

**REVIEW**

by the

**INFRASTRUCTURE IMPLEMENTATION GROUP**

of the

**FREIGHT INFRASTRUCTURE ADVISORY BOARD**

**REPORT AND RECOMMENDATIONS**

MAY 2007



An initiative of the  
New South Wales Government

## **INTRODUCTION**

In October 2003, the former Minister for Infrastructure, Planning and Natural Resources and his department were requested to investigate increasing the rail mode share to and from Port Botany to support the expansion of the Port and reduce congestion. On December 13, 2004 the Minister announced a rail mode share target of 40% of container traffic in and out of Port Botany.

The Freight Infrastructure Advisory Board (FIAB), chaired by the Hon. Laurie Brereton, was established at this time to provide expert advice on infrastructure required to increase the volume of freight on rail. FIAB was asked to review and report on intermodal terminal network design, related transport infrastructure, potential changes to work practices and other strategies to minimise unnecessary movements of containers across the city.

FIAB consulted widely amongst industry and local communities. Its Report made 23 recommendations. FIAB recommended that the mode share target of 40% be retained.

In October 2005 the Premier announced that the proposed expansion of Port Botany would proceed, and released the FIAB Report. The FIAB Report was referred to the Infrastructure Implementation Group in Premier's Department to:

- review its recommendations;
- identify priority projects and those that require strategic coordination; and
- develop an implementation plan based on those priority projects.

The Infrastructure Implementation Group (IIG), which was established to provide advice to the Premier and to the NSW Cabinet on the delivery of government infrastructure projects, and to directly and actively assist government agencies with delivery of priority projects, has recently been incorporated into the Office of the Coordinator General within the Department of Premier and Cabinet.

## **THE REVIEW'S APPROACH**

FIAB's recommendations cover a wide range. They are for the most part accepted by the Government – and in relation to the expansion of Port Botany were being implemented at the time the FIAB Report was released and this Review by IIG directed by the Premier.

This Review has therefore focussed on the relative priority of implementation of the FIAB Report's recommendations.

It was neither necessary nor appropriate to revisit earlier decisions such as that to relocate cargo handling from Port Jackson to Port Kembla. Nor does the Review (or the FIAB Report) address specific infrastructure issues related to the transport of intermodal cargo (both import/export and domestic) outside the Sydney Metropolitan area.

Broad consultation was undertaken as part of the Review. Those who made submissions to FIAB were invited to comment on the Report's recommendations and press advertisements were placed seeking written submissions from other interested parties. Thirty-seven written submissions were received and twelve meetings conducted with key stakeholders. Appendix A lists those who made submissions.

Opinions were divided on the proposal for a Freight Infrastructure Charge.

Overall, there was clearly broad support for increasing rail's share of container traffic from Port Botany and retaining the target of a modal share of 40%. There was also broad support for developing a network of intermodal terminals, and recognition that improved infrastructure is a precondition to modal shift.

## **THE CHALLENGES OF INTERMODAL FREIGHT TO AND FROM PORT BOTANY**

Sydney's population has close to tripled over the last 50 years and its population is expected to grow by a further 1,000,000 people over the next twenty years. Port Botany's current container terminals were established in the late 1970s to cater to the increasing role of containers in the world's trade. Over the past 25 to 30 years the port throughput has grown to over 1.4m TEU (twenty foot equivalent units) per year and this is forecast to reach over three million TEU per annum in the next twenty years.

Imports account for twice as many full containers passing through Port Botany as exports. Well over 90% of imported containers are unloaded in Metro Sydney, and the great majority of their contents is destined for consumption by Sydney's residents. Port Botany's import traffic is for local supply – it is not a major transshipment port or a hub that handles cargo on the way to somewhere else.

Increased consumption by a growing Sydney means increased container traffic. In addition, the close proximity of Sydney Airport will place an increasing burden on the transport network in and around the port precinct. Movements of passengers and freight are each expected to more than double over the next 20 years.

Port Botany is located close to the CBD. While businesses receiving or despatching air cargo remain close to Sydney Airport, industries handling the more bulky cargo that use the seaport are increasingly moving to western and south-western Sydney as suburbs in the airport-CBD corridor become more residential.

Efficient distribution of containers from Port Botany is therefore important for Sydney's import and export trade and its economic prosperity.

The expansion of the Port facilities to cater for the forecast growth in volumes, particularly imports, requires the timely development of suitable plans to manage the landside transport task. This is especially important across the metropolitan area as the majority of containers are destined for consumption within Sydney.

In 2003, Sydney Ports Corporation submitted a proposal to expand Port Botany to cater for forecast growth. After an environmental assessment and Commission of Inquiry, the Government announced that the expansion would proceed. The assessment of the expansion was undertaken on the basis of expanding the use of rail to and from the port to minimise the impact on the local road transport network. This is a key driver for the modal shift policy adopted by the Government and strongly supported by the FIAB Report.

