



The

# Tanami Action Group

# Tanami Road

# Project Proposal



## Project details

### *Description:*

The Tanami Road is 1,077 kms long with 753 kms remaining unsealed between Halls Creek, WA and Yuendumu, NT. This unsealed section covers both sides of the Western Australian and Northern Territory borders.

The Tanami Road will serve as a major arterial road connecting freight, services, defence and tourists in South Eastern Australia with the Kimberley.

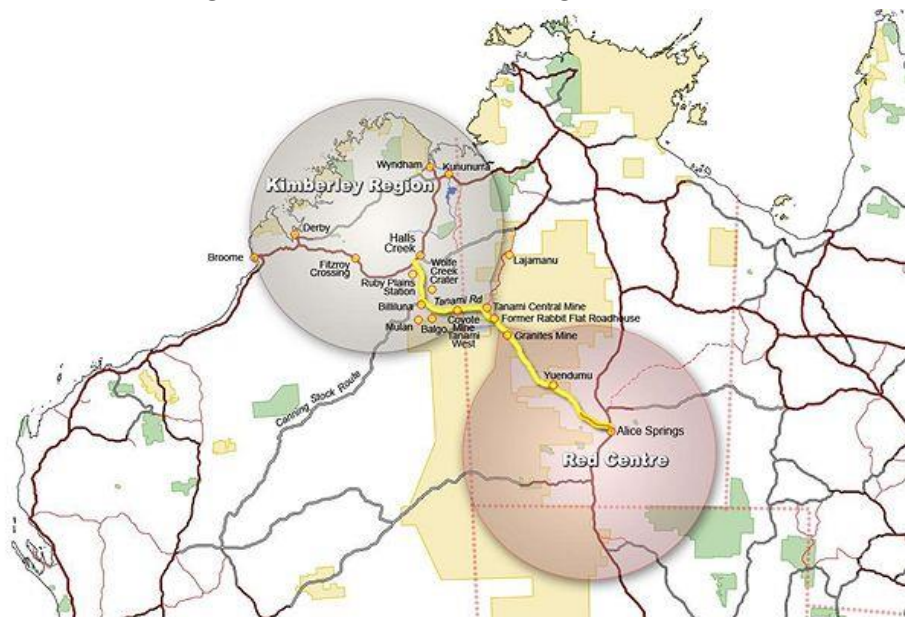
Realistically the upgrade to the Tanami Road may not be completed in the next decade, but if we are to have sustainable growth in the Kimberley we need to plan now for the key infrastructure required in ten years' time.

### *Project owner:*

Tanami Action Group

Since the early 1990s, the Shire of Halls Creek has explored options to upgrade and seal the Tanami Road. In 2012 the Central Kimberley Chamber of Commerce formed a subcommittee – the Tanami Action Group to take over the project for the benefit of the whole Kimberley region.

The purpose of the Tanami Action Group is to engage stakeholders from the Kimberley, Western Australia, Northern Territory and industry to lobby the Federal Government for funding and assistance to upgrade and seal the Tanami Road.





### *Stakeholder analysis:*

A number of Stakeholder groups have been identified who will be engaged with the project and can expect to see significant benefits during and upon completion of the project.

These stakeholder groups include:

- Traditional Owners and Aboriginal Communities
- Mining companies
- Freight companies
- Tourism services and tourism providers
- Agriculture (pastoral stations, cropping, horticulture, fisheries and National Parks and wildlife management)
- Economic Development (Chambers of Commerce, regional business support networks, skills and training, new business opportunities, construction, contractors, industry groups, and investors)
- Government Agencies (Federal, State, Territory, Local and related groups)
- Media

Coordinators from throughout the Kimberley have been engaged to liaise with and represent each stakeholder group.



*Indicative budget:*

There are two budgets to consider when analysing the Tanami Road project.

Firstly a budget must be allocated to the Tanami Action Group for the purpose of engaging stakeholders, conducting feasibility studies and lobbying State, Territory and Federal government.

This budget will need to accommodate:

- Promotional material
- Stationery such as business cards, uniforms
- Office space including phone, internet and utilities
- Travel – flights, vehicles
- Accommodation
- Attendance at conferences (delegate fees, trade stand fees)
- Staff wages
- Contractor fees to conduct feasibility studies and reports
- Auxiliary costs such as meals

It is for this budget that the Tanami Action Group seeks the financial support of the Shire of Halls Creek through paid membership.

Secondly a budget must be allocated to the actual completion of the project. The upgrade and sealing of the Tanami Road would see the entire road sealed to a National Highway Standard 8 meters wide.

