

THE NEW SOUTH WALES PORTS GROWTH PLAN

SUBMISSION



JUNE 2004

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Executive Summary

The City's Position:

- **A Sustainable Long-Term Plan for NSW Ports and Sydney Harbour Foreshores,**
- **A 'Mixed Use' Harbour, and**
- **A Transparent Process**

This submission presents the views of the Council of the City of Sydney as to the key elements in the successful progression of the plethora issues arising from the *NSW Ports Growth Plan*. There are five main issues arising from the City's consideration of the *NSW Ports Growth Plan*.

1. Sustainable Development:

Prior to any decisions on relocating significant infrastructure, a comprehensive analysis is needed of the total freight movements to and from markets. That is, destination/origin analysis and total transportation movements. Clearly the long term objective should be to reduce transport movements, with associated traffic, economic and environmental impacts. For instance, would relocating facilities to Port Kembla and the Port of Newcastle mean that a majority of goods will merely be transported back to the Sydney market? Also, rail infrastructure needs to be favoured as a more sustainable means of transport than simply using road transit. For this reason, active utilisation of the rail corridor to White Bay and Glebe Island should occur.

In the context of the NSW Ports, a strategy for their future must include a thoroughly researched assessment of port location, usage, infrastructure access and condition, capacity for continuing and/or enlarging operations. Most importantly, discussion of the potential consequences of options for ports futures must be evaluated in light of strategic issues such as competition and access to markets.

The present provisions of the *NSW Ports Growth Plan* appear not to have considered access to existing infrastructure and access to markets, nor does competitive advantage appear to have been considered. The Sydney Harbour ports may be more minor port facilities when compared to Port Botany. However it is important to note that Wharves 3 to 8 Darling Harbour, White Bay and Glebe Island offer facilities to small vessels that would not necessarily be able to compete for a berth at a port such as Port Botany. Wharves 3 to 8 Darling Harbour and White Bay also accommodate to containerised and uncontainerised cargo, again another 'niche market' service that a larger port may not offer. If these ports were removed, competition to access Port Botany may be prohibitive, as may distances for transporting goods from regional ports in the Greater Sydney Region, such as Port Kembla or the Port of Newcastle.

Closure of these Sydney Harbour facilities may drive port users away from the Sydney region, possibly to regional ports in NSW, or in other states. The likely impacts should this occur include potentially increased costs for goods as a proportion of goods will require transportation back to the Sydney region.

2. Audit/review of Government-owned Foreshore Land:

Prior to making decisions regarding the future of Government owned land along the foreshores, an audit of all Government-owned foreshore land should be undertaken, with a strategic plan prepared for its future management and use. This strategic plan must relate to the Metropolitan Strategy that is currently being prepared by the Department of Infrastructure, Planning and Natural Resources (DIPNR). The City,

other foreshore councils and the community should be consulted in the process of undertaking this audit.

Operationally, this audit or review of foreshore land will identify land that has been developed, to assess or classify this development. For example: if strata residential has been developed, the chance of ever comprehensively returning such a site to public ownership is gone, and the process must then become seeking to establish a reasonable level of public access through such privatised sites to the harbour foreshore. There are a number of sites where this has occurred, as planning for the foreshore to date has tended not to be strategic, but more on a site-by-site basis, through individual master plans.

The aims of such an audit or review would also include the identification of "remaining" land around the Sydney Harbour foreshore. Where public land remains a comprehensive strategy for its future must be devised, seeking high quality public access and retention and enhancement of natural characteristics. Where possible, the loss of Sydney Harbour foreshore land in the long term (i.e. to strata buildings) should be avoided. Hence, remaining land may be comprehensively and strategically planned for, rather than being fragmented through piecemeal site-by-site planning.

Timing enables the process of re-planning for NSW Ports and for the Sydney Harbour foreshore to link with other critical regional research that is currently under way, such as the State Government's Metropolitan Strategy preparation. It is fundamental that these initiatives progress together.

3. Retention of the Working Harbour and a Mix of Harbour Uses:

The harbour must be seen as a shared resource, in the way that it has existed for 200 years. This theme of sharing uses should also be informed by issues 1. and 2. above.

Strategically, the four 'themes' for the harbour that the State Government identified in its "*Sharing Sydney Harbour*" (1999) publication are supported and should continue, given that they recognise the four key contributors to the harbour's diversity. These themes are: *Working Harbour*, *Natural Harbour*, *Urban Harbour* and *People's Harbour* (DUAP, 1999).

Through *Sharing Sydney Harbour* the Department of Urban Affairs and Planning (as they were then) also sought to coordinate the many stakeholders to the harbour (both Government and non-Government) which again, the City supports, as coordination may assist in achieving a consistency of outcomes on Sydney Harbour foreshore lands.

Specifically, the City submits that the *NSW Ports Growth Plan* has approached the future of Wharves 3 to 8, Darling Harbour East from the context of 'port or no port'. However port and maritime uses may coexist with numerous other compatible uses in this location. Mixed uses have characterised the harbour for the 200 years of its history. Appropriate planning for the continuance of this mix of uses will ensure that this diversity endures a further 200 years.

4. Future of Wharves 3 to 8, Darling Harbour East:

These wharves should seek to retain port or related uses, with public accessibility and opportunities for other compatible uses also considered/evaluated. Reasons for retaining port uses are discussed in 1. and 3. above. Thinking for the future of these wharves should not be confined to a "port or no port" approach. It is considered that an 'iconic' development may be open space.

As discussed above, the City considers that the port facilities at Wharves 3 to 8 may continue to exist, whilst also accommodating "mixed uses", which may include each of the four harbour themes of *Working Harbour*, *Urban Harbour*, *Natural Harbour* and *People's Harbour*. The City's preliminary research indicates that additional uses may co-exist with the existing port/passenger terminal, and that future uses at the wharves may include open space, maritime uses (such as ferry wharf facilities for future local and regional ferry transit, additional passenger terminal facilities, leisure boat facilities and workshops/boat repair facilities). Public open space at the north end of the peninsula is preferred. Passenger terminal facilities should be upgraded and potentially expanded, in recognition of the regional context.

5. Extensive Consultation/Forum for Analysing Options:

In any decisions relating to vitally important sites, wide consultation is required. Ideas should be stimulated and welcomed from a variety of stakeholders and sources, including the public.

Both the *NSW Ports Growth Plan* and the State Government's approach to planning and development on the Sydney Harbour foreshores must be re-commenced and progressed through a process that is transparent, communicative and consultative.

It is considered that genuine and ongoing dialogue as to the future of the wharves has not eventuated to date. Given this, the City would support convening a forum regarding the future of the Sydney Harbour ports and Wharves 3 to 8 Darling Harbour, with a wide range of stakeholders that are directly or indirectly involved in the future of the wharves to be identified and invited to the forum.

A set of shared principles and a consultative approach must guide this project. Developing these principles is discussed further in this submission; however the key principle must be recognition of what the harbour is: a priceless trans-generational asset, requiring careful and comprehensive planning for its future.

1 INTRODUCTION

This Submission is made by the Council of the City of Sydney to the Standing Committee on State Development and it is in response to the Inquiry into Port Infrastructure in New South Wales. This submission considers the information available within the *NSW Ports Growth Plan*, and its potential impact on the ports within Sydney Harbour, and the potential impacts for port, transport, infrastructure and competition in NSW and nationally. This submission also focuses on Wharves 3 to 8, Darling Harbour East, which are one of the last remaining working harbour uses within the City of Sydney Local Government Area.

There are four components to this submission. A contextual background is provided, followed by a discussion of the issues as defined by the City. Should the *NSW Ports Growth Plan* continue, a summary of potential impacts of its current contents are outlined. Finally a series of potential elements that may contribute to the future of Wharves 3 to 8, Darling Harbour East are discussed.

2 TERMS OF REFERENCE

Many of the terms of reference lie outside of the ambit of the Council as regards the detailed facts of the particular reference, particularly in respect of other regions and State-wide.