The Minister for Planning has now approved the development application for construction of a fifth container ship berth at Port Botany. The new infrastructure is expected to provide sufficient capacity for the next 20 years

Modal shift from road to rail in the movement of containers from Port Botany also requires a network of intermodal terminals. The Government's role is to facilitate the establishment of the network, to the largest extent possible as part of the national land transport network.

Freight trains leaving Port Botany use a dedicated freight rail line to Enfield and then share the passenger rail network to Sydney's current network of four small intermodal terminals in western and south-western Sydney which handle import-export container freight. They have a limited capacity for growth.

Efficient rail movements from Port Botany require efficient intermodal terminals, located where possible on freight-only rail lines.

## **PRIORITIES FOR IMPLEMENTATION**

An increased proportion of freight on rail is one of the NSW Government's key priorities.

The Southern Sydney Freight Line is critical infrastructure for the State. It is part of the Commonwealth-funded AusLink program for national transport infrastructure. Its early construction by the Australian Rail Track Corporation (ARTC) is being facilitated. The Southern Sydney Freight Line will connect Ingleburn, Minto, Moorebank, and Leightonfield/Villawood with Chullora and Enfield en route to Port Botany and form the backbone of Sydney's rail freight network.

The Review concluded that Sydney's major intermodal freight terminal should be located on the School of Military Engineering site at Moorebank, as the FIAB Report recommended. An early commitment has been sought from the Commonwealth to make the site available for timely and efficient development by the private sector.

The Review concluded that the FIAB Report's recommendation for development of an intermodal terminal on part of the Sydney Port Corporation's major site at Enfield should be pursued taking into account the likely development of an intermodal terminal at Moorebank.

Generally, the role of Government in relation to terminals should not be to operate them but, where it is financially and economically justifiable, to facilitate the provision of their infrastructure.

The FIAB Report recommended that a site be reserved for a large intermodal terminal on land in the vicinity of Eastern Creek with potential for connection by rail to the Main West Line in the short term, and that further investigation be undertaken in the longer term for potential connection in the longer term to the Southern Sydney Freight Line.

Grade-separated access to the Main West Line would cost about \$500 million. A freight-only rail line connecting to the Southern Sydney Freight Line in the vicinity of Leightonfield would cost over \$1billion.

The Review concluded that neither of these expenditures is at present warranted – but the issue will need to be reconsidered if the Moorebank option is not available. Eastern Creek will become an increasingly important location for warehousing and distribution in western Sydney, and an intermodal terminal at Eastern Creek remains a possible future option.

The FIAB Report also recommended that continued operation of efficient intermodal terminals, including those used only by one operator, should be encouraged provided there is adequate multi-use capacity also available in the network. The Review endorses this market-oriented approach.

A further major recommendation in the FIAB Report was the imposition of a Freight Infrastructure Charge of \$30 per TEU, to be collected on all containers moving into and out of Port Botany, but to be fully rebated for containers carried by road during designated night-time off-peak hours or carried by rail at any time.

Obviously such a proposed Charge would operate as a pricing signal to encourage a modal shift to rail. However, a modal shift is not possible without adequate intermodal terminal capacity. The Review concluded that once adequate terminal capacity is available and the Southern Sydney Freight Line is operational, port access charges should be considered as one mechanism to reduce container-carrying truck traffic at Port Botany. This would be on the basis that the charge leads to an overall improvement in the productivity of logistic chains and/or was of overall economic benefit to the community.

## **REVIEW OF SPECIFIC RECOMMENDATIONS**

The Government's response to each recommendation in the FIAB Report is set out in the following pages.

FIAB Recommendation	Review Response
<b>Rail share target</b>	
<p>1 It is recommended that:</p> <ul style="list-style-type: none"> <li>• The 40 per cent rail share target must be met and if possible exceeded; and</li> <li>• Government and industry embrace strategies to further lift the rail freight share.</li> </ul>	<ul style="list-style-type: none"> <li>○ There is a need to maximise the modal shift to rail to ameliorate the consequences of substantial growth in port and airport traffic.</li> <li>○ Agree. The Government will seek to reduce pressure on our roads by promoting the shift of a significant proportion of freight to rail by facilitating the provision and efficient use of economically viable infrastructure. Modal shift will be a market response. Further, the providers of infrastructure and the proponents for individual developments may be private businesses (in the case of terminals) and the Australian Rail Track Corporation (ARTC) in respect of rail infrastructure.</li> </ul>

