

The independent analysis that you referenced that indicated was driving up costs in NSW, was that the reports presented and paid for by Port of Newcastle?

Yes – the independent Alphabeta report ‘Global Gateway for NSW: the economic impact of a container terminal at the Port of Newcastle’ and the independent Deloitte Access Economics report ‘NSW Container and Port Policy: Port of Newcastle’, both demonstrate the high costs of moving freight through existing and congested infrastructure in Sydney, and the subsequent efficiencies and savings that could be achieved through the diversification of the Port of Newcastle.

The \$6 billion economic uplift and the 5,000 jobs it can create that you reference, are those figures based on council’s independent figures or on Port of Newcastle? If not, how is the split calculated?

These figures appear in the independent Alphabeta report ‘Global Gateway for NSW: the economic impact of a container terminal at the Port of Newcastle’:

- ‘A container terminal at the Port of Newcastle could drive \$6 billion in additional economic value in NSW by 2050.’ p.5.
- ‘More than 4,600 jobs would be created in the Hunter Region and Northern NSW by 2050, in industries as diverse as transport, construction, agriculture, manufacturing and local services.’ p.5.

Mr Minifie of AlphaBeta, who appeared with Mr Carmody, noted that the social cost in terms of pollution and congestion of trucks travelling across Sydney. How have you measured the social costs of heavy vehicles in and out of the Port of Newcastle?

Measuring the costs of pollution and congestion from freight traffic requires forecasting the aggregate vehicle kilometres for the given freight task. Port of Newcastle will have multiples lower aggregate vehicle kilometres for freight trucked to and from the Hunter region. In summary, the closer the port to the cargo, the lower the social cost.

It should also be noted that an understanding of the significant benefits of the development of the Port of Newcastle and surrounding industrial precincts, and mitigated social costs through use of rail, are present throughout current NSW Government policy statements and documents.

The NSW Government’s vision is to ‘increase freight train growth across the broader rail network’ through the construction of the Lower Hunter Freight Corridor in line with the Greater Newcastle Metropolitan Plan.

The Greater Newcastle Metropolitan Plan, approved by the Cabinet of the NSW Government, identifies the Port of Newcastle as a ‘Catalyst Precinct’ and a ‘Global Gateway’.

Page 68 of the Greater Newcastle Metropolitan plan ‘Newcastle Port’ states that the desired role of the Port of Newcastle in Greater Newcastle is as follows:

- Global gateway, providing international freight connections servicing Greater Newcastle and the Hunter Region
- Emerging tourism gateway centred around the Newcastle Cruise Terminal

- Capacity to generate port-associated industry and regional and local employment while planning for land use compatibility, acknowledging the high demands on land and infrastructure affecting surrounding lands and requiring a separation from adjoining land uses to sustain their success.

The NSW Government identifies the following outcomes for a number of precincts:

Carrington Precinct

The Department of Planning and Environment working with the Port of Newcastle, will align planning instruments to enable existing port-related activities and investigate options for land uses in this Precinct that support further growth and diversification of trade whilst working with operators and industry to minimise impacts on residential communities.

Dyke Point Precinct

The Department of Industry will coordinate the upgrade of Carrington Shipyard slipway, to reactivate Port of Newcastle and the Hunter as a major ship repair and maintenance destination. The Port of Newcastle will support the establishment and operation of the Newcastle Cruise Ship Terminal to enhance visitor experience. Transport for NSW, working with the Port of Newcastle will investigate improved transport connections, including the use of ferries, between Newcastle City Centre and the Newcastle Cruise Terminal. The Department of Planning and Environment will work with operators and industry to minimise impacts on residential communities.

Kooragang Coal Export Precinct

The Port of Newcastle and the Department of Planning and Environment will align planning instruments to protect the operation of coal exports.

Mayfield Port Precinct

The Port of Newcastle, working with the Department of Planning and Environment, will:

- support the growth and diversification of port import and export operations, including bulk liquids, containers, project cargo and other cargo
- protect freight rail access and allow for expansion of connections and facilities to meet export and import requirements. The Department of Planning and Environment will work with operators and industry to minimise impacts on residential communities

Walsh Point Precinct

The Department of Planning and Environment will:

- align planning instruments to enable heavy industry land uses, including chemical and mining manufacturing
- work with operators and industry to minimise impacts on residential communities.

Mayfield North Industrial Precinct

The Department of Planning and Environment will align planning instruments to:

- protect existing industrial land uses
- investigate the potential diversification and growth of industrial land uses
- maintain prohibition of retail, bulky goods and residential uses
- work with operators and industry to minimise impacts on residential communities

Mayfield Freight and Logistics Precinct

The Department of Planning and Environment will:

- work with Hunter Development Corporation to finalise remediation
- work with Port of Newcastle to align planning instruments for the development of freight and logistics, intermodal and warehousing to complement the port's export role
- maintain prohibition of retail, bulky goods retailing and residential uses.

You mentioned a range of alternate opportunities for Newcastle, do you believe Port of Newcastle would be better placed further exploring these opportunities?

Port of Newcastle, in collaboration with all tiers of government and industry, has a role to play in exploring commercial opportunities to benefit the Port of Newcastle, the Greater Newcastle Metropolitan area, the Hunter region and surrounding regional areas in the State's north and north-west. They are doing so by advocating for the diversification of their business offering.

The NSW Government also has an ability to take advantage of the economic opportunities that the Lower Hunter Freight Corridor will create, through increased supply chain efficiency and capacity.

On p.13 of the Greater Newcastle Metropolitan Plan, the NSW Government identifies the Port of Newcastle as an essential trading hub for the NSW economy stating that:

'Greater Newcastle is the only place in regional NSW where the national road and rail trade routes intersect with an international trade port. The trading hubs and routes converge near Tomago and Beresfield–Black Hill, the trade link of the metropolitan area. Greater Newcastle's trading hubs include Beresfield–Black Hill, manufacturing sites at Tomago, Cardiff, Newcastle Port and surrounding port lands, the Newcastle Airport at Williamtown and emerging locations along national road and rail trade routes.

There are opportunities to better connect trade movements across NSW and nationally via the Pacific Motorway, New England Highway, Hunter Expressway, national rail network (particularly Inland Rail) and the proposed Lower Hunter Freight Corridor. This also reduces the volume of freight trains through urban areas. Large sites around the trading hubs are dedicated for freight and logistics, capturing the opportunity from improved connectivity. Newcastle Port and the Newcastle Airport also provide international trading opportunities.