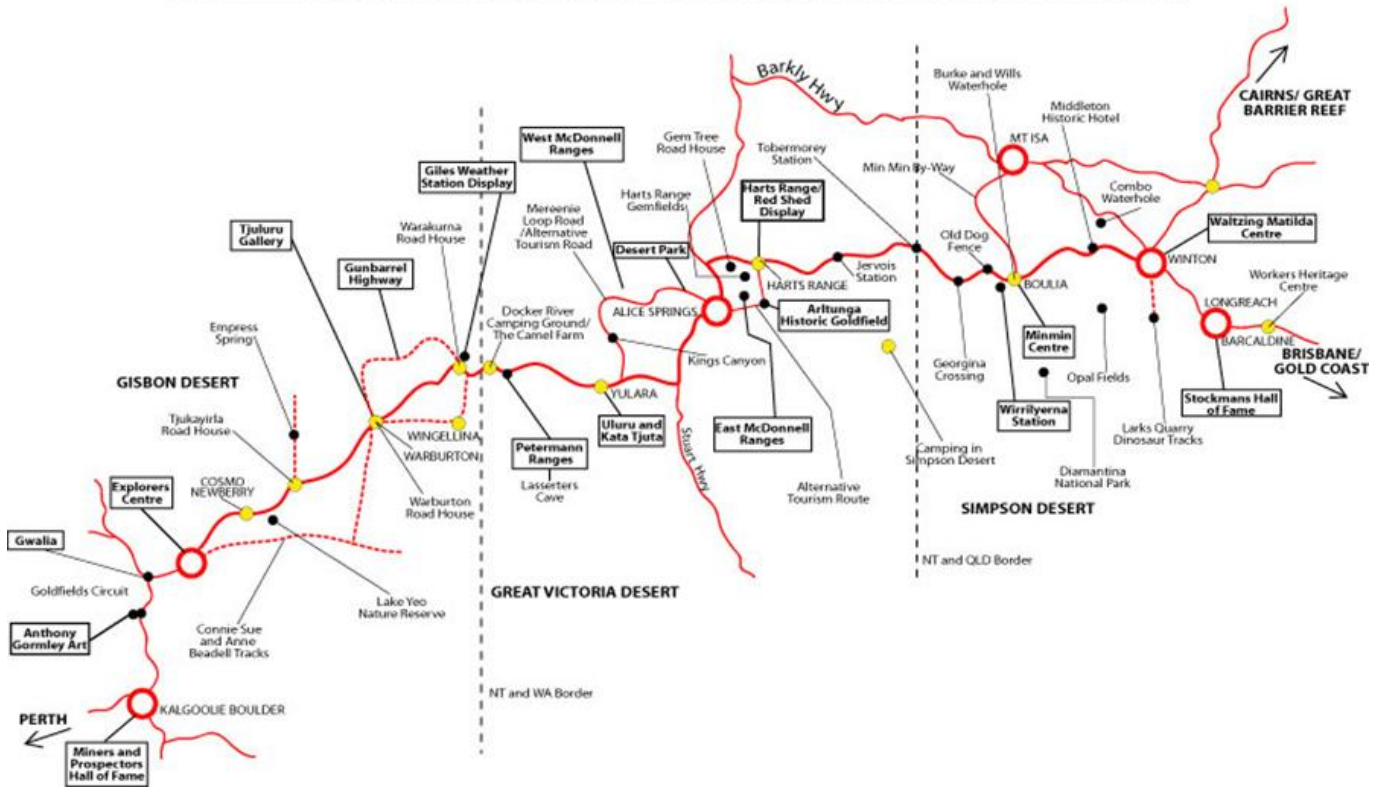
- a) Domestic visitors between the major visitor source regions along the east coast and the Red Centre and the Perth area at a time when a major growth is taking place in 'see Australia travel' by the 'baby boomer' demographic.
- b) International visitor movements, especially between the larger international visitor regions of Cairns, the Red Centre and Perth, but also between the Great Barrier Reef, Gold Coast and Sydney to Red Centre movements. The Outback Way Eastern and Western Arms have a very important potential in setting up touring circuits that will facilitate movements around Australia.

Estimated increase in visitor numbers travelling Eastern and Western Arms: ( with Outback Way upgrade)

- Eastern Arm ..... 12,000 to 48,000
- Western Arm ..... 8,000 to 32,000



**MAP 7 - THE OUTBACK HIGHWAY - SOME TOURISM POINTS OF INTEREST**



**CATTLE INDUSTRY IMPROVEMENTS**

*Queensland (Normal Movements)*

Based on estimates of Queensland stations, normal annual turnoff from those stations along the Donohue Hwy affected by the proposed upgrading of the highway is estimated at about 20,000 head. In general, turnoff from this area moves eastward further into Queensland.