**Intermodal terminals**

<p>2 It is recommended that:</p> <ul style="list-style-type: none"> <li>• The NSW Government take all necessary steps to ensure that Sydney has sufficient additional intermodal terminal capacity to meet a rail freight share of 40 percent;</li> <li>• Intermodal terminals be treated as critical infrastructure under NSW planning provisions; and</li> <li>• Sydney's future network of intermodal terminals be connected to Port Botany by way of dedicated freight rail lines.</li> </ul>	<ul style="list-style-type: none"> <li>○ The NSW Government will facilitate additional intermodal capacity to meet an increased rail mode share, on the basis that each individual project or initiative must be economically and financially viable given the potential market response.</li> <li>○ Intermodal terminal development should be dealt with under the planning provisions appropriate for each development.</li> <li>○ The structure of a future dedicated freight rail network will rest primarily with the ARTC. Camellia, Yennora and any new terminal at Eastern Creek will connect with freight-only lines only via the shared network and the Main West Line. The Southern Sydney Freight Line will connect Ingleburn, Minto, Moorebank, and Leightonfield/Villawood with Chullora and Enfield en route to Port Botany.</li> </ul>
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FIAB Recommendation	Review Response
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<b>Enfield</b>	
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| <p>3 It is recommended that:</p> <ul style="list-style-type: none"> <li>• Sydney Ports Corporation's Enfield site be developed as an integrated logistics facility to meet local and sub-regional requirements;</li> <li>• Enfield be limited in throughput size to 300,000 TEUs per annum and be operational before the end of 2008;</li> <li>• Participation from the private sector be sought for the site's development and the terminal's ongoing operation; and</li> <li>• The Roads and Traffic Authority review road improvements necessary to support the Enfield development with funding available from the Freight Infrastructure Charge to assist in these works (see Recommendation 22).</li> </ul> | <ul style="list-style-type: none"> <li>○ The development assessment process for Sydney Ports Corporation's proposal for Enfield should continue. However, the role of Government in relation to this facility will be, to the extent possible, to facilitate the provision of infrastructure, not to operate it.</li> <li>○ The Government, through Sydney Ports Corporation, will consider a degree of operational involvement only if it is necessary to secure the benefits of an open access regime, when such arrangements facilitate efficiency benefits.</li> <li>○ It is therefore envisaged that private operators will have a significant involvement in the delivery and operation of the terminal at Enfield.</li> <li>○ An intergovernmental Working Group is now being established to consider the Moorebank terminal. The prospects for this project can now be taken into account as part of the proposed development at Enfield.</li> <li>○ The Roads and Traffic Authority has provided input to the recent Environmental Assessment process for Enfield.</li> </ul> |
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<b>Moorebank</b>	
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| <p>4 It is recommended that the NSW Government:</p> <ul style="list-style-type: none"> <li>• Regard Moorebank as a key component in meeting Sydney's intermodal capacity needs;</li> <li>• Ensure that the Moorebank site is secured for intermodal terminal development by the private sector and be prepared if necessary, on a transitional basis, to use funds from the Freight Infrastructure Charge for this purpose;</li> <li>• Work with the Commonwealth to see the School of Military Engineering moved from the site as soon as possible;</li> </ul> | <ul style="list-style-type: none"> <li>○ Agree</li> <li>○ The Minister for Transport and his Commonwealth Government counterpart have initiated an intergovernmental Working Group process to determine the bases and timeframe for development of an intermodal terminal at Moorebank.</li> <li>○ See above</li> </ul> |
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FIAB Recommendation	Review Response
<b>Moorebank continued</b>	
<ul style="list-style-type: none"> <li>• Commence planning for the site's development by the private sector as an intermodal terminal with the capacity to handle at least 500,000 TEUs annually;</li>   <li>• Develop a business model for the acquisition and development of the site in a way that allows the private sector to bring forward the terminal's development;</li>   <li>• Pursue negotiations with the Commonwealth for AusLink funding for an Australian Rail Track Corporation rail connection into the Moorebank site;</li>   <li>• Ensure that access to the Moorebank site is delivered in a way that does not compromise the future expansion of the East Hills passenger line;</li>   <li>• Ensure planning for Moorebank includes design buffers to reinforce the site's separation from residential development and provide recreation facilities along both sides of the Georges River.</li> </ul>	<p>Note this is subject to the position of the Commonwealth Government. Any consequent development may be on condition that there is open/multi user access to the site and facilities. The rate of development will depend on market responses and conditions and on the terms of environmental approvals.</p> <ul style="list-style-type: none"> <li>○ Any intermodal terminal at Moorebank should be developed and operated by the private sector.</li>   <li>○ Agree</li>   <li>○ Agree</li>   <li>○ Agree</li> </ul>
<b>Ingleburn</b>	
<p>5 It is recommended that, subject to a favourable decision in the proceedings currently before the Land and Environment Court, the Ingleburn intermodal project should be supported through:</p> <ul style="list-style-type: none"> <li>• The development of a Master Plan for the optimum layout of the site;</li>   <li>• Environmental safeguards, particularly relating to noise and light spill, being imposed; and</li>   <li>• Suitable road and rail links being established.</li> </ul>	<ul style="list-style-type: none"> <li>○ The project proposal has been approved by the Court and is proceeding under the normal planning approval process.</li> </ul>
<b>Minto</b>	
<p>6 It is recommended that the Minto project should be supported subject to:</p> <ul style="list-style-type: none"> <li>• The development of a Master Plan for the enlarged site;</li> </ul>	<p>The project should proceed under the normal planning approval process.</p>