The City of Sydney, therefore, has concentrated on the general process and outcomes leading to a sustainable Port and Foreshore Strategy and those aspects of the terms that relate directly to areas within the domain of the City of Sydney's role as a 'place-management' entity. To that end, parts of the submission impinge on several, but not all, of the terms of reference.

The terms of reference that apply to the consideration of ports infrastructure by the Standing Committee are:

- 1 *"That the Standing Committee on State Development inquire into and report on port infrastructure in New South Wales,*
- 2 *The NSW Government Ports Growth Plan, including any planned closure of shipping freight facilities in Sydney Harbour,*
- 3 *The economic, social and environmental impact on the State, including on the proposed Port Botany upgrade,*
- 4 *The employment implications for Sydney, the Hunter and the Illawarra regions,*
- 5 *Current and future infrastructure needs and social impacts including with respect to the adequacy of existing road and rail infrastructure, and,*
- 6 *The future of public land at Millers Point, Glebe Island and White Bay on which shipping freight operations are currently located" (www.parliament.nsw.gov.au).*

The Greater Sydney Region and the location of these key ports within the region are shown in **Figure 1** on the following page.

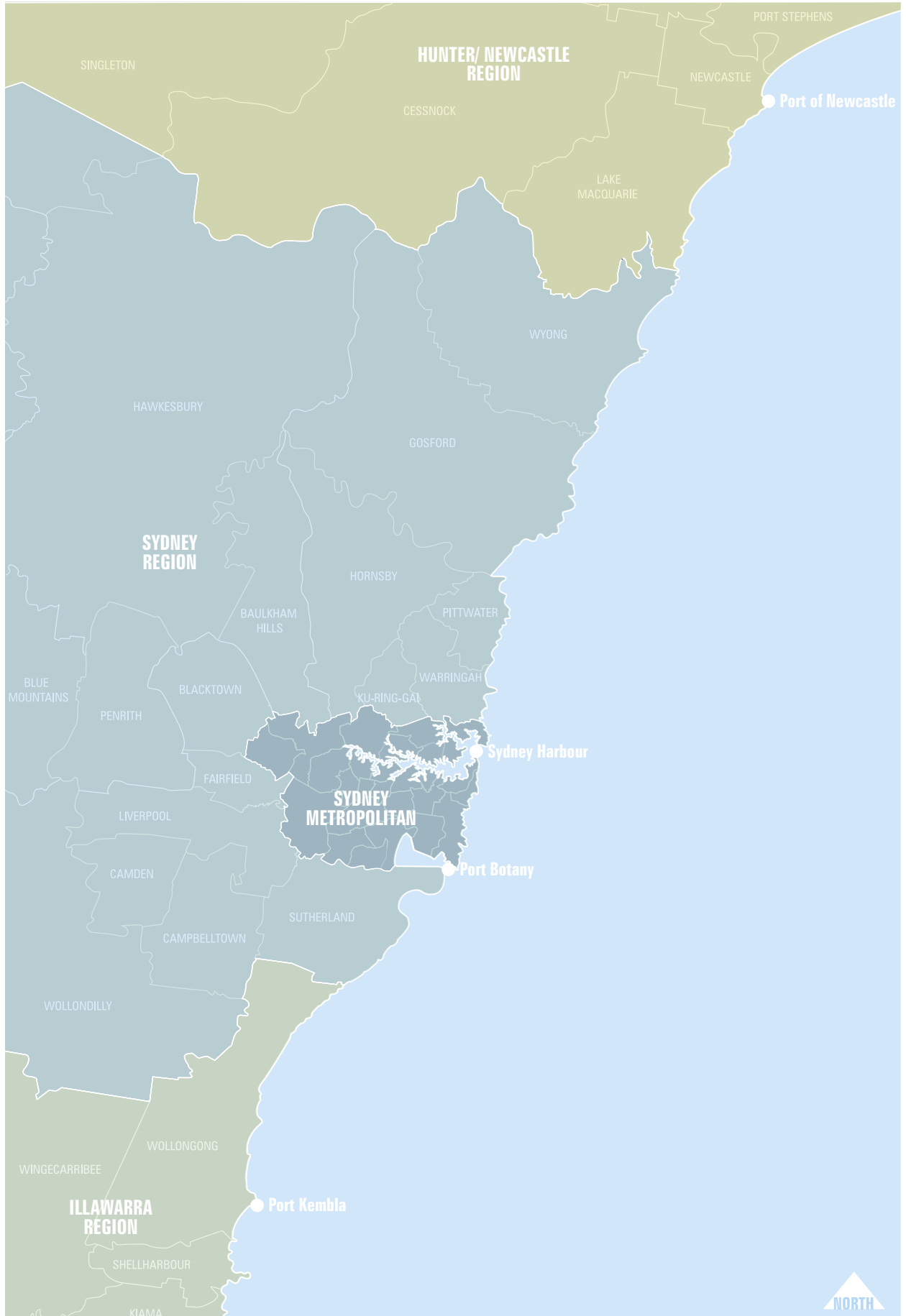


Figure 1: Greater Sydney Region (showing Metropolitan Sydney)

3 BACKGROUND

3.1 Context – Development of Harbour Foreshores

Few issues encapsulate Sydney's past, present and future like its relationship with the natural centre of its development and indeed its *raison d'être* – the harbour. The Sydney Harbour Foreshore is shown in **Figure 2**.

Sydney Harbour has been a fundamental part of Sydney's trade environment since the first settlement of the colony by British and European immigrants. The growth and development of Sydney and the City of Sydney is largely recorded by its maritime history. Since the earliest days of European settlement, the economic development of Sydney has been closely dependent on the development of its ports, which until the middle of last century were mainly confined to Sydney Harbour.

Industrial, manufacturing, shipbuilding, workshops, port uses and military facilities characterised the uses on the foreshore from the first settlement of the colony. The water afforded connectivity for the transport of goods and was also a dumping ground for waste. The result in physical terms was low-rise, sparsely developed industrial sites, including infrastructure such as docks and cranes, with a hinterland of low to medium rise warehouse and storage facilities, and worker housing. Public ownership has long been a factor in this landside development, particularly in central Sydney, where wharves such as Darling Harbour, Walsh Bay and Woolloomooloo spent the majority of their history in public ownership.

Due to its proximity to the Sydney Central Business District (CBD) and competing land uses, the port facilities and wharfage area in Sydney Harbour has been considerably reduced over the past 25-30 years. By the 1990s, port activity in many areas of the Harbour had ceased, most notably in Cockle Bay, Walsh Bay and Woolloomooloo. Non-port uses have since been developed in these areas. At Walsh Bay and Woolloomooloo, the wharf forms have been retained through redevelopment. At Cockle Bay, little evidence of its maritime past remains. Whilst public access has been a component of redevelopment of these former port areas, the size, location and general nature of the access varies between redevelopment areas and is often closely located with 'private' uses, such as residential and hotels.

3.2 Emphasis on Cultural Heritage

The wharves of the Sydney Ports are significant for reasons that go beyond the preservation or adaptive reuse of their physical forms. The wharves and ports are representative of a long association of this part of the Sydney foreshore with maritime uses, whether working port functions, goods storage, or housing and social infrastructure for the families of port workers.

Implicit in this heritage are a diverse range of factors, including public ownership of land, jobs/employment in port and maritime industries, housing for maritime workers and unique societal culture. For example, male maritime employment often resulted in workers being away at sea for employment. Hence the area had what has been described as a true matriarchal community structure.

