Tranz Rail – A moving force in forestry

Private ownership, aggressive marketing, technological innovations and a buoyant economy have re-positioned Tranz Rail as the dominant player in the country’s transport industry.

In August last year it announced a 34% increase in operating profit ($106 million) for the year to June 30 – its second year as a private company.

Tranz Rail’s freight division – Tranz Link – carries more than half of New Zealand’s exports to port. Forest products already feature significantly in the freight mix (3.1 million tonnes in 1994). Currently, movement of pulp and paper products and logs makes up the majority of this total. However, forest products such as sawn timber and panels are becoming increasingly important.

Flexible Services
Rail’s main advantage to forestry over road appears to be its ability to carry higher tonnages with greater fuel efficiency and less disturbance to road users. One log train can carry as much as 65 highway truck/trailer units. But rail’s growing presence in the forestry industry is unquestionably as much a result of the greater flexibility of services it now offers – more trains running at greater frequencies, purpose-designed wagons to facilitate loading, and the prospect of a significantly expanded network.

A standard 24-hour period at the Port of Tauranga sees four log trains from Murupara/Kawerau, four log trains from Carter Holt Harvey Forests at Kinleith, two trains from Kawerau bringing newsprint and pulp and others carrying general freight and containers to the Port. An average log train has 25 wagons.

Tranz Link’s Forestry business unit now offers “non-traditional” services such as the establishment and management of log storage facilities at railheads. In conjunction with Carter Holt Harvey, Tranz Link Forestry has developed a log handling and despatch yard in Northland which allows the forestry giant to buy woodlots from different merchants. Logs from woodlots are delivered to the yard, where they are consolidated, stored and delivered – 500 km south – when required.

Tranz Link Forestry is confident the increasing volume of forestry coming on stream in New Zealand is perfectly suited to what it calls the “long haul strategy” – the preference of processors to freight logs in from faraway forests rather than develop a new plant at the forest itself.

Few organisations are willing to commit themselves to “greenfield” developments because the environmental resource issues can often be prohibitive. They would rather upgrade existing, “brownfield” plants for which they already have consents. Fletcher Challenge recently adopted this policy when it upgraded its Australian pulp and paper plant with second-hand equipment purchased in Canada, and it plans a similar exercise for its North Island pulp and paper mill at Kawerau.

Interestingly, while Tranz Link is making definitive headway in the transport market, it does not see itself operating in isolation. It actively promotes inter-modal operations and is investigating concepts such as freight units which can be transferred between transport modes to provide a greater flexibility of transport options.

Some freight is obviously better suited to the short haul by road (getting logs from the skid site to the railhead, for example), and Tranz Link has formed strategic alliances with some trucking companies for this purpose.

Rolling Stock Developments
Rail’s competitiveness has increased with larger payloads being carried on new lightweight wagons. The increase (from 30 to 52 tonnes) was achieved by adding a longer underframe to the wagons’ existing bogies, and has made a massive impact on the cost-effectiveness of trains. The wagons are also fitted with a “drop centre” to facilitate the loading and unloading of logs.

A recent joint venture with Tasman Pulp and Paper Company to design and build wagons capable of carrying bigger-sized newsprint reels is now resulting in the introduction of 24 new wagons in the service. The new wagons, measuring 18 metres long x 2.7 metres wide, and featuring movable sides and roofs, were designed primarily to be used in conjunction with an overhead vacuum crane system included in plans for a new on-wharf warehouse for Tasman Pulp and Paper at the Port of Tauranga.

The overhead vacuum gear is capable of lifting 12 jumbo reels at a time through the roof of the new wagons. Each wagon can carry 24 reels at a time, in a side-by-side fashion which means each wagon can be emptied in two lifts.

These developments are part of a Tranz Link strategy to develop purpose-designed rolling stock – much of it for forestry products. Enhancing the rolling stock not only makes Rail more cost-effective and efficient – it gives our customers a similar benefit. Increasing the operating parameters of the rolling stock by changing the size, height and width provides heavier axle loading and allows potentially faster speeds.

Tranz Link Forestry is also developing closer working relationships with customers through electronic data interchange (EDI), a fast paperless transaction of information between transport provider, its customer and their customers. It combines electronic waybilling with a wagon tracking and weighing system. Further developments to the integrated freight management system will allow customers
The easy way to start moving forest products overseas

The people at Tranz Link Forestry make getting your product on board ship plain sailing.
We've all had years in the industry, so we talk your language. We'll work with you to develop the most effective logistics system for your product.

Tranz Link Forestry provides smooth running, reliable distribution services from forest skid site, storage yard, mill or warehouse to all major New Zealand ports.
Whether it's logs, woodchips, sawn timber, panels, or pulp and paper our proven expertise, backed up by our hardware and electronic resources, makes the move to export ports easy. To find out how Tranz Link Forestry can help you, call Chris Lovell on 64-4-498 2080, now.