FIAB Recommendation	Review Response
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<b>Minto continued</b>	
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- Environmental safeguards, particularly relating to noise and light spill, being imposed;
- Suitable road and rail links being established;

It is also recommended that:

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| <ul style="list-style-type: none"> <li>• The NSW Government commence negotiations with the current owners of the Minto rail freight siding with a view to its reacquisition as a common user facility. Funding be available from the Freight Infrastructure Charge for this purpose; and</li> <li>• The provision of a crossing loop and a high-speed crossover of the Main South Line from the Southern Sydney Freight Line to access the site to and from the north in a way that minimise the impact of the development on passenger rail services;</li> </ul> | <ul style="list-style-type: none"> <li>○ As one of the conditions permitting Toll Holdings’ acquisition of Patrick, the ACCC required that the Patrick interest in the Minto site be divested to the Independent Railways Group who operate the Macarthur Interim Shipping Terminal on the site, thus vitiating this recommendation.</li> <li>○ Dependent on resolution of respective roles of Moorebank, Minto and Ingleburn.</li> </ul> |
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<b>Minto to Ingleburn truck route</b>	
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7 It is recommended that:

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| <ul style="list-style-type: none"> <li>• Subject to the Minto and Ingleburn projects proceeding, the RTA and Campbelltown City Council commence planning for a potential truck route to service the terminals, with funding by way of developer contributions; and</li> <li>• Funding supplementation from the Freight Infrastructure Charge be available to assist in the development of this linkage.</li> </ul> | <ul style="list-style-type: none"> <li>○ Depends on resolution of respective roles of Moorebank, Minto and Ingleburn</li> <li>○ The immediate introduction of the Freight Infrastructure Charge is not supported.</li> </ul> |
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<b>Menangle</b>	
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8 It is recommended that:

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| <ul style="list-style-type: none"> <li>• Given Menangle’s location on the very fringe of Sydney’s metropolitan area, the Sydney RailPort Facility’s proposal has the potential to provide capacity for the domestic interstate non-bulk freight task and be considered by the Department of Infrastructure, Planning and Natural Resources as an element in the development of a strategy for this market.</li> </ul> | <ul style="list-style-type: none"> <li>○ Agree that the facility may not be suitable for servicing the import/export container market.</li> </ul> |
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FIAB Recommendation	Review Response
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<b>Eastern Creek</b>	
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| <p>9 In order to provide a large intermodal facility in Western Sydney, it is recommended that:</p> <ul style="list-style-type: none"> <li>• Eastern Creek be confirmed as the preferred site for a future intermodal terminal;</li> <li>• A Department of Infrastructure, Planning and Natural Resources planning instrument be used to zone Eastern Creek for these purposes;</li> <li>• The Department of Infrastructure, Planning and Natural Resources be nominated as the acquisition authority for the relevant land holdings;</li> <li>• A Master Plan be developed for the site;</li> <li>• Funds from the Freight Infrastructure Charge be used to secure this site and see it land banked for intermodal development;</li> <li>• Planning commence for the site’s development by the private sector as an intermodal terminal with the capacity to handle at least 500,000 TEUs annually;</li> <li>• Development of the site for associated transport and distribution activities be pursued in the shorter term, subject to not compromising its future rail use.</li> </ul> | <ul style="list-style-type: none"> <li>○ Eastern Creek is a key location for warehousing and distribution in western Sydney - it is important that the long term option of locating an intermodal terminal at Eastern Creek in the future should not be compromised.</li> <li>○ Appropriate planning controls should be applied to keep open the option for the site to be used for complementary freight related activities, and future potential use as a terminal.</li> <li>○ The site can be connected by rail to either the Main West Line (shared with passengers) or to the new Southern Sydney Freight Line (freight only). Both options are very costly and neither of these expenditures is at present warranted.</li> <li>○ The issue will need to be reconsidered if Moorebank is not released by the Commonwealth.</li> <li>○ The land along the Ropes Creek alignment recently acquired, principally for open space, should also remain in public ownership for as long as an intermodal terminal at Eastern Creek remains a possible future option.</li> </ul> |
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<b>Eastern Creek rail corridors</b>	
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| <p>10 It is further recommended that:</p> <ul style="list-style-type: none"> <li>• The Department of Infrastructure, Planning and Natural Resources, the Australian Rail Track Corporation and RailCorp commission work for corridor preservation and rail access to Eastern Creek from the Main West Line; and</li> <li>• Investigations continue in order to determine a future freight rail alignment between Eastern Creek and the Southern Sydney Freight Line.</li> </ul> | <ul style="list-style-type: none"> <li>○ Agree. Work has been commissioned to identify a suitable corridor.</li> <li>○ Given its scale and significance, any freight-only rail line between Eastern Creek and the Southern Sydney Freight Line can only proceed as a nationally-funded project.</li> </ul> |
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<b>Common-user, open access operations</b>	
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| <p>11 It is recommended that:</p> <ul style="list-style-type: none"> <li>• The development of the major new terminals at Enfield, Moorebank and Eastern Creek include adequate provisions to allow common-user, open-access operations.</li> </ul> | <ul style="list-style-type: none"> <li>○ This should be considered for any new major site in the absence of a network of competing terminals.</li> </ul> |
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FIAB Recommendation	Review Response
<b>New terminal principles</b>	

