

Standing Committee on State Development

Inquiry into Port Infrastructure in New South Wales

Interim Report

Ordered to be printed 28 May 2004 according to the Resolution of
the House

New South Wales Parliamentary Library cataloguing-in-publication data:

New South Wales. Parliament. Legislative Council. Standing Committee on State Development

Inquiry into port infrastructure in New South Wales : interim report / Legislative Council, Standing Committee on State Development. [Sydney, N.S.W.] : The Committee, 2004. – viii, 25 p. ; 30 cm. (Report ; no 29 (May 2004))

Chair: Tony Burke.

"Ordered to be printed 28 May 2004 according to the Resolution of the House".

ISBN 0 9751192 1 4

1. Ports—New South Wales.
2. Infrastructure (Economics)—New South Wales.
 - I. Title
 - II. Burke, Tony.
 - III. New South Wales. Parliament. Legislative Council. Standing Committee on State Development. Report ; no. 29

387.1509944 (DDC21)

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Terms of Reference

That the Standing Committee on State Development inquire into and report on port infrastructure in New South Wales and in particular:

1. the NSW Government Ports Growth Plan, including any planned closure of shipping freight facilities in Sydney Harbour,
2. the economic, social and environmental impact on the State, including on the proposed Port Botany upgrade,
3. the employment implications for Sydney, the Hunter and the Illawarra regions,
4. current and future infrastructure needs and social impacts including with respect to the adequacy of existing road and rail infrastructure, and
5. the future of public land at Millers Point, Glebe Island and White Bay on which shipping freight operations are currently located.

These terms of reference were referred to the Committee by the Minister for Transport Services, Minister for the Hunter, and Minister Assisting the Minister for Natural Resources (Forests).

Committee Membership

Hon Tony Burke MLC	Australian Labor Party	<i>Chair</i>
Hon Patricia Forsythe MLC	Liberal Party	<i>Deputy Chair</i>
Hon Tony Catanzariti MLC	Australian Labor Party	
Hon Christine Robertson MLC	Australian Labor Party	
Hon Melinda Pavey MLC	The Nationals	
Mr Ian Cohen MLC	The Greens	

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Chair's Foreword

Since the announcement of the inquiry in October 2003, we have received 98 submissions and heard evidence from 61 witnesses, in addition to the participants at the Committee's floor discussions. Much of the evidence presented to the Committee has had a local or regional focus. With comprehensive terms of reference, in both scope and geographical focus, the Committee has considered community concerns within the context of the need for a strategic framework for port infrastructure in New South Wales.

This interim report, though brief, recognises the importance of parliamentary committees, and their ability to assess community opinion and question government departments. It has become clear, thanks in part to the evidence of community groups, that there may be alternatives to the Sydney Ports Corporation proposal for a new container terminal at Port Botany, which may have less impact on the local environment. All proposals need to be assessed to ensure the best competitive outcome. It is important that the Government considers these two major concerns as a matter of urgency.

The Committee recognises that New South Wales, and Sydney in particular, is a successful trade destination. Furthermore, that trade is continuing to grow. For this growth to be appropriately accommodated, port capacity will need to be increased.

The Minister for Infrastructure, Planning and Natural Resources has established a Commission of Inquiry into the Port Botany expansion proposed by the Sydney Ports Corporation. The significance of this interim report is that it calls on the Minister to ensure that any expansion of the Port Botany terminal is only undertaken after the identification and rigorous evaluation of all viable alternatives, including the current proposal.

This report focuses on the expansion of Port Botany. The final report will provide a more complete analysis of the submissions and evidence received by the Committee in relation to the inquiry's terms of reference.

Tony Burke

Chair

Recommendation

Recommendation

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That the Minister for Infrastructure, Planning and Natural Resources ensures that any expansion of the Port Botany terminal facilities is only undertaken after the identification and rigorous evaluation of all viable alternatives, including the current proposal.

Chapter 1 **Background**

On 21 October 2003 the Standing Committee on State Development received from the Hon Michael Costa MLC, Minister for Transport Services, Minister for the Hunter, and Minister Assisting the Minister for Natural Resources (Forests), terms of reference for an inquiry into port infrastructure in New South Wales. Revised terms of reference as adopted were received from the Minister on 28 October 2003. The Chair of the Committee notified the House of the terms of reference on 29 October 2003.