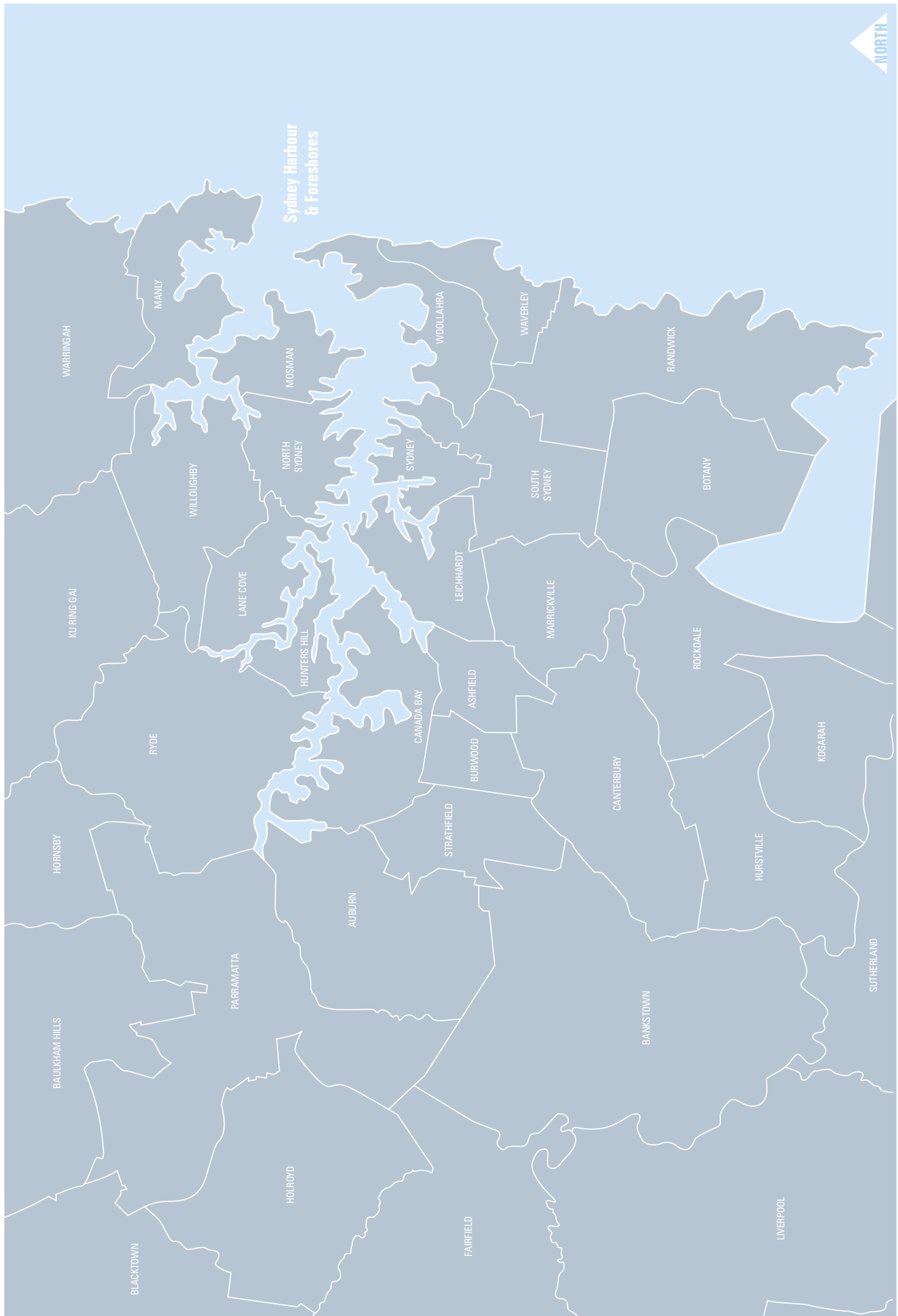


Figure 2: Sydney Harbour & Foreshores

3.3 Retaining Maritime Historic Connection

The retention of connections to maritime history and heritage is of central importance and should form a part of any future planning for the Sydney Ports, and specifically for Wharves 3 to 8, Darling Harbour East. Presently, the connection continues to exist, through the port uses and proximity to the State Heritage Register-listed suburb of Millers Point. The Statement of Significance listed within the NSW State Heritage Register for Millers Point focuses not only on the intact built form of the suburb, but also on the integral nature of maritime activity to the development and retention of the suburb, in stating that, "*Millers Point Precinct is a landscape of both State and National significance, comprising a range of built structures and socio-cultural elements that have shaped the development of the precinct and continue to define its modern context. It is simultaneously a residential and maritime precinct with an active, sustained community: this combination of elements has been ongoing throughout the nineteenth and twentieth centuries, and both residential and maritime components can still be clearly identified in the present day Overall, the precinct demonstrates. the role and evolution of the socially cohesive and self-sufficient commercial/maritime and residential community, incorporating the technologies and trends brought about by the pressures of nineteenth century city expansion and evolving shipping/maritime technologies*" (www.heritage.nsw.gov.au).

However retention of built heritage is relatively achievable in comparison to retaining and progressing more subtle aspects of cultural heritage, such as employment and societal patterns. Whilst the City does not support the cessation of the working harbour, should there be any redevelopment proposed on the harbour foreshores, then the preserve of social capital through such redevelopment is critical. Workers and residents of the area must be considered especially when they have contributed to growth, and should not be forced out when this very growth escalates.

Similarly, attention needs to be focussed on opportunities for current and future members of the public to access and experience the embodied history of place. How this may be achieved in the context of Millers Point and Wharves 3 to 8, Darling Harbour East may be (and should be) openly debated. Opportunities may include mechanisms such as an interpretative strategy or a local maritime museum facility. The successful achievement of any outcome, however, depends upon both the process by which goals are achieved and the range of options determined by underlying principles to achieve integrated aims. It is to the range of issues identified in relation to the process and the outcomes that we now turn.

4 ISSUES

4.1 Introduction

As the inner-city harbour facilities have contracted in relative size and become more spatially concentrated, they have to a large extent become isolated from their traditional users and increasingly reliant on shared local infrastructure, such as the local road network for Wharves 3 to 8 Darling Harbour East, which now has no rail access. This results in trucks utilising already congested inner-city streets with resultant impacts on noise and air pollution.

This has been compounded by the growth of both residential numbers and employment numbers in the CBD. Residents in the 'original' City of Sydney (i.e. the CBD area and surrounding areas such as Millers Point, The Rocks and Pyrmont-Ultimo) expanded from 7,500 in 1991 to 35,000 at the present time; employment growth in the CBD has expanded by almost 50,000 in the same period. It has been estimated that the daily population of the CBD has expanded by more than 20% in the last decade or by more than 100,000 people. These trends place additional pressure on the local road and environmental infrastructure.

Recognising the long lead time in developing port and related infrastructure, two strategically-linked events become important for the future. Firstly, containerised trade through Sydney Ports is expected to grow by 8% or close to 100,000 containers per year. This means that total levels will double well within a decade. Containerised trade is dominated by the import of consumer goods to service (predominantly) Sydney's population of 4.1 million. Sydney's population is projected to grow by some one million in the next twenty years. Moreover, the containerised shipping trade is characterised by economies of scale based on increasingly large ships, which require high investment in stevedoring capability to ensure fast cargo exchange at port. Like all industries in the recent past, the shipping and maritime industry is currently being driven by an evolving maritime technology.

Further, the existing Sydney Harbour leases at Wharves 3 to 8 Darling Harbour East and White Bay are due to expire in the upcoming years. The two major stevedores, Patrick Stevedores and P&O, operated general cargo terminals at Wharves 3 to 8 Darling Harbour East and White Bay, respectively. P&O Stevedores has, in the interim, shifted operations to Wharves 3 to 8 Darling Harbour East, operating the terminal jointly with Patrick Stevedores. The lease at Darling Harbour expires in 2006.

Considering this information as to population growth, City evolution, growth in container trade and the impending end to the Sydney Harbour leases, the City has clarified five summary issues arising from the *NSW Ports Growth Plan*, on which this submission will focus. A discussion of each is following.