- 12 For new intermodal terminals, the following general principles should be adopted.
- Terminals be located adjacent to or close to key distribution and warehousing areas in metropolitan Sydney;
  - Terminals be located adjacent to, and with good access to key arterial road corridors, particularly the M4, M5 and M7;
  - Terminal locations be adjacent to dedicated rail freight lines;
  - Terminals have the capacity to receive, load and unload 600m push-pull unit trains for the import/export trades;
  - Terminals be of sufficient capacity to load full trains either to or from a single stevedore;
  - Terminals be of sufficient size to accommodate on site empty container parks and servicing, on site warehousing development, driver facilities including truck and trailer parking, rest facilities, and AQIS Inspection and Customs bonded areas;
  - Terminals be available to operate 24 hours a day, seven days a week to maximise the return on investment in the sites and utilise the rail network to its maximum capacity; and
  - Terminals be adequately buffered from residential areas in order to minimise noise and light spill.

Note: These criteria explain why new terminals will be large and relatively few in number.

- Agree, where practical and cost effective.

<b>Community Consultative Committees</b>	
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- 13 It is further recommended that:
- Community Consultative Committees be mandatory in respect of all terminals;
  - These Committees to ensure local residents are kept informed of terminal operations, provide liaison with operators with a view to minimising the environmental impacts of terminal operations;

- Agree – likely to be conditions of planning consent
- Agree

FIAB Recommendation	Review Response
<b>Community Consultative Committees continued</b>	
<ul style="list-style-type: none"> <li>• The Government adopt a ‘zero tolerance’ policy involving heavy penalties in respect of container road traffic travelling through designated residential precincts; and</li> </ul>	<ul style="list-style-type: none"> <li>○ Acceptable in principle – application may have to be on a case-by-case basis.</li> </ul>
<ul style="list-style-type: none"> <li>• Before projects are approved, residential areas surrounding intermodal terminals be designated in order to give effect to this policy.</li> </ul>	<ul style="list-style-type: none"> <li>○ Agree</li> </ul>
<b>Australian Rail Track Corporation</b>	
14 It is recommended that:	
<ul style="list-style-type: none"> <li>• The Australian Rail Track Corporation take control of the Sydney Metropolitan Freight Network as soon as possible;</li> </ul>	<ul style="list-style-type: none"> <li>○ An agreement to achieve this objective was entered into in 2004.</li> </ul>
<ul style="list-style-type: none"> <li>• RailCorp and the Australian Rail Track Corporation reach early agreement on operational issues to facilitate the above; and</li> </ul>	<ul style="list-style-type: none"> <li>○ This is the process to give effect to the 2004 agreement.</li> </ul>
<ul style="list-style-type: none"> <li>• The Australian Rail Track Corporation assess the infrastructure requirements of the Sydney Metropolitan Freight Network including additional staging and passing loops.</li> </ul>	<ul style="list-style-type: none"> <li>○ See above.</li> </ul>
<b>Botany Freight Line</b>	
15 It is recommended that:	
<ul style="list-style-type: none"> <li>• The Botany Freight Line’s “Stage Four” amplification be brought forward using AusLink funds;</li> </ul>	<ul style="list-style-type: none"> <li>○ The duplication may be required earlier than currently anticipated by Railcorp and/or ARTC.</li> </ul>
<ul style="list-style-type: none"> <li>• The corridor be protected to ensure that the Line can operate without long term capacity constraints;</li> </ul>	<ul style="list-style-type: none"> <li>○ Agree</li> </ul>
<ul style="list-style-type: none"> <li>• The NSW Government declare this project as critical infrastructure under NSW planning provisions;</li> </ul>	<ul style="list-style-type: none"> <li>○ This may not be necessary.</li> </ul>
<ul style="list-style-type: none"> <li>• A master plan for Botany Goods Line be prepared by the Port Botany Logistics Team (see Rec 21);</li> </ul>	<ul style="list-style-type: none"> <li>○ This will need to be the subject of further consultation with the ARTC.</li> </ul>
<ul style="list-style-type: none"> <li>• The vehicular level crossing at General Holmes Drive be closed without further delay. The NSW Government plan and construct a new road link under the freight rail line in the vicinity of Wentworth Ave;</li> </ul>	<ul style="list-style-type: none"> <li>○ ARTC will be encouraged to further review this issue with State agencies with the purpose of optimising intersections across the network.</li> </ul>