Inquiry process

- 1.1** On receipt of the terms of reference, the Committee resolved to call for submissions from relevant government, public and private organisations, and to advertise the inquiry more broadly through the media. On 31 October and 1 November 2004, the inquiry was advertised in major metropolitan and regional print media in New South Wales and on the NSW Parliament website (www.parliament.nsw.gov.au).
- 1.2** The Committee received 98 submissions from a range of individuals, industry groups and community organisations. The NSW Cabinet Office made a submission on behalf of the Government. A full list of submissions appears at Appendix 1. The submissions have provided a broad spectrum of opinions on issues relating to the inquiry terms of reference. The quality and depth of many submissions reflects the concern and interest of individuals and organisations and has prompted the Committee to prepare this Interim Report with one significant recommendation to the Government which the Committee considers requires attention as a matter of urgency.
- 1.3** To date the Committee has heard evidence from 61 witnesses. Public hearings were conducted at Parliament House on 21 and 22 April, 14, 17 and 18 May 2004. Representatives from Shipping Australia Ltd, Patrick Corporation, P&O Ports, Wallenius Wilhelmsen, Maritime Union of Australia, Department of Infrastructure, Planning and Natural Resources, Department of Environment and Conservation, Sydney Ports Corporation, a number of community groups, and relevant peak organisations appeared before the Committee. A full list of witnesses appears at Appendix 2.
- 1.4** Public hearings were also held in Wollongong on 19 February and in Newcastle on 20 April 2004. The Committee also conducted open public floor discussions in Sydney and Newcastle on 20 and 21 April 2004. The Committee intends to conduct a similar event in Wollongong. These floor discussions have enabled interested community organisations and individuals to present their perspectives on the local impact of the proposed port developments.
- 1.5** Evidence obtained by the Committee at these discussions and in submissions, indicated that regional planning by government must consider environmental and social impacts, while balancing the need to support growth and development. Balancing trade and employment needs with environmental, planning and transport issues has been a major focus of the Committee's inquiry.

- 1.6** In addition to public hearings, the Committee has conducted site visits to the ports of Port Botany, Newcastle and Port Kembla to meet with each port corporation, and inspect the existing facilities and the proposed sites for development.

Structure of this report

- 1.7** This report is divided into two chapters. Chapter Two outlines the reasoning behind the Committee's single recommendation. The concise nature of this report reflects the importance and urgency which the Committee believes this recommendation necessitates.

Towards the Final Report

- 1.8** The Committee notes that the Government has six months in which to respond to the recommendation in this report, but hopes it will acknowledge the Committee's reasoning for making its recommendation before the Commission of Inquiry's commencement of hearings and will respond as a matter of urgency.
- 1.9** The final report will provide analysis of the submissions and evidence received by Committee in relation to the inquiry's terms of reference.
- 1.10** The final report will take into consideration any response by the Government to the Committee's recommendation in this Interim Report concerning the Port Botany expansion.

Chapter 2 Sydney Ports Corporation proposed Port Botany expansion

This inquiry's terms of reference state, in part, that the Standing Committee on State Development inquire into and report on port infrastructure in New South Wales, including:

- (2) the economic, social and environmental impact on the State, including on the proposed Port Botany upgrade.

Background to proposed Port Botany upgrade

- 2.1 Construction of a containerised trade facility at Port Botany began in 1971 to accommodate growth in this trade as ports in Sydney Harbour reached capacity. The Port Botany facility commenced operations in December 1979.¹
- 2.2 The original plan was to construct at least four terminals at Port Botany, and initially two were constructed at the Brotherson Dock complex, containing a total of 7 berths. Construction of the third runway at Kingsford Smith Airport in 1994 curtailed the ability to achieve the original four terminal complex at Port Botany.² The Brotherson Dock container trade berths are leased to P&O Ports Ltd (P&O Ports) and Patrick Corporation Ltd (Patrick).
- 2.3 Sydney Ports Corporation (SPC) conducted a survey in 2000 which reported that 85% of all cargo moved through these facilities is unpacked or packed within 40 kilometres of Port Botany.³ Over one million twenty-foot equivalent units (TEU) of containerised cargo are now moved annually through Port Botany.⁴
- 2.4 The New South Wales Cabinet Office submission to the inquiry states that:

The capacity of existing container facilities at Port Botany is expected to be filled sometime between 2010 and 2015. The lead time associated with bringing additional capacity online, including the need for a full consideration of environmental and social impacts of new developments, requires a strategy to be determined now...⁵

Proposed Port Botany upgrade

- 2.5 In November 2003, SPC submitted a Development Application and Environmental Impact Statement (EIS) to the Department of Infrastructure, Planning and Natural Resources

¹ Submission 82, NSW Cabinet Office, p6

² Submission 82, p6

³ Submission 82, p6

⁴ Submission 82, p6

⁵ Submission 82, p2

proposing the reclamation of a section of Botany Bay for the purposes of the construction of a new container terminal to increase capacity at the Port Botany facility.