4.2 Sustainable Development and Decisions – NSW Ports

Prior to any decisions inherent in the *NSW Ports Growth Plan* on relocating significant infrastructure and markets, a comprehensive sustainability analysis is required, to determine the long term social, economic and environmental outcomes of the *Ports Growth Plan*. This analysis must consider access to markets, quality of existing infrastructure and the impact on total freight movements to and from markets. That is, destination/origin analysis and total transportation movements. Clearly a long term objective should be to prioritise use of existing infrastructure, over the need to develop new infrastructure, to favour rail as a means of transport, rather than road

transport and to reduce transport movements, with associated traffic, economic and environmental impacts.

The need for a comprehensive port strategy is evident given the anticipated growth in port operations in Sydney in the next decade, and given the increasing constraints to existing port locations. The City supports the preparation of a comprehensive port strategy, but does not consider that the *NSW Ports Growth Plan* is this strategy. The *NSW Ports Growth Plan* proposes that future growth in container terminals would be located in Newcastle and at Port Botany, with plans to expand the Port Botany facilities proceeding through the environmental impact assessment phases. Growth in car terminals would be focused on Port Kembla.

The principle of encouraging growth in locations such as the Hunter and Illawarra regions is understood, but this economic stimulation is not real and not sustainable if it comes through the loss of productivity in other parts of NSW, and with the environmental and market costs associated with road transport for freight.

Considering Wharves 3 to 8, Darling Harbour East, the vessels to these wharves are generally smaller ships and predominantly have mixed cargoes of containers and break-bulk cargo. It is not considered that this type of cargo could be cost-effectively stevedored at the major Port Botany container berths due to a combination of irregular shipping timetables, and specific equipment and storage requirements.

In any case, given the existence of valuable port infrastructure and ongoing operations in the Sydney Harbour ports that serve small vessels and both containerised and general (uncontainerised) cargo, the principles underpinning the plan should be revisited to include the continuance of the working harbour in Sydney Harbour.

Further, the plan should also consider the validity and possibility of other land-water interface uses, such as wharves for public ferry transport, workshops for boat building and maintenance and additional passenger terminal facilities. The plan should provide a detailed analysis of costs and logistics. The content of the plan does not appear to be sustainable or competitive.

Shifting Sydney Harbour port capacity to the Port of Newcastle or Port Kembla raises the issue of transport – will the freight then need road transport back to Metropolitan Sydney for dissemination into the Sydney market? Faced with the need to relocate to Port Botany, the Port of Newcastle or Port Kembla, will some shipping operators reassess their costs and competitiveness, and move interstate to ports such as Brisbane and Melbourne? In any case, the cost of goods requiring transport back to the Sydney Metropolitan Area is likely to rise, to accommodate the cost of transport. Potential employment growth in the Hunter and Illawarra regions is only sustainable if it is balanced with an analysis of transport and competition.

The *NSW Ports Growth Plan* also proposes that, ".....*In relation to Sydney Harbour port lands, the Minister for Infrastructure Planning and Natural Resources will develop a masterplan to:*

- *retain White Bay for working maritime uses*
- *create an unbroken run of public access to the foreshore of the harbour between Woolloomooloo and the Anzac Bridge; and*
- *Preserve Millers Point for a future iconic development"* (NSW Government, 2003).

Whilst the City supports public access to and along the foreshore, the future does not have to include a choice between port uses and non-port uses. Public access and a variety of forms of compatible redevelopment may be accommodated in conjunction with port uses. Consideration of these three 'tenets' is included later in this submission. The three Sydney Ports of White Bay, Glebe Island and Darling Harbour East are shown in **Figure 3**.

4.3 Audit/Review of Government-owned Foreshore Land

Development of port facilities in other locations within Sydney and NSW, and changes to Australia's economy away from manufacturing and towards more service-oriented industries has led to numerous foreshore sites being vacated and proposed for redevelopment over the past 30 years. Since the 1980s and 1990s, the flow of redundant sites has dramatically increased, enabling redevelopment in numerous locations around the harbour foreshore.

In the absence of an overall strategic plan for the Harbour and Harbour Foreshore area, the danger is always that planning descends to mere project level assessment. Such project-based assessment, even if thoroughly consultative, does not provide an adequate mechanism to consider the cumulative impacts of developments that may all be impacting on the same geographical area. (See Audit Office of NSW, *Environmental Impact assessment of Major Projects in NSW*, November 2001). Planning for sites around Sydney Harbour has been piecemeal in its approach. Often such foreshore sites are removed from Local Government control, and are not part of a comprehensive strategic plan, but rather *State Environmental Planning Policy No. 56* (SEPP 56) formalised arrangements that were already in place for the management of key waterfront sites by the Minister, through a master planning process.

Master plans were to be prepared in accordance with a series of guiding principles, of which the maintenance of the working harbour is one.

The recent Audit Office Report into the Disposal of Sydney Harbour Foreshore Land (November 2003) recommended that the Government revise the governance responsibilities and structures for the strategic development of Sydney Harbour foreshore land to ensure that they provide for the lines of authority, participation and transparency.

In relation to management of the Harbour, the Audit Office noted that effectiveness required:

- Co-ordination of the efforts of agencies to achieve effective place management;
- Taking a strategic approach; and
- Ensuring that the outcomes as a whole matter more than the outcomes of individually managed agencies.

In reviewing development on the foreshore, the absence of a coordinated approach is clear. Linkages between sites are poorly executed, public access is difficult to locate, and when located appears almost 'private' as a result of design factors (width, connectivity, location in relation to private development, etc.)