FIAB Recommendation	Review Response
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<b>Botany Freight Line continued</b>	
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| <ul style="list-style-type: none"> <li>• Funding for this project be available from the Freight Infrastructure Charge with the Roads and Traffic Authority including this project in its forward three year capital program;</li> <li>• A pedestrian overpass be built over the Botany Freight Line at Banksia St, Botany, followed by the closure of the existing pedestrian level crossing;</li> <li>• Funding for this project be available from the Freight Infrastructure Charge with RailCorp to include the project in its 2006-07 Budget capital works program;</li> <li>• Freight Infrastructure Charge funds be available for the construction of noise attenuation barriers, along the Botany Freight Line, with their location to be determined in the approvals process.</li> </ul> | <p>The immediate introduction of the Freight Infrastructure Charge is not supported.</p> <ul style="list-style-type: none"> <li>○ Sydney Ports Corporation will construct a pedestrian overbridge at Banksia Street over the Botany Freight Line as a condition of consent for the Port's expansion granted in October 2005.</li> <li>○ See above.</li> <li>○ Investigations into the requirements for noise attenuation barriers should be part of any future formal planning process for new infrastructure.</li> </ul> |
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<b>Southern Sydney Freight Line</b>	
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| <p>16 It is recommended that:</p> <ul style="list-style-type: none"> <li>• The Australian Rail Track Corporation bring forward its investment in the Southern Sydney Freight Line;</li> <li>• The NSW Government declare the Southern Sydney Freight Line as critical infrastructure under its new planning provisions;</li> <li>• Final design of the Southern Sydney Freight Line incorporate a potential connection to a future Western Sydney Freight Line; and</li> <li>• Freight Infrastructure Charge funds be available to assist with noise attenuation measures to the extent of any NSW Government liability.</li> </ul> | <ul style="list-style-type: none"> <li>○ The early construction of the Southern Sydney Freight Line is of critical importance in providing adequate rail freight infrastructure.</li> <li>○ This project is already advancing through the planning process.</li> <li>○ This is unlikely as Eastern Creek's early development is also unlikely – see above.</li> </ul> <p>See above</p> |
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<b>M4 and M5</b>	
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| <p>17 It is recommended that:</p> <ul style="list-style-type: none"> <li>• The timing of construction works to amplify the M5 and new road connections between the Port and the M4 take into account the Government's success in moving containers off road and onto rail; and</li> </ul> | <ul style="list-style-type: none"> <li>○ Agree. The provision and timing of road and rail infrastructure will be considered in an integrated manner.</li> </ul> |
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FIAB Recommendation	Review Response
<b>M4 and M5 continued</b>	
<ul style="list-style-type: none"> <li>• In the interim, planning proceed for the provision of additional truck capacity in both these corridors.</li> </ul>	<ul style="list-style-type: none"> <li>○ Agree: this planning is an ongoing process in the Roads and Traffic Authority.</li> </ul>
<b>Truck tracking</b>	
<p>18 It is recommended that:</p> <ul style="list-style-type: none"> <li>• The NSW Government pursue the implementation of a national truck tracking scheme in consultation with industry; and</li> <li>• The issue of tracking intermodal trucks be revisited as soon as these new nationally consistent arrangements are in place.</li> </ul>	<ul style="list-style-type: none"> <li>○ The Roads and Traffic Authority and the Ministry of Transport are considering options as part of co-ordinated national policy, including the NSW Government's commitments under the COAG National Reform Agenda.</li> <li>○ Agree in principle.</li> </ul>
<b>Port Botany</b>	
<p>19 It is recommended that:</p> <ul style="list-style-type: none"> <li>• The continued expansion of Port Botany be strongly supported.</li> </ul> <p>It is further recommended that the Port's Strategic Master Plan make provision for:</p> <ul style="list-style-type: none"> <li>• The installation of weighbridges;</li> <li>• Substantially improved onsite parking capacity for container freight trucks;</li> <li>• Measures to end the present ad hoc arrangements for off site parking; and</li> <li>• On site driver facilities including meeting and lunch facilities, as well as general amenities.</li> </ul>	<ul style="list-style-type: none"> <li>○ Since the completion of the FIAB Report, the Minister for Ports has commenced a number of initiatives consistent with FIAB's recommendations in relation to various issues concerning Port Botany, including establishment of the Port Botany Logistics Taskforce and the initiation of a review by IPART of the interface between land transport industries and the stevedores at Port Botany.</li> <li>○ Agree</li> <li>○ These issues are principally port administration matters which Sydney Ports Corporation should address in conjunction with the stevedores.</li> </ul>