**Movements into Queensland in 2011 stood at 48,000 head.**

**Total Movements**

The above figures give estimated average total 2011 movements generated over the Eastern Arm as follows :-

Eastern Movement	Numbers	(cf 2003 Numbers)
Barkly Hwy	23,000	(23,700)
Plenty Hwy	25,000	(12,000)
Donohue Hwy	45,000	(32,000)

This translates into estimated average annual road trains with 180 head per road train<sub>1</sub> of :-

Eastern Movement	Annual	Daily
Barkly Hwy	128	0.35
Plenty Hwy	140	0.38
Donohue Hwy	250	0.68

**ONCE UPGRADED-** It is estimated the switch to the Plenty/Donohue Hwys would involve about 100 full cattle road train movements a year, increasing greatly movements over this section of the road.

# TRANSPORT & FREIGHT GROWTH

Boulia Shire for July 2011 is 45 ( Eastern Arm)

WA traffic counting figures for July 2011 is 54 Vehicles/Day ( Western Arm)

The Outback Way route will provide large distance savings for traffic from Perth to Northern Queensland centres.

## Outback Hwy Savings

Perth to NQ Coastal Centres (Townsville) ..... 1,197 km

Perth to Mt Isa Via Alice Springs ..... 1,208 km

Information supplied by Bureau of Infrastructure, Transport and Regional Economics in 2011 estimated total road freight movements between Western Australia and Queensland were as follows:

**WA / Qld ..... 81,000 tonnes**  
**Qld / WA ..... 127,000 tonnes**  
**Total ..... 208,000 tonnes**

## Eastern Arm – Alice to Winton

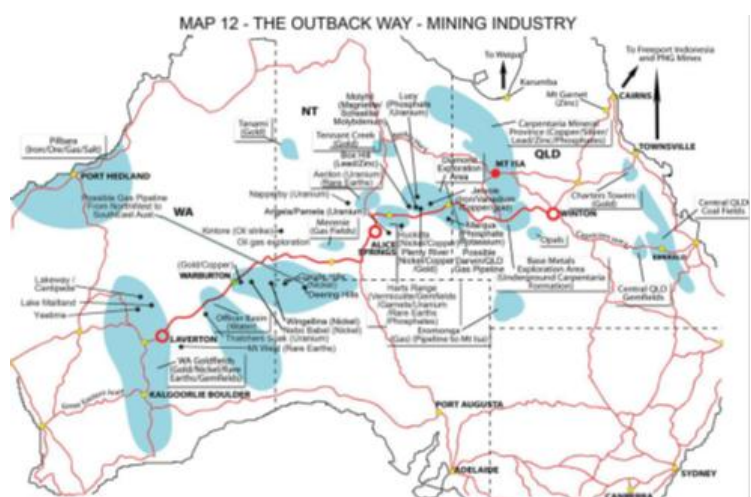
	2011 Current	After Upgrading	% Growth
Light Vehicles	25	77	+208%
Heavy Vehicles	5	16	+220%
<b>Total</b>	<b>30</b>	<b>93</b>	<b>+210%</b>

# MINING

Upgrading the Outback Way will have a major impact in linking Australia's two great mining regions and 'growth engines' for the national economy in Western Australia and Queensland.

## Value of Mining Output

	1999/2000	2006/07	2009/10
Western Australia	\$15.7 bn	\$48.9 bn	\$70.9 bn
Queensland	\$8.9 bn	\$27.6 bn	\$29.7 bn
Northern Territory	\$1.3 bn	\$3.5 bn	\$3.5 bn
<b>Total</b>	<b>\$26.0 bn</b>	<b>\$80.0 bn</b>	<b>\$104.1 bn</b>
Remainder Australia	\$11.1 bn	\$25.1 bn	est \$40.0 bn
<b>Total Australia</b>	<b>\$37.1 bn</b>	<b>\$105.1 bn</b>	<b>est \$144.0 bn</b>



Mining movements between Qld & WA on the Outback Way would save 1600km and \$16,000 and when emergency replacement equipment is required, this could mean a saving of over \$1million/ shift, as the equipment can arrive sooner and production can resume.

## COST BENEFIT ANALYSIS

The following gives a summary Nett Present Value of benefits by light and heavy vehicles and type of use categories for eastern and western arms combined.

### SUMMARY OF NPV DIRECT BENEFITS, 2011 VALUES, SEALED LEVEL

	<b>Western Arm</b>	<b>Eastern Arm</b>	<b>Total</b>
Locals	\$15.49 m	\$3.68 m	\$19.17 m
Business	\$18.03 m	\$4.75 m	\$22.78 m
Tourists	\$130.86 m	\$83.60 m	\$214.46 m
Coaches	\$44.20 m	\$28.18 m	\$72.38 m
Cattle	\$0.67 m	\$9.24 m	\$9.91 m
Camels	\$14.94 m	-	\$14.94 m
Mining	\$209.19 m	-	\$209.19 m
Local Trucks	\$48.58 m	\$17.30 m	\$65.88 m
Interstate Freight *	\$221.69 m	\$127.43 m	\$349.12 m
Heavy Equipment *	\$23.18 m	\$14.82 m	\$38.00 m
"Hot Shots" *	\$25.50 m	\$16.31 m	\$41.81 m
Accident Injuryquiry Cost	\$13.50 m	\$8.27 m	\$21.77 m
Savings +*			
<b>Total</b>	<b>\$765.85 m</b>	<b>\$313.58 m</b>	<b>\$1,079.23 m</b>