2.6 SPC states in the EIS that, as trade volumes continue to rise, the limitation on berth availability will result in increased ship waiting times if an expansion of the Port Botany facility is not approved. According to SPC, “The cost of direct shipping would be tens of millions of dollars, but the flow-on economic costs of this congestion would be many times greater”.⁶

2.7 The EIS states that the key components of the Port Botany Expansion would include the following:

- a new container terminal with approximately 63 hectares of land extending approximately 550 metres west and 1,300 metres north of the existing Patrick Stevedores container terminal at Port Botany
- approximately 1,850 metres of additional wharf face which allows for five nominal shipping berths
- dedicated road access from Foreshore Road via an entrance bridge across the channel separating the existing shoreline from the new terminal including a set of traffic lights on Foreshore Road
- rail access to the new terminal area by means of an extension of the existing Botany Freight Rail Line parallel to Foreshore Road including a rail bridge and culverts
- a strip of existing land north of the existing Patrick Stevedores container terminal for an inter-terminal access road and for two additional rail sidings; and
- reclamation adjacent to Foreshore Road to create a tug berth facility.⁷

2.8 The proposed new terminal would involve the reclamation of approximately 63 hectares of Botany Bay, between the existing port and the parallel runway at Sydney Airport.⁸

2.9 The Committee notes that the EIS briefly canvasses alternate expansion options.⁹ It also notes however, the evidence of Mr Greg Martin, Chief Executive Officer, SPC, who informed the Committee that planning for the current proposal commenced as early as 1997:

Indeed, as far back as 1997, Sydney Ports entered a commercial agreement with Patrick Corporation to grant Patricks an option over 18 hectares of the new area proposed to be developed at Port Botany in exchange for Patricks' agreement to immediately relinquish berth 8 [Darling Harbour] and adjoining terminal lands to enable Sydney Ports Corporation to construct the wharf 8 passenger terminal, which replaced the wharf 10 passenger terminal, and for agreeing to relinquish the balance of the Darling Harbour lease area in the future.¹⁰

⁶ Sydney Ports Corporation, Port Botany Expansion Environmental Impact Statement – Volume 1, Executive Summary, pES2

⁷ SPC, EIS – Vol 1, Executive Summary, pES5-6

⁸ SPC, EIS – Vol 1, Executive Summary, pES2

⁹ SPC, Port Botany EIS – Vol 1, Chapter 5

¹⁰ Mr Martin, SPC, Evidence 14 May 2004, p37

Environmental concerns

- 2.10** A majority of the submissions to the inquiry regarding the proposed Port Botany expansion have expressed concern over its potential environmental impacts. There has been particular concern over the potential environmental and ecological impacts on Penrhyn Estuary and Foreshore Beach.
- 2.11** Evidence was presented to the Committee, including from the Department of Environment and Conservation (DEC), identifying potential negative consequences associated with the expansion of the existing port facilities. The claim by Sydney Ports Corporation that any such impact can be managed, and in places improvements made to the environment, needs to be further assessed and evaluated.
- 2.12** In evidence before the Committee DEC stated that:
- There is historical contamination from the Botany area—the Botany industrial area—much of which comes from the old ICI, or the now Orica-owned site, and that has dominated a lot of the public interest. But there are several industrial activities around that area that have operated over the last 100 years or more, that have contaminated some of the ground water there.¹¹
- 2.13** These concerns were echoed in the Save Botany Beach submission:
- The implications for the proposed reclamation of Botany Bay and the development of the third terminal are that any disturbance of the Bay near the zone of diffusion, where the underground water mixes with the salt water, will increase the release of the contaminants into the environment.
- Orica and SPC are trying to give the impression that the zone of diffusion will be very narrow and confined to Penrhyn Estuary, and the only transect they show is through Penrhyn Estuary, but...the chemicals are moving across a much wider front. As well, the emergency situation, in relation to polluted bores experienced in Botany during 2003, related to EDC moving faster and further into Botany suburbs than had been anticipated by Orica and widening this front where the diffusion will occur.¹²
- 2.14** When asked about the impact of the SPC expansion proposal on the existing contamination in Penrhyn Estuary and Foreshore Beach, Mr Colin Woodward, Executive Director of Operations, DEC, stated:
- the EIS that we have received and assessed in relation to the port development proposal indicates that there will not be a disturbance of that plume or a speeding up of that plume in any sense that would be created by the port development.¹³
- 2.15** The DEC submission to the Commission of Inquiry into the Port Botany expansion, however, indicated that the Department has a number of concerns over the proposed development.¹⁴ Some of these concerns may be addressed by the development of adequate

¹¹ Mr Colin Woodward, DEC, Evidence, 14 May 2004, p26

¹² Save Botany Beach, Submission 78, p12

¹³ Mr Woodward, Evidence, 14 May 2004, p26

¹⁴ DEC, Submission to Commission of Inquiry, Proposed Port Botany Expansion, 4 May 2004

management plans, as indicated by the DEC. There are significant issues with the current proposal which require further investigation.