Tranz Link
to track their freight movements along the network.

Extending the Network
New Zealand forestry has expanded dramatically over the last few decades, and that is expected to continue by at least 50,000 hectares a year. Many of the afforested areas are not yet serviced by rail or adequate roading. As such, they present a significant business opportunity for Tranz Link – but any rail line development will represent a major capital project by New Zealand standards.

However, transport infrastructure will be required and where financially feasible, Tranz Rail will be a willing investor. Rail developments may have wider community benefits, and thanks to changes in New Zealand transport legislation, rail extensions can be considered as an alternative to roading developments. In July 1995 the Transit New Zealand Act was amended to set up TransFund NZ which will be required to provide for safe and efficient roading. TransFund NZ can also fund alternatives to roading.

That means regional councils can examine rail or any other form of transport which may provide a more efficient overall solution to infrastructure needs than solely new roads and/or high upgrading or maintenance costs on existing routes.

As world trade in forest products broadens, New Zealand producers are increasingly up against very strong competition in overseas markets. Minimising the cost of delivery is crucial to having their products considered alongside those of other countries, such as Chile and South Africa. A cost-effective internal transport infrastructure is therefore very important to all forestry companies in New Zealand and to those considering being part of its expansion. With Tranz Rail a competitive, innovative transport provider, it can only help boost confidence for those concerned with the future of forestry – a cornerstone to New Zealand’s economic growth.

Chris Lovell
Market Development Manager
Tranz Link Forestry

NZFOA training: FIRS target date reviewed

The forest industry has made major progress in the training area but won’t reach its target of having 100% of the workforce qualified or in training by January 1996.

The target was set by the Forest Owners’ Association in 1993 in response to the newly-introduced Health and Safety in Employment Act.

NZFOA education, training and safety committee chairman Mike Hetherington says the target was a bold and optimistic one in the timeframe set. “There has been excellent progress in training in our industry – there are certainly more people either trained or in training than ever before. But despite our best efforts, I think the 100% target is going to be difficult to attain in the short term.

“It was a serious objective, however, and still achievable – it’s just going to take longer than we expected.”

Mr Hetherington says the latest figures indicate a 657% increase in the numbers of forestry workers possessing one or more FIRS (Forest Industry Recognition of Skills) modules since 1992. “That’s a big increase but comes from a low base figure,” he says.

“The increase in the logging area was 211%, but the number in training in 1992 was relatively high.”

Recent statistics show that about 70% of people involved in the forest growing and harvesting sector have some level of training.

Mr Hetherington says the industry made solid progress in the logging area but struggled to match that in the silviculture area. "Silviculture proved a difficult area to motivate people to seek training. It includes a lot of seasonal workers and there’s a higher turnover of workers.

“The NZFOA intends discussing the area of FIRS progress to determine new strategies to meet the target,” he says.

“By going for 100% in the short term I think we pushed harder in the training area than we might have if we’d picked a date further out. Our experience in the last 18 months has also been invaluable in improving our understanding of the factors that operate in the training area and the attitudes among workers in this industry.”

While the overall picture indicates the industry is still some way short of the target, a number of individual companies are much closer to reaching the goal of 100%, says Mr Hetherington. – reprinted from NZ Forestry Bulletin NZFOA.

New forestry lecturer for Lincoln University

Scott Chang, recently appointed Lecturer in Forestry at Lincoln University, is due to arrive in New Zealand in April. Scott is currently completing his silvicultural PhD under Professor Gordon Weetman, at the University of British Columbia.

Major Study

His research is a part of a major study being undertaken on Vancouver Island on declining productivity of second-growth western-redcedar - hemlock forest including the role of the ericaceous understorey of salal. Scott’s part of this programme has been to investigate the factors (plant interference, nutrient deficiencies and microbial competition etc.) affecting productivity and the restoration through silviculture. This has involved field, laboratory and greenhouse experimentation, including studies using labelled-N.

One of his co-supervisors is Dr Caroline Preston from the Pacific Forestry Research Centre in Victoria, well known for her studies in forest nutrient cycling.

Biological Side

His strong eco-physiological background in forestry and agronomy will strengthen Lincoln’s research in ecology, tree nutrition, competition and agro-forestry. At Lincoln University Scott will be teaching into the biological side of forestry. His good forestry and silviculture background of British Columbian forestry should give added depth to his teaching. Scott’s training in China was in soil science, agronomy and rangeland ecology. Scott Chang replaces Dr Jo Sasse who was recently married and is now working in Japan.

16 NZ FORESTRY FEBRUARY 1996