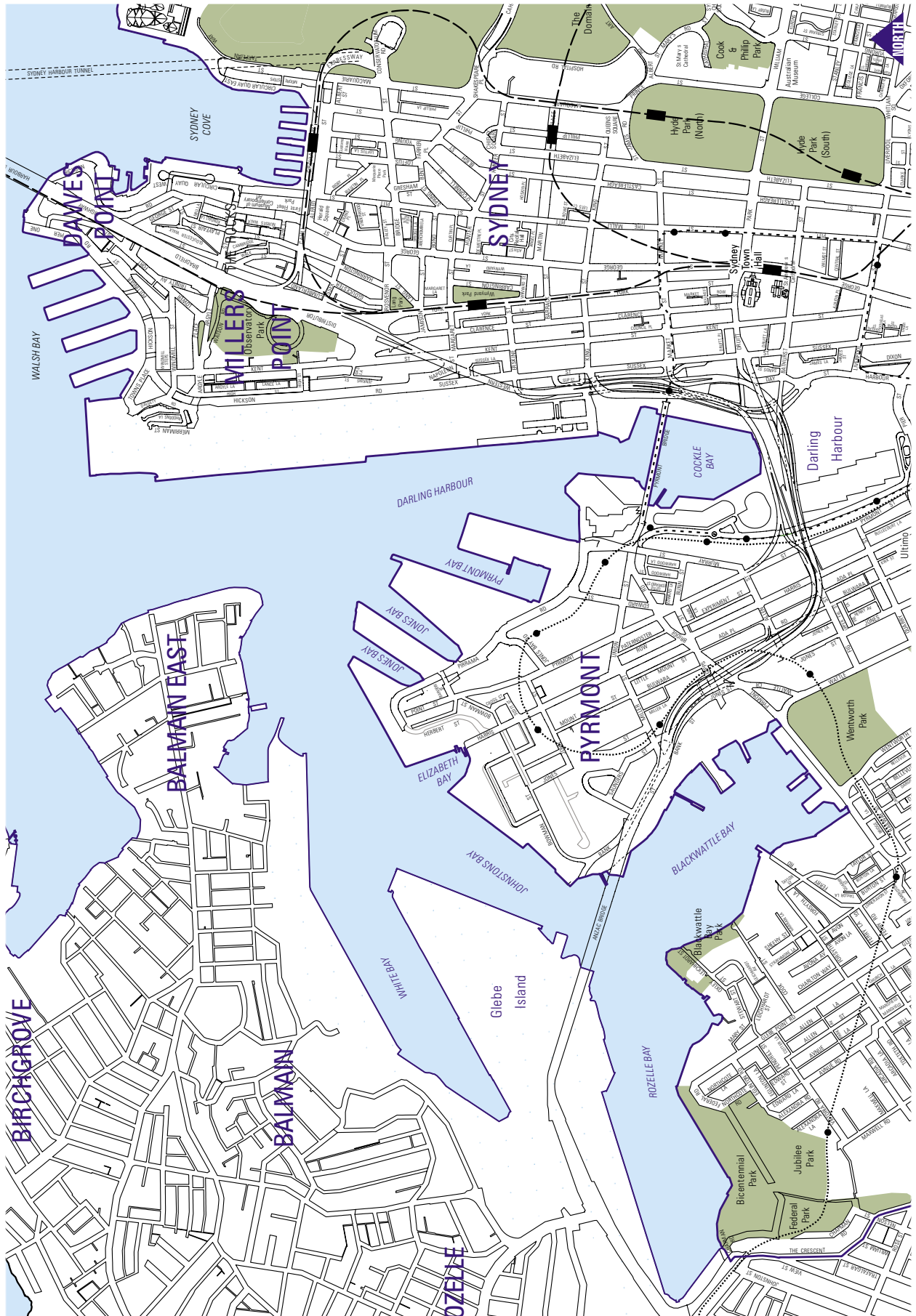


Figure 3: Sydney Harbour Ports

The Sydney Harbour Foreshore Authority (SHFA) has developed a *Draft Promenade Policy* that specifies a width of 6 to 10 metres for foreshore access. The City considers that there should be no basic standard width for access. Instead the width and nature of access be defined according to site characteristics and elements that go beyond single sites, such as connectivity. The notion of nodes and destinations is also needed along pedestrian corridors.

Market preferences and developer objectives of 'highest and best use' have resulted in much of the waterfront redevelopment being mid to high rise residential, strata subdivided, and this negates the possibility of a return to the market for redevelopment. With sites progressing through individual master plans, opportunities for wider benefits through redevelopment (for example: ferry services, both regional and local, and the development of regional-level park/recreation facilities) have not eventuated.

The City proposes that any future Sydney Harbour Foreshore Strategy must be an holistic approach, that does not rely on site-specific master plans, but that focuses on regional and local level needs and possibilities. Any such strategy must also include an audit of foreshore land is proposed as a starting point for the preparation of a comprehensive harbour strategy. This audit will assist in taking stock of harbour lands that have been 'lost' through the fragmented approach to harbour foreshore development over the last 10 - 15 years.

The audit will also enable an assessment of public access provided as part of such redevelopments. The audit shall aim to identify the remaining harbour foreshore land, on which the mixed uses of public access, natural characteristics or working harbour uses may continue into the future.

4.4 Retention of the Working Harbour and a Mix of Uses

The discussion paper *Sharing Sydney Harbour* (released in 1999) identified four themes as contributing to the character for the harbour foreshore, and proposed the continuance of each of these themes, through coordinated planning. The themes are:

- **Working Harbour:** represented strategically in the flow of vessels and goods throughout the Sydney region, and represented physically in wharves and docks around Sydney, such as White Bay, Glebe Island and Wharves 3 to 8, Darling Harbour East;
- **People's Harbour:** acknowledgement of the harbour foreshore being in public ownership, and proposing the need for safe, high-quality access to the harbour for the public;
- **Natural Harbour:** which is both the setting of the harbour, being almost a natural amphitheatre, and the physical environment, including natural vegetation, sandstone outcrops and fauna communities found in the land and/or water of the foreshore; and
- **Urban Harbour:** this theme appeared to recognise the trend towards redevelopment of the redundant former industrial land along the foreshore, with residential being the preferred use and public access required in a majority of redevelopment proposals.

The City supported the identification of these four themes, urging caution in relation to the Urban Harbour, where it seems that redevelopment has occurred through a series of site-specific master plans, rather than through holistic planning considering the wider context of the harbour.

The City welcomed the critical step towards a harbour strategic plan, and the Department's attempts to coordinate 19 Government Agencies and a further 22 councils in this exercise. The recognition of the diversity of the harbour in the four themes that included the working harbour was supportive of the State Government's position on retaining the working harbour. *Sharing Sydney Harbour* also flagged the existence of numerous industrial sites and defence lands around the foreshore, for which comprehensive planning and eventual redevelopment would be required.

In reality however, the process of rationalising key sites along the foreshore was well under way at the point of the release of the discussion paper. There is a need to assess what lands have been developed around the foreshore, and hence to determine what land remains in public ownership, and the degree to which such land must be protected and/or comprehensively planned for.

This review will also enable an assessment of public access provided as part of redevelopment sites. The review may also provide an opportunity to progress a mix of compatible, appropriate uses along the harbour, in conjunction with the provision of public access.

4.5 The Future of Wharves 3 to 8, Darling Harbour East

The City submits that the port uses at Wharves 3 to 8, Darling Harbour East must continue, for reasons discussed in relation to sustainable decisions/sustainable ports. Wharves 3 to 8 currently provide port facilities to smaller vessels and to both containerised and break bulk cargo. Extensive infrastructure exists at Wharves 3 to 8, and is understood to be in good condition. These Wharves are shown in **Figure 4**.

Specifically, Wharves 3 to 5 of the precinct provides 855 metres of deep water berthage. In addition, Wharves 3 to 5 are part of a group of three Sydney Harbour Ports, with White Bay Wharves 3 to 6 providing 950 metres of heavy, deepwater berthage and a further 355 metres of suspended deck wharf. At Glebe Island, Wharves 1 to 2 provide 465 metres of deepwater berthage, with an additional 350 metres of suspended deck wharfage. Aside from the existence of port infrastructure, these wharves also have, "...the enormous advantage of the Sydney Ports...the infrastructure exists within close proximity to the end market" (Sydney Harbour Maritime Forum, 2004, p. 7). Further, considering the issue of sustainability, both White Bay and Glebe Island have access to rail. The rail link may be reactivated, specifically through the development of an intermodal terminal at a strategic point within the rail network, to enable the transfer of goods from rail to truck for delivery to the market.

The future of Wharves 3 to 8, Darling Harbour East does not have to be considered in terms of "port or no port". Rather it may be a "mixed use" future, in which port and land/water interface uses may continue, with capacity for additional uses to be accommodated. Any development of the wharves must be respectful of the character and linkages of the area to the adjacent State Heritage-listed precinct of Millers Point. "Iconic" development at Wharves 3 to 8, Darling Harbour East may be open space. In a location such as the wharves/Millers Point, open space may in fact be more complementary to the character of the area than built form, and may offer better opportunities to interpret the maritime history through mechanisms such as an interpretative strategy or a local maritime museum facility.