2.16 The DEC submission to the Commission of Inquiry highlights concerns about the impact of the proposed development on water quality in Penrhyn Estuary:

DEC's principle concerns in relation to water quality relate to the potential for deterioration in the water quality of Penrhyn Estuary once the Terminal is completed. ... the combination of high nutrient and other pollutant loads and significantly reduced flushing in the reconstructed Penrhyn Estuary will result in decreased water quality and increased potential for adverse effects on aquatic and terrestrial biota. Further information expected to be provided by the proponent during May 2004 should allow these risks to be better characterised in the context of developing a risk assessment framework for the Estuary. Regardless, DEC considers that close consideration of the benefits and costs of measures to improve flushing and reduce nutrient inputs to the Estuary is warranted.¹⁵

2.17 In addition, the DEC submission expresses concern at the cumulative impacts on Penrhyn Estuary:

If not successfully ameliorated, the proposal will result in the loss of foraging and roosting habitat for the 24 threatened bird species listed in the SIS [Species Impact Statement]. Penrhyn Estuary is both an important roosting and foraging site for Botany Bay shorebirds.¹⁶

Parity and competition

2.18 It is in the interests of consumers and industry to have efficient and competitive ports. There are currently two stevedoring operators at Port Botany: P&O Ports and Patrick. Based on the evidence presented, the Committee is concerned that the proposed development may result in a competitive advantage for one stevedoring operator. As stated above, Patrick has been given an option to occupy the section of the proposed new terminal immediately adjacent to their current facility. The remainder is to be made available through a tender process. In response to a question from the Committee on whether this would mean P&O Ports would be forced to split their operation should they tender, Mr Greg Martin, Chief Executive Officer, Sydney Ports Corporation, stated:

Yes, there is no question they would need to be split if they were to be successful, but it is not the only port in the world where one operator has split operations. They can certainly handle certain shipping lines and parts of their business in one terminal, and they can handle completely different services in the other terminal. Of course, they would argue and we will argue that they might need two administration blocks and some of those things might be less efficient, but as I said, many ports in the world have such an arrangement.¹⁷

¹⁵ DEC, Submission to Commission of Inquiry, 4 May 2004, pp2-3

¹⁶ DEC, Submission to Commission of Inquiry, 4 May 2004, pp12-13

¹⁷ Mr Martin, SPC, Evidence 14 May 2004, p38

- 2.19** Mr Martin was further questioned whether the proposal would disadvantage P&O Ports in terms of economies of scale, when compared to Patrick's operation:

I suppose that is possible, but we do have to go through the tender process. They may well win the tender. They may end up with more area than Patricks have. If they were to win the whole 40 hectares, they would have more area than Patricks. They would have 80 hectares compared to Patricks' 60.¹⁸

...The economies of scale, it depends where they kick in. There are terminals that of course are too small to really be viable, but once you go beyond a certain stage, our belief is about a three-berth terminal can be a perfectly viable terminal and can operate as efficiently as a six-berth terminal.¹⁹

- 2.20** The possibility of Patrick receiving a competitive advantage under the proposed SPC expansion is further evident when considering whether a third stevedore is likely to operate from the new terminal. Mr Martin informed the Committee that SPC:

have never made a definitive statement that we want or need a third operator. We have said we will go to the market and it could then go to either of the existing two, the existing two in combination or a new player. That is some years down the track, subsequent to getting approval if we do.²⁰

- 2.21** When questioned further on the likelihood of a third operator on the proposed terminal Mr Martin stated:

It is too early to say. That is a fad, I suppose. It was a philosophy that was being pushed very heavily in the mid 90s. I think now it has proven that it is unlikely, because Brisbane now does not appear to have the capacity for a third operator, which they looked like they might have had. Melbourne certainly is heading down the path of only the two operators. The beef in the industry is that unless you have a reasonable chance of having an operation in Melbourne, Sydney and Brisbane, it is unlikely you would be competitive. That is not categoric, but that is the general belief: if you want to get shipping line business, you need to be able to schedule them through from one port to the other. It is desirable to have all three.²¹

- 2.22** The Committee is concerned that the proponent of the current proposal may not have given sufficient consideration to alternate proposals, both in terms of environmental impact and facilitating competition.

¹⁸ Mr Martin, SPC, Evidence 14 May 2004, p39

¹⁹ Mr Martin, SPC, Evidence 14 May 2004, p39

²⁰ Mr Martin, SPC, Evidence 14 May 2004, p38

²¹ Mr Martin, SPC, Evidence 14 May 2004, p39

Consideration of alternate proposals

- 2.23** The Committee must take into consideration the evidence of Mr Tim Blood, Managing Director, P&O Ports, who, while supportive of an expansion at Port Botany, expressed concern over the SPC preferred proposal.²² Mr Blood discussed the history which led to the current SPC proposal:

At an early stage in SPC's consideration on how to expand Port Botany, P&O Ports was approached by SPC through the Corporation's original proposal to create new facilities which would have extended right across Penrhyn Estuary to Foreshore Road. P&O Ports consider that this would create a credible new terminal with adequate backing land to support the new berths created and provide for all of the supporting infrastructure required, including improved rail facilities. We also considered that approach to be optimum at that time. However, significant compromises to this proposal were required as a result of ground water problems and other environmental issues which have resulted in the modified proposal in the Environmental Impact Statement issued by SPC. This significantly reduced the area of the extension. Importantly, we were not involved in those discussions and negotiations between SPC and community groups that led to the current amended design. Had we been involved, we would have challenged the operational effectiveness of the proposal as it evolved. This would have included a thorough assessment of possible alternatives.