FIAB Recommendation	Review Response
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<b>Port rail interfaces</b>	
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20	<p>It is recommended that:</p> <ul style="list-style-type: none"> <li>• Sydney Ports Corporation urgently seek agreement of the stevedores to ensure that state-of-the-art rail interfaces are available in respect of both Patrick's and P&amp;O's operations.</li> </ul> <p>It is recommended that these interfaces provide for:</p> <ul style="list-style-type: none"> <li>• Capacity to receive, load and unload 600m push-pull unit trains;</li> <li>• The consolidation of train cargo to single intermodal destinations; and</li> <li>• Reduced turnaround times using dedicated rail handling equipment.</li> </ul> <p>It is further recommended that the stevedores:</p> <ul style="list-style-type: none"> <li>• Progress the implementation of both road and rail operations towards a 24 hour 7 day week basis;</li> <li>• Embrace a proactive and cooperative approach with the rest of the supply chain to maximise the chain's utilisation and efficiency; and</li> <li>• In the pursuit of these goals, Sydney Ports Corporation be prepared, if necessary, to activate the Corporation's lease powers.</li> </ul>	<ul style="list-style-type: none"> <li>• See rec. 19 above.</li> <li>○ Agree</li> <li>○ This should be considered as part of any new development and the planning approval process.</li> <li>○ Agree in principle</li> <li>○ Agree</li> <li>○ This is an operational matter affecting the whole of the supply chain.</li> <li>○ This is a matter to consider if and when the need arises.</li> </ul>
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<b>Logistics Chain Team</b>	
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21	<p>It is recommended that:</p> <ul style="list-style-type: none"> <li>• A Port Botany Logistics Chain Team be established to manage the logistics task, to optimise the effectiveness of the port-rail-road interface and enhance capacity on the infrastructure network;</li> <li>• The Team's Steering Group (see diagram) should be independently chaired;</li> <li>• The Logistics Chain Team be responsible for setting best practice rules and terminal and train operating standards for the system;</li> </ul>	<ul style="list-style-type: none"> <li>• See rec. 19 above.</li> <li>○ Agree.</li> <li>○ This is a matter for the Logistics Chain Team members.</li> <li>○ Agree</li> </ul>
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FIAB Recommendation	Review Response
<b>Logistics Chain Team continued</b>	
<ul style="list-style-type: none"> <li>• The Logistics Chain Team have the delegated authority to allocate train paths on the rail freight network and oversee improved utilisation of road movements in and out of the terminal, including management of off peak access and two-way loading;</li> <li>• The Logistics Chain Team operate as a self-regulating body, subject to a review of its effectiveness after two years of operation;</li> <li>• Alternative governance models be considered in the event of self regulation not proving successful; and</li> <li>• ACCC approval be sought for the establishment and implementation of the Logistics Chain Team.</li> </ul>	<ul style="list-style-type: none"> <li>○ .This will depend on the terms under which ARTC (when it takes ownership of the metropolitan freight rail network) participates in the Logistics Chain Team work.</li> <li>○ Agree</li> <li>○ Agree</li> <li>○ This is a matter for the Logistics Chain Team.</li> </ul>
<b>Freight Infrastructure Charge</b>	
<p>22 It is recommended that:</p> <ul style="list-style-type: none"> <li>• The Government legislate for a Freight Movements Management Act to give effect to the Freight Infrastructure Charge;</li> <li>• The Government consider a Charge set at \$30 per TEU, collected on all import and export containers;</li> <li>• The Charge be fully rebated for; <ul style="list-style-type: none"> <li>○ Containers carried to or from the Port by rail; and</li> <li>○ Containers carried to or from the Port by road during designated night-time off peak hours.</li> </ul> </li> <li>• Sydney Ports Corporation collect and rebate the Charge;</li> <li>• Proceeds from the Charge be deposited into a Freight Movements Management Fund to be held and administered by the Director General of the Department of Infrastructure, Planning and Natural Resources, constituted as a statutory corporation;</li> <li>• The statutory corporation administering the Fund be constituted with power to acquire land, commission research and make funds available for capital and other projects;</li> <li>• The Fund have the power to borrow and in particular to securitise future revenues from the Charge;</li> </ul>	<ul style="list-style-type: none"> <li>○ The charge is one of the range of policy tools considered in order to influence mode share.</li> <li>○ Once terminal capacity is available and the Southern Sydney Freight Line is operational, the need for port access charges as a mechanism to manage container truck traffic at Port Botany should be considered.</li> <li>○ The level of charges should be determined when the response of the market to infrastructure changes can be observed or forecast. Key criteria will be whether the charge results in an increase in the productivity of the overall logistic chain and/or whether the overall economic benefits of introducing the charge are positive.</li> <li>○ Charges are not the only anti-congestion signal that can be given to the market. For example, the port operators at Port Botany are able to push demand away from peak periods by rationing throughput at morning and evening commuter traffic peak periods</li> <li>○ Government will also take into consideration the recommendations of the 'Review of Economic Costs of Freight Infrastructure and Efficient Approaches to Transport Pricing' undertaken by the Productivity Commission, under the auspices of COAG.</li> </ul>

