

PUBLIC WORKS COMMITTEE

**IMPACT OF PORT OF NEWCASTLE SALE ARRANGEMENTS ON PUBLIC
WORKS EXPENDITURE IN NEW SOUTH WALES**

Responses to Supplementary Questions

Hearing – 31 January 2019

1. What modelling does Infrastructure NSW use regarding the long term outlook for coal to the Port of Newcastle?

a. When was this modelling commissioned?

b. Who paid for this modelling?

c. What does this modelling suggest?

d. What specific emission trajectories or scenarios (for instance, IPCC scenarios) were used for this modelling?

e. What are the assumptions these scenarios are based on, including trends in global coal demand?

f. What is the projected share of coal tonnage to other commodities at Newcastle Port in 2030 and 2050?

Response:

Infrastructure NSW has not commissioned any modelling on the long-term outlook for coal for the Port of Newcastle.

In 2013 Infrastructure NSW and the Hunter Development Corporation released *The Hunter Economic Infrastructure Plan (HEIP)*.

The HEIP was funded by the Commonwealth for the purpose of ensuring the region has an integrated plan that assists mining communities, improves export capacity, supporting the Hunter's future economic growth.

A copy of the report is available on the Hunter Development Corporation website <http://rdahunter.org.au/initiatives/hunter-economic-infrastructure-plan>

2. The NSW Freights and Ports Plan states that “Coal freight volumes, however, are expected to grow less rapidly than other regional commodities over the next 20 years.” What is the projection for this long-term outlook for coal based on?

Response:

Refer to Transport for NSW for response

3. In his evidence to the committee, the CEO of the Port of Newcastle Mr Craig Carmody said it will be “devastating” for the port and the economy of the Hunter if the Port of Newcastle is not able to diversify as a result of the inevitable global reduction in the demand for coal.

a. Do you agree with Mr Carmody’s evidence?

b. What is Infrastructure NSW doing to ensure that the port and the economy of the Hunter are not devastated by the inevitable global reduction in demand for coal?

Response:

Infrastructure NSW refers response to Transport for NSW, noting the NSW Government is already investing heavily in new infrastructure to support growth of the Newcastle region. A total of \$842 million has been committed into the Hunter region's infrastructure from the Restart NSW Fund.

4. Has there been any study conducted or commissioned by Infrastructure NSW of the benefit of a freight rail bypass of Sydney?

a. If so, can the study be provided to the committee?

b. What was the cost benefit of the project?

Response:

No. Please refer response to Transport for NSW

5. Has the Infrastructure NSW conducted or commissioned any study or modelling of the economic impact of allowing the Port of Newcastle to become a significant container port?

a. If so, can the study be provided to the committee?

b. When was the study conducted?

c. What were the conclusions of the study?

Response:

No. Please refer response to Transport for NSW

6. Has a study ever been conducted or commissioned by Infrastructure NSW to examine the alternatives to expanding the container capacity at Port Botany?

a. If so, can the study be provided to the committee?

b. What alternatives were considered?

c. What was the cost-benefit ratio of these alternatives?

Response:

No. Please refer response to Transport for NSW.

7. What financial modelling has been conducted to determine the optimal arrangements for container transport using all three ports?

Response:

No. Please refer response to Transport for NSW.

8. Has a review been conducted to assess or evaluate an integrated rail freight system that takes into consideration all three ports?

Response:

No. Please refer response to Transport for NSW.

9. Are there targets for modal share of container movements for each of the Ports?

a. What is the target for rail freight for containers overall?

Response:

No. Please refer response to Transport for NSW.

10. What proportion of traffic congestion in Sydney is attributable to the container terminal at Port Botany?

a. How much of this is container trucks?

b. How much of this is non-heavy vehicle congestion?

Response:

Please refer response to Transport for NSW.

11. The NSW Freight and Ports Plan 2018-2023 states that “the NSW Government will encourage improved environmental performance of vehicles through a number of policies and programs” (p74).

a. What policies and programs does this refer to?

b. What are the greenhouse gas emissions reduction targets associated with each of these policies and programs?

Response:

Infrastructure NSW is not responsible for the NSW Freight and Ports Plan 2018-2023. Please refer response to Transport for NSW.