In addition, it is now more clearly understood that Patrick Stevedores had some years ago secured 400 metres of berth link and 18 hectares of the proposed expansion. The combination of the compromise design, and the pre-existing Patrick Stevedores' claim, substantially reduces the effectiveness of SPC's proposed expansion for use as a third container terminal. This is primarily a result of the substantial reduction in backing land behind two of the proposed new berths on which to temporarily store containers, and the need to provide the necessary supporting infrastructure.

- 2.24** Mr Blood stated that P&O Ports has an alternate proposal which provides for expansions to be built at the end of each of the north and south sides of Brotherson Dock:

Our proposal has been tailored to provide the same length of key line at an equivalent cost to that proposed by SPC in order to provide a valid comparison, even though we do not believe the same total length of key line would be warranted within our design approach...

...P&O Ports' alternate proposal is of less overall area—about 41 hectares versus 56 hectares—and requires about 20 per cent less reclamation as a result, despite the deeper water on the south side of Brotherson Dock, whilst maintaining the same berth length. P&O Ports would be able to make full and effective use of the additional berths provided within our proposed design, already having access to substantial land available both at Port Botany Terminal and at adjacent and nearby sites that are currently used for ancillary services.²³

²² Mr Blood, P&O Ports, Evidence 17 May 2004, p2

²³ Mr Blood, P&O Ports, Evidence 17 May 2004, pp2-3

- 2.25** Mr Blood indicated that the P&O proposal provides a sufficient turning circle, though also allows for a greater distance between the container terminals and the airport's third runway.²⁴ P&O Ports indicated that they consider their alternate proposal will have less environmental impact:

The operations will be at a greater visual and audible distance from residential areas, and the Penrhyn Estuary and foreshore will suffer considerably less disturbance. The estuary itself is left more open rather than the choked access proposed by SPC. Within Port Botany currently, P&O Ports and Patrick Stevedores have similar market share, a situation repeated in the other three main container ports in Australia. This is primarily driven by the fact that currently in each port, each of P&O Ports and Patrick Stevedores is provided with near equivalent facilities, including length of berths. The Australian waterfront is thus served by a balanced duopoly. The immediate effect of SPC's proposal will be to put this balance at risk, irrespective of which stevedore operates the balance of the proposed extension that will become available.²⁵

- 2.26** P&O Ports questioned whether the SPC proposal would attract a third operator to Port Botany, suggesting that any operator may be placed at a significant commercial disadvantage if required to operate on the balance of the proposed expansion.²⁶

- 2.27** Mr Blood concluded that the "P&O Ports' alternative would allow P&O Ports to make full and effective use of berths created, building upon existing container handling capacity at the lowest incremental cost" while providing "a more effective and environmentally low-impact way forward".²⁷

- 2.28** Mr Martin, however, stated that Sydney Ports Corporation did not favour the P&O Ports proposal:

It is one that we considered quite some time ago and we did reject it. We mentioned it in our environmental impact statement as one of the ones we looked at and rejected because it is clearly sub optimal. The first thing you have to do is move the bulk liquids berth, which is about a \$40 million piece of equipment and all the pipe work that goes with it has to be shifted, and even if that is done, adding up all the costs, it is going to be about \$50 million dearer than our proposal.²⁸ Secondly, or thirdly, you get about two-thirds of the area. Because of the turning circle, the ships going into Brotherson dock, the P&O proposal pushes that—puts pressure on that with regards to the third runway because you cannot move the turning circle for the ships any further to the east because they get in the way of the third runway. It makes the navigation issue a bit more difficult because you would probably be required to have a sharper turn and use tugs more often.

²⁴ Mr Blood, P&O Ports, Evidence 17 May 2004, pp2-3

²⁵ Mr Blood, P&O Ports, Evidence 17 May 2004, pp2-3

²⁶ Mr Blood, P&O Ports, Evidence 17 May 2004, pp2-3

²⁷ Mr Blood, P&O Ports, Evidence 17 May 2004, pp2-3

²⁸ Mr Blood, Managing Director, P&O Ports, when clarifying evidence given before the Committee, stated "I indicated that we have allowed in our estimate for about \$40m for the relocation of the bulk liquids berth that is required as part of our alternative proposal. In fact our estimate for this relocation including the creation of a new berth and providing the necessary pipelines is \$19m." Correspondence with Committee, 25 May 2004, p1

It does not do anything to improve road and rail access because we have to continue to use the current road and rail access that we have there, whereas the new terminal provides the capacity to bring a new line in. It also puts the road access for the new terminal onto Foreshore Road further away from Botany Road. The very strong likelihood is that most trucks coming out of the new terminal would naturally take Foreshore Road rather than turning back and being tempted to go down Botany Road, and just in efficiency terms, some of the berths are corner to corner. The two in the P&O proposal would be corner to corner, a very constricted area, very difficult for the two big port container cranes running into each other. It is a very inefficient solution and our view is you get two-thirds—as I said, two-thirds of the area, more cost and the capacity is probably likely to be less than two-thirds of what our proposal puts forward.²⁹