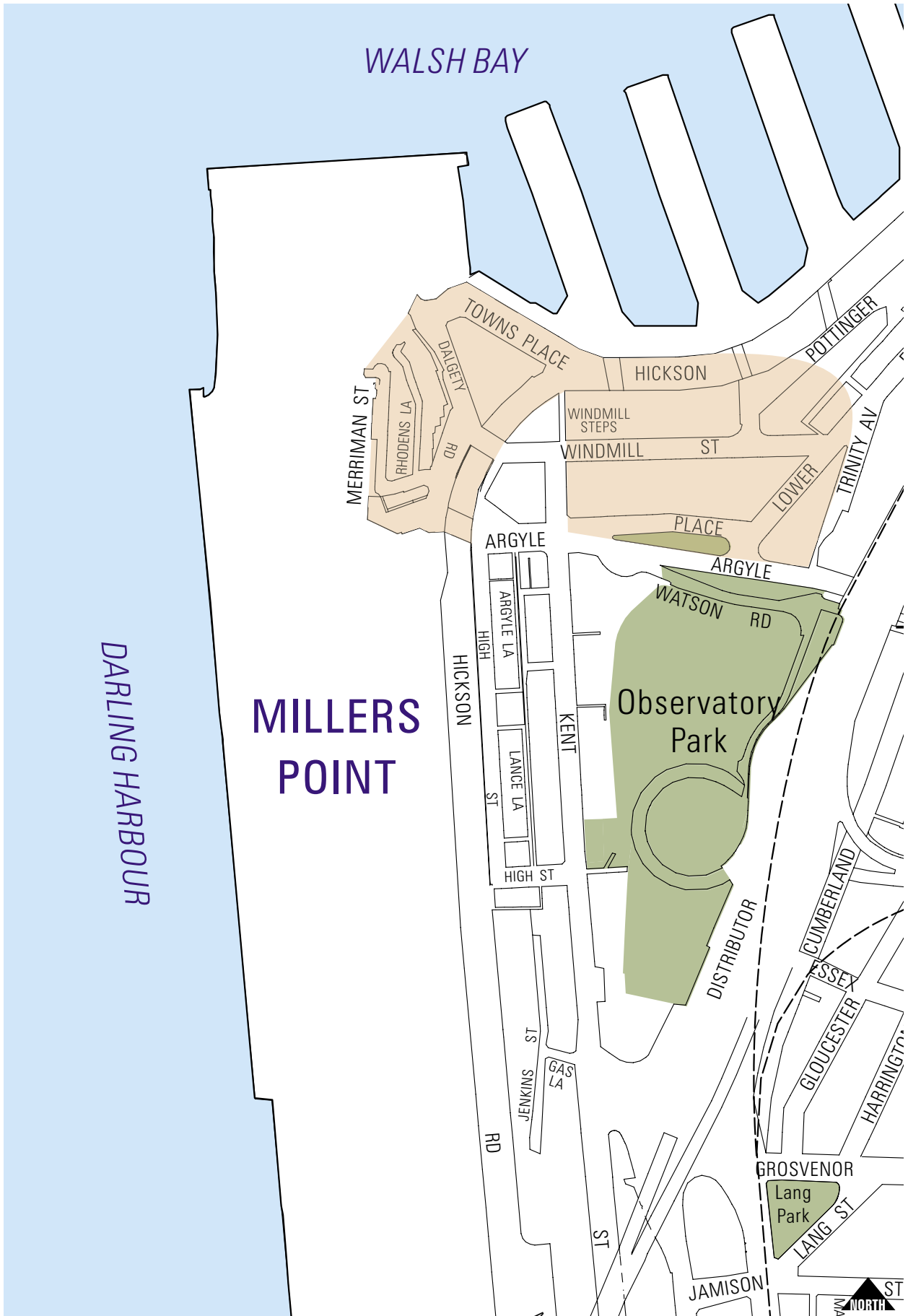


Figure 4: Wharves 3 to 8, Darling Harbour East & Millers Point

The dedication of a significant area of open space may be progressed in conjunction with the continuance of the working harbour, and without compromising the significance of Millers Point. The City submits that open space, linkages to the adjoining Walsh Bay and King Street Wharf, and wharf uses are not mutually exclusive and may each be components of future land use proposals for Wharves 3 to 8, Darling Harbour East.

4.6 Extensive Consultation and a Forum for Analysing Options

The City's concerns with the process of preparing the *NSW Ports Growth Plan* include the lack of consultation in the process; and the lack of transparency.

Prior to the announcement of the *Ports Growth Plan* there appears to have been no public consultation. In reading the plan, it seems that two stevedores, being Patrick Stevedores and P&O Stevedores, were consulted, however the wider range of maritime industry, transport and market stakeholders appear not to have been consulted. The most significant exclusion however, has to be the public, given the potential impacts that may arise for public land in Sydney if the plan proceeds to implementation.

The result of a process such as this is that few people of Sydney feel they own the decisions being made on their behalf regarding an important part of this City's cultural and operational life.

Processes, and principles to guide processes, do not need to be re-invented for the context of the projects at hand. Existing models may assist in determining how the process moves on from the present point. For example, the model adopted by the Federal Government's Sydney Harbour Federation Trust (the Trust) is considered to be relevant, given that the Trust has been given a brief to manage a series of ex-defence and industrial sites around Sydney harbour. The maximisation of public access is a key requirement in the Trust's terms of establishment. The Trust commenced with a consultative strategic planning phase. When the directions for the future were established through a consultative planning process, the implementation and operational phases commenced.

The City considers that principles to guide the process are best developed with stakeholders through methods such as consultative forums; however the first principles must acknowledge and address the issue reiterated throughout this submission:

- **That the harbour is a priceless, trans-generational asset,**
- **That the harbour is for the benefit and enjoyment of our generation and future generations,**
- **That the harbour should not be privatised, for private benefit rather than for public benefit,**
- **That the harbour should remain a public asset, to be enhanced by a programme of public benefits over time.**

Other principles to establish or guide the process may relate to:

- The need for a working group that represents the range of stakeholders to the process and the lands;
- Within Government, the need for a cross-Governmental/cross-Departmental coordinated approach;
- Consultative forums to be convened throughout the greater Sydney region, but specifically in Newcastle, Sydney and Wollongong;
- Exhibition of background studies prepared to guide the strategic planning process, to be exhibited for public comment; and
- Linking of the process for this work to the process for the Sydney Metropolitan Strategy preparation where possible.

5 POTENTIAL IMPACTS OF THE *NSW PORTS GROWTH PLAN*

5.1 Introduction

The terms of reference of the inquiry make explicit reference to the economic, social, environment, and employment impacts of changes to port facilities.

There are a wide range of potential impacts that may arise, should the *NSW Ports Growth Plan* progress as presently drafted.

There are implications in macro-level issues such as transport, freight costs and competition. At the micro-level there is the possibility of employment, social and built form impacts within neighbourhoods and precincts of the City.

5.2 Transport and Infrastructure

The first critical point to note in relation to transport is that Sydney is an "import" City. Thus, the freight which is to be re-located to Newcastle and Port Kembla has then to be further transported, largely by road to the locations noted previously with respect to container destinations – Bankstown, Fairfield, Parramatta and Blacktown.

Transporting goods from the Port of Newcastle or Port Kembla will add greater distance to transport routes. The possibilities of environmental impacts (for example noise, pollution and greenhouse gases) then arise, unless dedicated freight rail is provided to serve both ports in accessing the Sydney market. Should road transport be relied upon, congestion and the use of inappropriate metropolitan Sydney roads are two further issues to note. Also, comparatively it may be more cost effective to reactivate the rail line from White Bay and Glebe Island. As discussed, the strategic location of an intermodal terminal may assist in increasing the viability of this rail line.

Considering freight costs, a likely flow-on from relocating port infrastructure out of Sydney, the State Chamber of Commerce has estimated that the cost to transport containers from Port Kembla to Sydney may increase by \$100.00 - \$160.00 per Total Equivalent Units (TEU) on present TEU transport costs within the Sydney Region. The potential equivalent increase for the Port of Newcastle is \$160.00 - \$200.00 per TEU. This will increase to general price levels for goods to be made available in Sydney, as well as possible delivery delays.

A counter argument to this is, of course, is that many of these containers are already travelling through inappropriate congested local roads from the inner-city harbour to the locations in Sydney's metropolitan west. However, at a local level, it is certain that many importers located in the Sydney CBD and its immediate environs may face higher transport costs for their goods compared to previous costs, should the inner city port facilities cease to operate.

Further costs will likely be incurred to goods indirectly, as funding will have to be found to upgrade the Port of Newcastle and Port Kembla to be ready for the role that the *Ports Growth Plan* intends them to play. Existing infrastructure in the Sydney harbour ports is in relatively good condition, and with minor spending may be upgraded. The provision of an intermodal terminal at the end of the White Bay rail line may be one such necessary upgrade to improve viability and operations of the White Bay port facilities.

5.3 Competition – Local and Regional

Numerous issues arise in relation to competition, both within the Sydney region and interstate, considering the ports of Melbourne and Brisbane.

NSW's ports are important transport "nodes" within an overall logistics-chain for moving these goods around the State. Transport costs are a key determinant of links and port facilities are not available, then businesses may relocate elsewhere, adversely impacting on Sydney's and NSW's global competitiveness. In the medium to longer term, transport costs can influence business location.