This is estimated by Main Roads WA to cost between \$500,000 and \$750,000 per kilometre depending on the specific section being upgraded and sealed. The total estimated cost is approximately \$564,750,000.

*Estimated start and finish dates:*

The Tanami Action Group has commenced to lobby for Government funding to have the road upgraded and sealed.

It is estimated that depending on the outcome of future Government elections it may take up to 5 years to secure funding.

For the completion of the upgrade and sealing 10 years should be considered a modest time frame.

*Project team:*

The Central Kimberley Chamber of Commerce has formed a subcommittee called the Tanami Action Group.

The Chair of the Tanami Action Group is Phillip Hams of Go Go Station near Fitzroy Crossing. Phil has had extensive experience managing projects of this scope before and has extensive networks within numerous stakeholder industry groups and Government departments. Phil is exceptionally passionate about the future of the Kimberley and the role that a direct freight corridor along the Tanami will play in the development of the region.

The vice chair of the Tanami Action Group is Jamie Savage. Jamie is also the vice chair of the Central Kimberley Chamber of Commerce and a business owner who has spent his life living on the Tanami and servicing the communities and businesses who reside there.

Spokesperson for the Tanami Action Group is Lara Wilde, Economic Development Officer for the Shire of Halls Creek. Funded by the Shire, Lara coordinates much of the activity and prepares resources for the project.

Besides this core team of Central Kimberley Chamber of Commerce members, a secondary project team has been created to engage, liaise and represent each of the stakeholder groups.

- Traditional Owners and Aboriginal Communities: Brendon Grail of Kimberley Regional Economic Development
- Mining companies: Phil Hams of Fitzroy Crossing
- Freight companies: Phil Hams of Fitzroy Crossing
- Tourism services and tourism providers: Chris Telenta, Board member of the Visitor Centre Association of WA
- Agriculture (pastoral stations, cropping, horticulture, fisheries and National Parks and wildlife management): Phil Hams of Fitzroy Crossing
- Economic Development (Chambers of Commerce, regional business support networks, skills and training, new business opportunities, construction, contractors, industry groups, and investors): Tony Proctor of the Broome Chamber of Commerce
- Government Agencies (Federal, State, Territory, Local and related groups): Lara Wilde Economic Development Officer, Shire of Halls Creek
- Media: Lara Wilde Economic Development Officer, Shire of Halls Creek

As the project develops, those roles currently filled by Phil Hams and Lara Wilde will be replaced by new team members who have the networks, passion and resources to make a positive contribution.

*Project outputs and objectives – including benefits analysis:*

Currently the majority of traffic traveling from South Eastern States to the Kimberley has a choice of either:

- Traveling along the Stuart Highway through Alice Springs, Katherine and then across to Kununurra, or
- Traveling across the Nullarbor before heading north along the west coast to Broome.

The option of traveling via the Tanami Road has massive savings for some Kimberley centres.

Distance from Adelaide	Via the Tanami	Via Katherine	Via the West Coast
<b>HALLS CREEK</b>	2,576 km	3,584 km	5,044 km
<b>BROOME</b>	3,227 km	4,268 km	4,360 km
<b>DERBY</b>	3,091 km	4,133 km	4,582 km
<b>KUNUNURRA</b>	2,936 km	3,226 km	5,404 km

There are significant traffic numbers traveling through the Kimberley each day and much of this traffic could be diverted along the Tanami Road saving time and money, savings which will be passed on to businesses and residents.

ROAD	Number of vehicles daily	Percentage of Heavy vehicles
Derby Road (North of the Great Northern Hwy)	440	16.2%
Great Northern Hwy (South of Derby Hwy)	250	47.4%
Great Northern Hwy (East of Derby Hwy)	320	51.5%
Great Northern Hwy (South of Victoria Hwy)	390	24.3%
Victoria Hwy (East of Great Northern Hwy)	850	18.5%
Tanami Road	166	13.7%



A direct freight corridor linking South East Australia with the Kimberley will allow growth and development in a number of industries including:

- Construction: would not only benefit from the project itself supplying the road, housing and infrastructure for the 300 plus men work crew; but also by reducing freight costs for the delivery of materials for other projects throughout the Kimberley.
- Mining: currently mining is the biggest economic contributor to the Kimberley Region. In 2011 mining had an output valued at \$1.159 billion and there has been a steady growth in this sector over the last 5 years. A direct arterial route will not only reduce freight costs for supplies brought in but also for product shipped out. For those mining companies based along the Tanami Road, sealing and upgrading the road will have a significant impact on their operational costs.
- Tourism: In 2010, tourism employed 2,171 people and generated approximately \$265 million with 235,000 tourists visiting the region. The sealing and upgrading of the Tanami not only makes attractions such as Wolfe Creek Crater more accessible and safer, but it also provides another route into the Kimberley region.
- Agriculture: Approximately \$200 million is contributed to the Kimberley economy each year through Pastoral Stations, Horticulture and broad acre crops. The instability of the live export trade demands an efficient route to South Eastern markets for the viability of pastoral stations and the welfare of livestock. New agricultural projects in the La Grange project, the Fitzroy Valley and the Ord Valley will require machinery, resources and supplies from South Eastern States and a freight corridor to take their produce to the heavily populated South Eastern markets.
- Social service delivery: By improving the road to remote communities along the Tanami, Government departments and non-government organisations will be able to deliver services in a safer and more cost effective manner meaning that not only will services be improved but in some cases they will be available for the first time.
- Economic Development: Businesses throughout the Kimberley region will access opportunities as a result of the Tanami Road being sealed. As a part of the construction project communities will need to be strengthened, locals will be trained and jobs will be created.



*Business impact analysis – including Council resources, other activities, ICT:*

The majority of the business impact is currently on the Shire of Halls Creek. Since the 1990s the Shire has been committed to upgrading the Tanami Road and delivering outcomes to the Kimberley. Recently, they have engaged consultants to complete an Economic Impact Study and have assigned a staff member to assist the Tanami Action Group.

With financial support from stakeholders, the Tanami Action Group will provide all of the necessary resources, ICT and other activities.

*Project delivery options:*

There are a number of options available to complete the project including

- engaging investors and having the road built as a toll road;
- having the road upgraded to a better class of dirt road; and
- funding the road in stages through the Shire of Halls Creek.

The preferred option is:

- Engage stakeholders at all levels
- Apply to Main Roads WA to have the Tanami Road reclassified as a State road  
(Class 3: Those roads that are, or will be: the connection between towns and important centers; the connection between important centers with significant interactions; the connection between important centers and Class 1 and 2 roads; or the main access to areas of regional tourist or recreational significance.)
- Lobby Federal Government for funding to complete the road in as few stages as possible to an 8m wide road meeting National Highway standards.

*Roles and responsibilities:*

The Tanami Action Group takes the role of Regional Lobby Group and will be responsible for driving the project through engagement of stakeholders, preparation of resources and delivery of results.



### *Funding partners*

Funding for the operation of the Tanami Action Group will be sourced through memberships from engaged stakeholders according to the following pricing structure.

\$10,000 per Local Government

\$5,000 Industry Bodies and large business (more than 25 employees)

\$1,000 Small Business (less than 25 employees)

\$200 Individuals

A 10% discount applies to small business and individuals who are current members of the CKCOC

Funding will also be sourced through State, Territory and Federal Government funding programs and investors.

Funding for the upgrade and sealing of the Tanami Road will be sourced through various Government funding programs.

*Revised preliminary budget – including internal and external costs, assumptions, Council contributions and scheduling:*

Operational costs for the Tanami Action Group to effectively engage stakeholders and lobby Government to have the Tanami Road upgraded and sealed are estimated to be the following per annum.

ITEM	ESTIMATED COST
Promotional material	\$5,000
Stationery such as business cards, uniforms	\$2,500
Office space including phone, internet and utilities	\$40,000
Travel – flights, vehicles	\$30,000
Accommodation	\$10,000
Attendance at conferences (delegate fees, trade stand fees)	\$20,000
Staff wages and on costs	\$50,000
Contractor fees to conduct feasibility studies and reports	\$15,000
Auxiliary costs such as meals	\$5,000
<b>Total estimated cost</b>	<b>\$177,500</b>

*Initial project scheduling:*

Tanami Action Group Initial Project Scheduling			
	Start Date	Duration (weeks)	End Date
Engage stakeholders	Feb-13	182	Aug-16
Planning and consultation	Feb-13	13	May-13
Data collation	Feb-13	13	May-13
Raise the profile of the project through traditional and social media	Feb-13	200	Dec-16
Lobby for government and industry support	Feb-13	156	Feb-16
Reclassification submission	Jun-13	26	Dec-13
Apply for funding	Mar-13	157	Mar-16
Commencement funding granted	Jun-13	31	Jan-14
Road work commences	Feb-14	4	Mar-14
Completion funding granted	Nov-14	4	Dec-14
Tanami upgrade and sealing is completed	Feb-14	522	Feb-24

*Key performance indicators:*

- Financial membership from key stakeholders so that the budget is provided.
- Confirmation that the Tanami Road is reclassified as a Class 3 State Road.
- Confirmation that funding is secured to commence work to upgrade and seal the Tanami Road.
- Confirmation that funding is secured to complete work to upgrade and seal the Tanami Road.





For more information  
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