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## ALC POSITION PAPER ON PORT BOTANY

### Introduction

Port Botany is Australia's second largest container port, handling about one-third of all containerised cargo shipped into and out of Australia. At Port Botany's current growth rates, the current planning approval maximum throughput of 3.2 million twenty-foot equivalent containers is likely to be reached by around 2017-18.

The increase in traffic movements from both the airport and port will place additional pressure on the ground transport networks that feed these gateways. Accommodating movements between Port Botany and Western Sydney will be particularly difficult on existing networks, but is essential to support growth of the State's economy<sup>1</sup>.

ALC believes the keys to enhancing productivity at Port Botany will be achieved through:

- » Investing in port infrastructure
- » Reducing land side congestion
- » Addressing access issues



Images courtesy of Sydney Ports Corporation

<sup>1</sup> Transport for NSW NSW Long Term Master Plan Discussion Paper (2012): 39

<sup>2</sup> Subsection 5(3) of the *Port Assets (Authorised Transactions) Act 2012* requires proceeds from the transfer of port assets to be placed into the Restart NSW Fund. Subparagraph 6(1)(b)(iii) of the *Restart NSW Fund Act 2011* allows funds to be used to fund ) infrastructure required for the economic competitiveness of the State (including the movement of freight, inter-modal facilities and access to water),



## Investment in port Infrastructure

ALC supports the NSW Government's decision to grant a 99 year lease over Port Botany and Port Kembla as a mechanism that will permit asset operators to make decisions that will facilitate the efficient operation of the ports and thereby improve productivity.

However, ALC believes the revenue flows derived from the lease placed in the Restart NSW fund should be used exclusively for freight logistics infrastructure that enhances the economic competitiveness of the state.<sup>2</sup>

## Landside congestion

Any mechanism (such as a possible Port Botany Container Movement Coordinator) should have a clear objective and build from, and be an enhancement of, the Port Botany Landside Improvement Strategy. It should operate in a manner that facilitates the efficient movement of freight and does not distort market operations whilst allowing for the lifting of the current port volume cap of 3.2 million TEU.

## Access to Port Botany

ALC agrees with the proposals contained in the NSW Draft Long Term Transport Master Plan to support:

- » the development of the Moorebank Intermodal Terminal site as well as fostering more generally intermodal terminal networks in the metropolitan area;
- » preservation of the rail corridor for the Western Sydney Freight Line and the site for the Eastern Creek Intermodal Terminal;
- » the completion of the Southern Sydney freight line; and
- » the development of the Eastern Creek Intermodal Terminal.

ALC also believes the Enfield marshalling yards should be given back to freight and not taken over for passenger rail usage.

ALC also notes the NSW Draft Master Transport Plan and the Infrastructure NSW State Infrastructure Strategy have promoted the redevelopment of 'pinch points' surrounding the port.

ALC expects that the Port Botany – Sydney Airports Road Pinch Points Program, estimated to be a program undertaken at a cost of \$330 million over 5 years is part of the fully funded five year infrastructure plan to be released by the Government early in 2013.

ALC also expects that a Sydney Airport access link between St Peters and the M5 East Tunnel with links to the airport, Port Botany and surrounding industrial areas, and the duplication of the M5 East motorway to King Georges Road including a new tunnel announced by the Premier, is also part of the five year infrastructure plan<sup>3</sup>.

ALC finally notes the Government's endorsement of the WestConnex proposal made by INSW and the Government's commitment of \$1.8 billion towards the development and that 75% of the funding can be sourced through significant high value flows, particularly freight.<sup>4</sup>

ALC therefore expects the freight industry will be fully involved in the development of any pricing mechanism for WestConnex and any transport infrastructure designed to allow improved freight flows to and from the Port Botany complex.



Images courtesy of Sydney Ports Corporation

3 NSW Legislative Assembly *Hansard* 17 October 2012

4 Infrastructure NSW *State Investment Strategy* (2012): 206