- 2.29** The Committee recognises that there is community objection to any expansion, as expressed by Ms Joan Staples, Chairperson, Save Botany Beach:

Anything which involves reclamation of the bay is of concern to us, and anything that results in a tripling of the current volumes is of concern to us because, as I have been emphasising, this truck movement is the big issue.³⁰

- 2.30** Importantly, DEC expressed concern at the treatment of alternate options to the SPC favoured proposal:

DEC considers that the EIS does not adequately discuss alternatives to the proposal or justify the proposal in its current form. Although the EIS discusses the feasibility of using other ports in NSW and interstate, DEC considers that it has not fully addressed alternative sites or dock designs within Port Botany and, has therefore, not provided adequate justification for the preferred option.

DEC acknowledges the options presented in section 5.4.8 of the EIS in relation to alternative layouts for the proposal. For example, the EIS (Vol. 1, Chapter 5) presents three alternative sites as illustrated in Figure 5.2. This shows three separate sites being an eastward extension of Brotherson Dock (A), a westward extension of Brotherson Dock South (B), and a westward extension of Brotherson Dock North (C). It does not, however, discuss why a configuration involving all three options together is not feasible, nor does it discuss why extending Option B further southward is not considered.³¹

Independent Commission of Inquiry

- 2.31** The NSW Government informed the Committee that it would establish an Independent Commission of Inquiry under the provisions of the *Environmental Planning and Assessment Act 1979* to examine “all environmental aspects”³² of the Sydney Ports Corporation's

²⁹ Mr Martin, SPC, Evidence 14 May 2004, p39

³⁰ Ms Staples, Save Botany Beach, Evidence 14 May 2004, p25

³¹ DEC, Submission to Commission of Inquiry, 4 May 2004, p15

³² Office of the Commissioners of Inquiry for Environment and Planning, Notice of Commission of Inquiry, *Sydney Morning Herald*, 29 March 2004

Development Application and Environmental Impact Statement to expand container facilities at Port Botany.³³

- 2.32** On 2 December 2003, the Minister for Infrastructure, Planning and Natural Resources announced the terms of reference of the Commission of Inquiry, which will be conducted during 2004 (Appendix 3). On 29 January 2004, the Minister announced that Commissioner Kevin Cleland had been appointed to oversee the Commission of Inquiry.
- 2.33** The Commission of Inquiry called for public submissions, and made these publicly available on 17 May 2004. The Commission is due to hear its first witnesses, from SPC, on 31 May 2004.

Committee deliberation

- 2.34** The Committee acknowledges that international shipping trade is growing at such a rate that Government cannot ignore the need for increased port capacity. There are significant environmental considerations which demand that any proposal be rigorously tested for its impact. The Committee strongly considers that alternatives to the SPC proposal be considered, to assess if they are less damaging to the environment, while also providing adequate port capacity to satisfactorily meet future demand. The Committee recognises that Commissions of Inquiry have access to technical expertise to assess in detail the merits of any expansion of the Port Botany terminal.
- 2.35** The Committee supports the Government's commitment to plan for future growth of port facilities in New South Wales. The Committee also calls on the Government to urgently implement measures to ensure appropriate, responsible and environmentally sustainable development of Port Botany.
- 2.36** To this end, the Committee calls on the Minister for Infrastructure, Planning and Natural Resources to ensure that any expansion of the Port Botany terminal facilities is only undertaken after the identification and rigorous evaluation of all viable alternatives, including the current proposal.

Recommendation

That the Minister for Infrastructure, Planning and Natural Resources ensures that any expansion of the Port Botany terminal facilities is only undertaken after the identification and rigorous evaluation of all viable alternatives, including the current proposal.

³³ Submission 82, NSW Cabinet Office, p11

Appendix 1 Submissions

No	Author
1	Mr Douglas A. Robertson
2	Mr Paul J Doran
3	Mr H F Lenertz
4	Railway Technical Society of Australasia
5	Australian International Research Institute
6	Miss Susan Fletcher
7	Hanson Australia Pty Ltd
8	Members of White Bay Noise Advisory Committee
9	Australian Industry Group - Illawarra
10	Sydney Harbour & Foreshores Committee
11	Wollongong City Council
12	Coast and Wetlands Society Inc
13	Rockdale Wetlands Preservation Society
14	Southern Councils Group
15	City of Botany Bay
16	West Wallsend Planning District Precinct Committee
17	Mr Bernard Griffin
18	BlueScope Steel Limited
19	Illawarra Area Consultative Committee Inc
20	Hunter Business Chamber
21	Mr Daryl Gates
22	Hardie Holdings
23	Shellharbour City Council
24	Hon John Della Bosca MLC
25	Hon Sandra Nori MP
26	Newcastle Stevedores Pty Ltd
27	Shipping Australia Limited
28	Illawarra Regional Development Board
29	Confidential
30	Leichhardt Council
31	SH Langford
32	Newcastle Industrial Heritage Association

