

PETER M. STURROCK
CHIEF EXECUTIVE



**FEDERAL CHAMBER
OF AUTOMOTIVE
INDUSTRIES**

ABN 53 008 550 347

GPO BOX 313, CANBERRA ACT 2601

10 RUDD STREET, CANBERRA CITY

ACT 2600 AUSTRALIA

TELEPHONE 02 6247 3811

FACSIMILE 02 6248 7673

21 January 2004

The Director
Standing Committee on State Developments
Legislative Council
Parliament House
Macquarie Street
SYDNEY NSW 2000

Dear Sir,

FCAI SUBMISSION TO THE INQUIRY INTO PORT INFRASTRUCTURE IN NEW SOUTH WALES

The Federal Chamber of Automotive Industries (FCAI) is the peak industry organization representing the automotive industry in Australia. The FCAI's membership comprises the four passenger motor vehicle manufacturers and all major international brands importing and marketing passenger, light commercial and four-wheel drive vehicles and motorcycles in Australia. In 2002/03 the industry was responsible for importing 195,000 vehicles into the Port of Sydney. Approximately 70% of these units were for sale into the Sydney Metropolitan area.

During the last decade the industry has worked with Port Authorities, Shipping Lines, Stevedores and PDI Operators to establish on-wharf or adjacent processing facilities. These have been established for a number of reasons including reduction in costs, reduction in transit times, reducing pressure on transport operators and to offer worlds best practice to Australian customers. 2002/03 finally saw the establishment of a true vehicle processing facility in the Port of Sydney at Glebe Island. Prior to this time on-wharf processing was undertaken at a variety of wharves in the Port in less than perfect operating facilities. The benefit of having and using on wharf facilities is that it allows for the direct-to-dealer delivery of imported vehicles thereby eliminating transport

legs to inland processing and storage facilities and then onto Dealers, often back in the direction from whence the vehicles originated at the Port. As can be seen this is how costs can be reduced, time can be saved and traffic can be reduced from already busy metropolitan roads.


During the Sydney Olympics period in 2000 the automotive industry trialled using Port Kembla for the discharge of vehicles imported from Japan. Whilst the exercise was deemed successful it did highlight the major drawback of moving out of the Sydney Ports area, transport costs and availability. The industry suffered a major cost penalty by having to position transporters in Port Kembla. As there is a very limited need for vehicle transport trucks to deliver into the Kembla area, as opposed to the Sydney metropolitan area, it was necessary to send empty trucks to Port Kembla to remove the vehicles back to the Minto/Ingleburn areas for processing prior to delivery to dealers.

The Glebe Island Terminal is not perfect in that it ideally requires improvement in the areas of rail access, infrastructure and rolling stock, but it is in the right location for access to our market. The facility can hold 6000 units, which at the moment is sufficient for the market. Both the State and also private operators have already invested capital so the area is developed, has been designed for the automotive trade, and will provide ongoing returns to the Government through leases and dividends from the Port Authority.

The FCAI strongly endorses the principle of a working Harbour and views vehicle imports as being ideal cargo for this area. Motor vehicles on the wharf have a low visual impact on the surrounding area, are a clean cargo, and, because of the efficient work practises and transport involved, contribute minimally to noise and air pollution.

In planning for the future the Chamber encourages the Government to look favourably on the continued use of the Glebe Island precinct as a motor vehicle terminal. The Chamber also makes itself available for any further information required by the Inquiry.

Yours faithfully



P M STURROCK
Chief Executive