The major advantage of the Sydney ports is the access to markets. These port facilities are close to over one-third of the Australian population, most which are residing in metropolitan Sydney. However as discussed previously if port activity ceases at White Bay, Glebe Island and Wharves 3 to 8, Darling Harbour East, smaller vessels will then be competing for berths at Port Botany, or assessing the cost-effectiveness of going to the Port of Newcastle or Port Kembla and the opportunity of managing containerised and non-containerised freight in the one location will be lost. Smaller operators will be likely to reassess their operations, and to consider broader options such as the ports in Melbourne and Brisbane. Larger operators may make similar reassessments, if for example they are diverted to Port Kembla or the Port of Newcastle from Port Botany.

The *Ports Growth Plan* offers the ports in Melbourne and Brisbane a chance to access markets previously served by Sydney ports. Land and sea transport in Victoria and Queensland is becoming increasingly competitive. The Port of Brisbane has land in which to expand, and the Port of Melbourne has access to Victoria's well-regarded transport network. As discussed Sydney ports presently have the advantage in terms of access to the greater Sydney region, and in physical terms, the ship channels at Sydney's ports are deeper than those provided in Brisbane and Melbourne, which permits larger vessels to operate fully-laden.

Also, the shorter pilotage distances that characterise Sydney ports mean reduced vessel time in port and hence, lower berthing costs, which is a further advantage over Brisbane and Melbourne that should be retained rather than redeveloped.

5.4 Competition – Global

Global Competitiveness:

Indicative of the need to integrate with the State Government's Metropolitan Strategy preparation is the necessity to recognise the implications of changes in port facilities and related freight access on Sydney's global competitiveness.

Throughout its history, Sydney has been a city whose face was turned as much to the world as to the domestic Australian situation. And just as the very term 'globalisation' is subject to many interpretations over time, Sydney has, arguably always been a 'globally-oriented' if not a 'Global' city. It has always been Australia's gateway to the world, a port for trade and commerce from the days of whaling, wheat, wool, agricultural produce, mining and resources, manufacturing, through to the global service industries of the late twentieth century.

As an island nation, Australia relies on its sea and air ports for its international trade, with over 95% by volume of this trade being transported by sea. Such international trade is important because it provides an opportunity to increase the standard of living of Australians. In 2001/02, Australia's international trade was worth \$240 billion.

Provision of adequate sea port capacity and modern sea port facilities is therefore fundamental to the national economy. Nationally, sea freight represents more than nine percent of GDP.

To accommodate the projected 50,000 per annum population growth, Sydney needs to generate approximately 35,000 jobs per annum. Over the past decade, the ties of the CBD, in particular, to the global economy saw the City absorb nearly one third of the metropolitan area's total employment growth. Part of this dramatic growth of City employment occurred as a result of the expanded world trade and ancillary services. With further projected recovery in the global economy, the CBD employment remains the critical factor in ensuring a continuance of Sydney's better than average economic growth.

One of the major factors underlying the global growth of cities is the adequacy, availability, and cost of freight facilities in relation to import and export markets. This particularly applies to Sydney's regional competitors in the Asian region of the global economy, such as Singapore and Hong Kong. It is therefore important that decisions to re-locate such facilities examine the impact of such on Sydney and the Sydney CBD's competitiveness in a global sense.

Tourism:

The continued development of Inner Sydney and the CBD as tourist and international visitor destinations reinforces the possibility of developing the foreshore – with people and access in mind.

Already over 60% of metropolitan hotel rooms and 7 out of the top 10 international visitor attractions are located in the City of Sydney.

Approximately a quarter of all international visitors to Australia visit the Sydney CBD.

With high average expenditure per person, tourism is a significant contributor to Sydney's and Australia's economy, with export earnings in excess of \$27 billion. This makes the Sydney CBD, on an earnings per square kilometre basis, the most important contributor to Australia's external economic prosperity.

Most of these people are attracted to Sydney by its 'iconic' Harbour. Hence, any moves to restrict access to the foreshores of this Harbour can have potentially high economic cost.

Conversely, this suggests that appropriately planned harbour access with inter-active and responsive land-uses – such as parkland and heritage based activities can have significant on-going economic benefits, in attracting both short-term visitors and long-term labour skills.

The increasing popularity of cultural and heritage-based tourism increases the opportunities available from such harbour and port foreshore lands as a potential economic benefit, if both properly accessible and properly planned.

5.5 Employment

Sydney's sea ports comprise one of NSW major trade infrastructure assets and handle around \$50 billion worth of trade each year which represents more than half of the international air and sea cargo trade in NSW. It has been estimated that Sydney's sea

ports employ more than 17,000 people directly and indirectly. They therefore provide a valuable contribution to the Sydney, NSW and Australian economy.

In assessing the local employment effect of closing the port operations, evidence is available from a study by consultant EconSearch for the Sydney Ports Corporation on "*Economic Impact Study of Sydney's Ports*". This study, points out that the local value of a port facility is not the value or extent of freight moved through the facility but the output value added and employment from the provision of the service of stevedoring. However this needs to be balanced with environmental considerations relating to freight movement.

The operation of Sydney's ports generated a total impact on the NSW economy of \$2.5 billion in output in 2001/02. Of this, \$1.2 billion was the direct impact and \$1.3 billion as flow-on effects in economic activity in other sectors of the economy. (i.e. approximately a 50:50 split). Value added attributable to the operation of the ports was estimated at almost \$1.4 billion. This was equivalent to approximately 0.5% of the 2001/02 GSP (Gross State Product) and close to 1% of the Sydney Metropolitan Gross Product.

There were 2,189 ship visits to Sydney's ports by commercial cargo vessels in 2001/02. The results of the analysis indicate that, on average, each ship visit at Sydney harbour ports contributes to the economy as follows:

- \$1,146,000 of output;
- \$630,000 of value added;
- \$337,000 of household income; and,
- 7.8 full-time equivalent jobs for one year.

For Wharves 3 to 8 Darling Harbour, in 2001/02 they estimate totals of:

- A total value of output of \$162.2million;
- Value added of \$91million;
- Household Income of \$49million; and
- Employments (jobs) of 1,088.

Hence, the closure of the ports would have a 'downside' impact of over 1,000 jobs – made up of over 400 direct jobs on the ports and a further 600 jobs in related industries. The study estimates a further 2000 jobs could be at threat at White Bay and Glebe Island.

Whilst not all of these would be local residents, the closure of the Darling Harbour East facility could have a particular impact on Millers Point given that suburbs cultural tradition of maritime employment. There may also be social impacts on this particularly tight-knit local community, which are discussed below.

There would also be flow-on effects to a number of importers in surrounding areas in the western part of the CBD who were depending upon ready and frequent shipping supply chains, as well as employees engaged as shipping agents and the like.

There may also be impacts on the supply chain available for shops within Sydney of a particular 'niche' market, which has historically located in the centre of the City both to attract a critical number of customers as well as access to the shipping wharfs.

5.6 Social

Aside from issues such as potential loss of industrial and cultural heritage, one danger inherent in the proposed relocation of Sydney harbour port activity is the impact on social capital. Particularly, perceptions of a nature that the City is the preserve of a 'global elite' to the detriment of 'ordinary City battlers' who have worked the wharves, stocked the warehouses and driven the trucks, only to be forced away from the city-harbour when the growth they've contributed to is forthcoming. This may result if indeed 'iconic' development turns out to mean large scale residential development, which would privatise this part of the City and seriously damage the relationship of the wharves to Millers Point, in addition to social and employment-related impacts.

Whilst the case for closure of Wharves 3 to 8 Darling Harbour East has not been thoroughly put, should the closure proceed and a redevelopment proposal eventuate, such a proposal must include substantial relocation and retraining measures for displaced workers and their families. This is particularly important given the localised maritime tradition in the Millers Point /Rocks area where mere removal of the basis of that tradition would result in severe dislocation. Several sociological studies have noted that because the Millers Point community was based on a male maritime employment tradition, which often took the men away to sea for prolonged periods, the women, who were the permanent residents took control of the land-based community to which the men were visitors when they returned – so that the area had what has been described as a true matriarchal community structure.