No	Author
33	Northern Rivers Regional Development Board
34	Randwick City Council
35	Illawarra Business Chamber
36	Ms Helen Bell
37	Mr Keith Tognetti
38	Mr Leslie B Gapps
39	Mr Michael Organ MP
40	Mr David Green
41	Federal Chamber of Automotive Industries
42	Botany Bay and Catchment Alliance Inc
43	Mr R Young
44	Ms Jan Kent
45	Concerned Citizens Association Rockdale Third Ward
46	Ms Sharon Bird
47	Maritime Union of Australia - Sydney Branch
48	Dr J Frey
49	Bexley Chamber of Commerce
50	Sugar Australia Pty Ltd
51	State Chamber of Commerce
52	South West Enviro Centre Inc
53	Botany Bay Planning & Protection Council
54	Soraya Kassim
55	New South Wales Sea Freight Council
56	Southern Sydney Regional Organisation of Councils
57	NSW Minerals Council
58	Confidential
59	Hunter Economic Zone
60	Ms Lesa de Leau
61	St George Greens
62	Confidential
63	No Port Enfield Community Action Group
64	Mr Rob Martin
65	GrainCorp
66	Central Coast Community Environment Network Inc
67	Newcastle City Council, City Strategy Group

No	Author
68	The Committee for Sydney
69	Eastlakes Community Group
70	Millers Point, Dawes Point, The Rocks, Resident Action Group
71	P&O Ports Ltd
72	Mr Milton Way
73	Transurban Infrastructure Developments Ltd
74	Kurnell Regional Environment Planning Council
75	Australian Amalgamated Terminals Pty Ltd
76	Hunter Councils
77	Cement Australia Holdings Ltd
78	Save Botany Beach Inc
79	AsiaWorld Shipping Services Pty Ltd
80	Mr & Mrs W Gspurning
81	Wallenius Wilhelmsen
82	NSW Cabinet Office
83	Sydney Ports Users Consultative Group
84	Patrick Corporation
85	Hunter Economic Development Corporation
86	Ms Jenny George MP
87	Sydney Harbour Maritime Forum
88	NSW Road Transport Association
89	Enfield Business Alliance
90	Adsteam Marine Ltd
91	Maritime Union of Australia - Southern NSW Branch
92	Sutherland Shire Council
93	Australian Business Limited
94	Mr Klass Boes
95	Hon Bruce Baird MP
96	Planning Institute of Australia (NSW Division)
97	Australian Labor Party, West Wallsend Branch
98	Four Ports Campaign Committee

Appendix 2 Witnesses

Date	Name	Position and Organisation	
19 February 2004	Mr Gary Keane	Acting Secretary, Southern NSW Branch, Maritime Union of Australia	
	Mr Arthur Rorris	Secretary, South Coast Labor Council	
	Mr Terry Wetherall	President, Illawarra Business Chamber	
	Cr Alex Darling	Lord Mayor, Wollongong City Council	
	Mr Stephen Payne	Director Corporate & Governance, Wollongong City Council	
	Ms Lesley Scarlett	Executive Director, Southern Councils Group	
	Ms Deborah Murphy	Regional Manager, Australian Industry Group - Illawarra	
	Mr Simon Linge	Manager, Marine Logistics, BlueScope Steel Ltd	
	Mr Ross Murray	President, Iron & Slab, BlueScope Steel Ltd	
	Dr Phillip Laird	Chairman, Government Relations Committee, Railway Technical Society of Australasia	
	Mr John Grace	Executive Officer, Illawarra Area Consultative Committee	
	Mr Geoff Goeldner	Board Member, Illawarra Area Consultative Committee	
	Mrs Margaret Biggs	Board Member, Illawarra Area Consultative Committee	
	Dr Judith Stubbs	Board Member, Illawarra Area Consultative Committee	
	Mr Alan Ward	Board Member, Illawarra Area Consultative Committee	
	Mr Garry Langton	Chairman, Illawarra Regional Development Board	
	Mr Peter Pedersen	General Manager, Illawarra Regional Development Board	
	20 April 2004	Mr Geoffrey Beesley	Managing Director, Newcastle Stevedores
		Mr Gary Webb	Acting Chief Executive Officer, Newcastle Port Corporation
Mr Glenn Thornton		Chief Executive Officer, Hunter Business Chamber	
Mr Ian Travis		Supply Chain Infrastructure Consultant, Hunter Business Chamber	
Mr Andrew Geddes		Engineer, Hunter Business Chamber	
Mr Michael Reid		Manager, Ports Development and Infrastructure, GrainCorp	
Mr Steven Ford		General Manager, Ports, Toll Holdings Ltd	
21 April 2004	Mr Graeme Sargent	National Development Manager, Port Division, Toll Logistics	
	Mr Gary Blaschke	Spokesperson, Botany Bay and Catchment Alliance Inc	
	Mr Bob Walsh	Chairman, Kurnell Regional Environment Planning Council	
	Mr Llew Russell	Chief Executive Officer, Shipping Australia Ltd	
	Mr Stephen Horton	General Manager, Hetherington Kingsbury Shipping Agency	
22 April 2004	Mr Donald Smithwick	Director Automotive and General, Patrick Corporation	
	Mr Peter Dexter	Regional Director, Wallenius Wilhelmsen	
	Mr Kim Buoy	General Manager, Operations, Wallenius Wilhelmsen	
	Mr Harold Kerr	Committee Member, Millers Point, Dawes Point, The Rocks Residents Action Group (RAG)	
	Mr Graham Brooks	Representative, Millers Point, Dawes Point, The Rocks RAG	
	Mr Michael Harrison	Representative, Millers Point, Dawes Point, The Rocks RAG	
	Mr Robert Coombs	Secretary, Maritime Union of Australia – Sydney Branch	