FIAB Recommendation	Review Response
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<b>Freight Infrastructure Charge continued</b>	
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- Revenue from the Charge be hypothecated and only expended on projects and initiatives linked to this intermodal strategy;
- After two years' operation, the Charge be subject to a review process, involving industry, and reported to the NSW Parliament;
- The statutory corporation be required to consult with such bodies or persons as the Minister for Infrastructure and Planning directs from time to time; and
- The personnel and other resources to administer the Fund be provided by the Department of Infrastructure, Planning and Natural Resources.

<b>Driver training</b>	
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23 It is recommended that:

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| <ul style="list-style-type: none"> <li>• The NSW Government consider providing support for programs that lift the skills of drivers;</li> </ul>   | <ul style="list-style-type: none"> <li>○ Government's primary role is to set appropriate OHS and other standards. Industry should fund the training necessary to meet these standards and commercial objectives.</li> </ul> |
| <ul style="list-style-type: none"> <li>• Occupational Health and Safety (OH&amp;S) Act provisions be pursued through appropriate security and safety training;</li> </ul>                                     | <ul style="list-style-type: none"> <li>○ As above</li> </ul>  |
| <ul style="list-style-type: none"> <li>• The Government promote the up skilling of drivers, both rail and road, to service the new transport network logistics chain and intermodal terminals; and</li> </ul> | <ul style="list-style-type: none"> <li>○ As above</li> </ul>  |
| <ul style="list-style-type: none"> <li>• Support from the Fund be available to registered employer and employee organisations in the pursuit of these initiatives.</li> </ul>                                 | <ul style="list-style-type: none"> <li>○ As above</li> </ul>  |

## Parties that made submissions to the Review

The Infrastructure Implementation Group received submissions from the following parties:

Association of Australian Ports and Marine Authorities Inc (AAPMA)  
Austrak Limited  
Australian Council for Infrastructure Development (AusCID)  
Australian Customs Service  
Australian Logistics Council (ALC)  
Australian Rail Track Corporation (ARTC)  
Virginia Black  
Bluescope Steel Ltd  
Botany Bay and Catchment Alliance (BBACA)  
Business Council of Australia (BCA)  
Canterbury City Council  
Chartered Institute of Logistics and Transport Inc (CILTA)  
Hankins Court Residents  
Infrastructure Partnerships Australia  
Virginia Judge, Member for Strathfield  
RJ Lucas  
Mr James McGhee  
Macarthur Intermodal Shipping Terminal  
Maritime Union of Australia  
Marrickville Council  
Marrickville Transport Action Group  
Menangle Action Group  
Mr Nick Montague  
T Mitchell  
Linda Murlowski  
Mr Jock Murray  
Mr Matt Mushalik, Peak Oil Advisor  
Eileen Napier  
Lynda Newnam (BBACA)  
No Port Enfield Community Group  
NSW Ministry of Transport  
NSW Road Transport Association  
NSW Roads and Traffic Authority  
NSW Seafreight Council  
NSW State Chamber of Commerce  
P&O Ports Limited (now DP World)  
Pacific National Limited  
Patrick Corporation  
Mr Anthony Poljak  
Port Kembla Port Corporation  
Queensland Rail Limited  
Shipping Australia Inc  
South West Enviro Centre Inc  
Strathfield City Council  
Deputy Mayor, Strathfield City Council  
Sutherland Shire Council  
Sydney Ports Corporation  
Mr Brian Trench  
M & K Vucetic  
A & D Vucetic-Cafrizza