Date	Name	Position and Organisation
14 May 2004	Mr Sam Haddad	Deputy Director General, Office of Sustainable Development Assessments and Approvals, Department of Infrastructure, Planning and Natural Resources
	Mr Stephen Alchin	Executive Director, Transport Planning, Department of Infrastructure, Planning and Natural Resources
	Ms Joan Staples	Chairperson, Save Botany Beach
	Mr Colin Woodward	Executive Director of Operations, Department of Environment and Conservation
	Mr Niall Johnston	Manager, Contaminated Sites Regulatory Unit, Department of Environment and Conservation
	Mr Greg Martin	Chief Executive Officer, Sydney Ports Corporation
	Mr Simon Barney	General Manager, Commerce and Logistics, Sydney Ports Corporation
	Ms Marika Calfas	Manager, Environmental Planning, Sydney Ports Corporation
	Mr Paul Shepherd	Director, Technical and Regulatory Services, City of Botany Bay
	Mr Peter Fitzgerald	General Manager, City of Botany Bay
	Ms Catherine McMahon	Manager, City Planning, City of Botany Bay
	Ms Melissa Gibbs	Executive Director, Southern Sydney Regional Organisation of Councils
17 May 2004	Mr Tim Blood	Managing Director, P&O Ports
	Mr Roy Cummins	Manager, Port Services NSW, P&O Ports
	Mr Brian O'Dea	Chairman, Sydney Ports Users Consultative Group
	Mr Denis Dillon	Secretary, Sydney Ports Users Consultative Group
	Ms Alison McCabe	Director, Environment and Community Management, Leichhardt Council
18 May 2004	Mr Hugh McMaster	Government and Commercial Services Manager, NSW Road Transport Association Inc
	Mr Chris Oxenbould	Acting Chief Executive, Waterways Authority
	Mr Paul Robinson	Executive Director, Maritime Asset Strategy, Waterways Authority
	Mr Gerry Gleeson	Chairman, Sydney Harbour Foreshore Authority
	Dr Robert Lang	Chief Executive Officer, Sydney Harbour Foreshore Authority
	Mr Jim Glasson	Acting Chief Executive Officer, Port Kembla Port Corporation
	Mr Warwick Reader	General Manager, Marketing and Strategic Development, Port Kembla Port Corporation
	Mr Vince Graham	Chief Executive Officer, RailCorp

Appendix 3 Port Botany Commission of Inquiry terms of reference

Pursuant to Section 119 of the EP&A Act the Honourable Craig Knowles MP, Minister for Infrastructure and Planning and Minister for Natural Resources directed that a Commission of Inquiry be held with respect to ‘all environmental aspects’ of the proposal by Sydney Ports Corporation to construct and operate a new container terminal and associated infrastructure on Lot 2 DP 1009870, Lot 6 DP 1053768, Lot 302 DP 712992, Lot 301 DP 712992, Part of Crown Reserve R91288, Lot 205 DP 712991, Lot 203 DP 712991, Lot 401 DP 816961 in the Botany local government area (DA -494-11-2003-i). The Commission is to have particular emphasis on:

- i. Justification of the proposal;
- ii. The terrestrial and marine environment;
- iii. The hydrodynamics of Botany Bay;
- iv. The acoustic environment;
- v. Air and water quality, including groundwater;
- vi. Safety, both in terms of shipping navigation and the operations of Kingsford-Smith Airport;
- vii. Local and regional traffic road and rail networks;
- viii. Local and regional infrastructure including the implications on container movements and growth within NSW;
- ix. Recreational opportunities in and around Botany Bay, in particular Foreshore Beach and Reserve;
- x. Cumulative impacts of the proposal in the context of the total port environs taking into account any relevant strategy for Botany Bay; and
- xii. The social and economic implications of the development, including the implications of the development, including the implications to the State of not proceeding.