Social capital is one of Sydney's hidden but valuable competitive advantages over other cities of the world, a quality of social cohesion that is only recognised often too tragically when it has gone.

5.7 Summary

It is considered that sufficient analysis of competition and sustainability has not informed the preparation of the *NSW Ports Growth Plan*. Technical issues to be addressed include studies to assess:

- The extent of infrastructure upgrading required to bring the Port of Newcastle and Port Kembla up to a higher standard of operation, as compared to infrastructure upgrading required in the Sydney ports;
- The transport impacts of moving operations to the Port of Newcastle and/or Port Kembla, again as compared to simply continuing to run the Sydney ports, considering access to road and rail and the range of environmental and social flow-on impacts;
- The likely on costs to the price of goods generated by the proposed ports relocation;
- The potential for loss of trade to interstate ports such as Melbourne and Brisbane, determining where possible, quantifiable costs for this loss of trade; and
- The impact on Sydney's Global Competitiveness, particularly vis-à-vis other ports/markets with the Asian region.

The *NSW Ports Growth Plan* also proposes that, "...In relation to Sydney Harbour port land, the Minister for Infrastructure, Planning and Natural Resources will develop a master plan to:

- *Retain White Bay for working maritime uses*
- *Create an unbroken run of public access to the foreshore of the harbour between Woolloomooloo and the Anzac Bridge; and*
- *Preserve Millers Point for a future iconic development"* (NSW Government, 2003).

These three issues are discussed in the following section, in relation to the future of the process and the future of Wharves 3 to 8, Darling Harbour East.

6. THE FUTURE

6.1 Integration with the Metropolitan Strategy

The State Government is presently preparing a strategy for the Sydney Metropolitan Region. Futures Forums have been held in Metropolitan Sydney, to invite input from a range of stakeholders to the strategy development process.

"The Sydney Metropolitan Strategy will set out how the State Government intends to manage growth and changes in the Greater Metropolitan Region (GMR) over the next 30 years. It will be used to:

- *Engage the community in an ongoing dialogue on issues and directions;*
- *Provide leadership and vision about the type of Sydney we want to live in and the options and challenges we face;*
- *Coordinate State Government infrastructure and investment and service delivery decisions; and*
- *Provide a framework for industry investment."* (DIPNR, 2004, 1)

It is critical that the future planning for NSW ports and for the Sydney Harbour foreshore does not develop in isolation. The Metropolitan Strategy provides the optimum opportunity in which to incorporate planning for the ports and the harbour at a strategic level and in conjunction with planning for the region in social, economic and environmental contexts.

6.2 NSW Ports and Sydney Harbour Foreshore Strategy

The City proposes that a complete, linked strategy for both the future of NSW Ports and for the Sydney Harbour Foreshore is required. This strategy should be developed through a consultative approach and should be developed in conjunction with the State Government's Metropolitan Strategy. At a governance level, the strategy must also include the coordination of the range of Government agencies and departments involved in its execution.

Steps and studies associated with the preparation of this comprehensive strategy may include:

- The comprehensive audit of Sydney harbour foreshore land to date, noting development characteristics, density, presence of public access, heritage (built and/or natural) and other defining characteristics;
- Undertaking constraints and opportunities mapping, with layers developed to map foreshore land and to determine that which 'remains' (i.e. is not yet developed or redeveloped);
- The classification of remnant harbour land, according to the four themes developed by Sharing Sydney Harbour (i.e. working harbour, people's harbour, natural harbour and urban harbour);
- Preparing technical studies for the remnant harbour land (i.e. heritage – built and natural, archaeology – Aboriginal and European, site contamination);

- The development of a public access plan, with the intention of maximising public access to our harbour. This plan must dispense with the 'minimum width' approach of 6 to 10 m, and must instead focus on safe, clear, connected access for the harbour foreshore, with linkages away from the foreshore where individual sites do not permit access (for example, defence lands); and
- A connectivity analysis: linked to the public access planning and the built form research, this analysis may consider potential for other land/water interface uses to be accommodated within existing wharves. For example: additional passenger terminal facilities and water-based public transport, such as local and regional ferry routes. In this way, existing port infrastructure may be better utilised for a more diverse range of compatible uses; and
- The preparation of built form possibilities: envelope and land use development for those sites where some development potential has been identified through the constraints mapping process; and

6.3 Principles to Guide Proposed Outcomes

There is a need, through a consultative process, to develop a series of principles to guide the development of the comprehensive NSW Ports and Sydney Harbour foreshore strategy.

Indicative guiding principles may include:

- The provision of public access as often as is possible, recognising that some sites will be impenetrable in the present time (for example, defence lands);
- The development of quality public access that is genuinely accessible, safe and part of a connected system of access;
- The investigation of connectivity, with a view to developing 'real' connections to other locations through walking routes and water-based public transport such as ferry routes to local and regional destinations;
- The linking where possible to the State Government's Metropolitan Strategy preparation;
- Respect for heritage and natural features that must be retained and enhanced through strategy and development phases;
- Interpretation of maritime history and linkages;
- Co-existence of uses and a commitment to a "mixed use" harbour where possible; and
- Genuine consultation in developing the strategy.

6.4 Specific Sites

As part of the ports announcement it was stated that the Minister for Infrastructure, Planning and Natural Resources would develop a master plan to:

- *Retain White Bay for working maritime uses;*
- *Create an unbroken run of public access to the foreshore of the harbour between Woolloomooloo and the Anzac Bridge; and*
- *Preserve Millers Point for a future iconic development*

White Bay:

What is meant by retaining White Bay for working maritime uses is unclear, particularly in the context of the *Ports Growth Plan*, which seeks to rationalise the Sydney harbour ports and relocate their functions to the far north and south of the greater Sydney region. Sydney's existing port facilities are considered to be world class and some of the nation's most competitive, particularly when considering access to markets (State Chamber of Commerce, 2004).

As previously discussed, white Bay Wharves 3-6 provide approximately 950m of heavy, deep water berthage, with a further 335m of suspended deck wharf. This infrastructure is good condition and must be retained, as must the rail line, which is a sustainable means of linking the White Bay terminal and the markets within the Sydney region and beyond (Sydney Ports Corporation, 1999). The recent low level of usage of the rail line is more indicative of the absence of an intermodal facility to enable the transfer of goods to truck for final delivery. Provision of such a facility is a minor expenditure when compared to the extent of works and infrastructure necessary to make Port Kembla and the Port of Newcastle competitive (State Chamber of Commerce, 2004). This intermodal terminal may be located at a strategic location within the rail network, to enable the unloading of goods and their transfer to trucks, closer to the final point of delivery/market for the goods.

White Bay is complemented by facilities at Glebe Island and Wharves 3 to 8, Darling Harbour East. Glebe Island Wharves 1-2 includes approximately 465m of deep water berthage and an extra 350m of suspended deck wharfage, with Darling Harbour East Wharves 3 to 5 having 855m of deep water berthage. Together these port facilities offer a niche market service for smaller vessels and for both containerised and non-containerised freight. Further, "...the enormous advantage of Sydney Ports is that the infrastructure exists within close proximity to the end market" (Sydney Harbour Maritime Forum, 2004, p.7).

Encroachment of residential development in the past 10 years has generated some conflict with the existing port uses at White Bay, and has led to the incorporation of regular acoustic monitoring in the operations of the port facilities there.

However the investment in infrastructure at White Bay (as with the other Sydney ports) is significant, operationally viable and should remain as working harbour. It is also proposed that the rail link be reactivated and options for the future location of an intermodal terminal in the Sydney Metropolitan Area to serve this rail line be developed.

The City's position for the future of White Bay/Glebe Island is indicated in **Figure 5**.

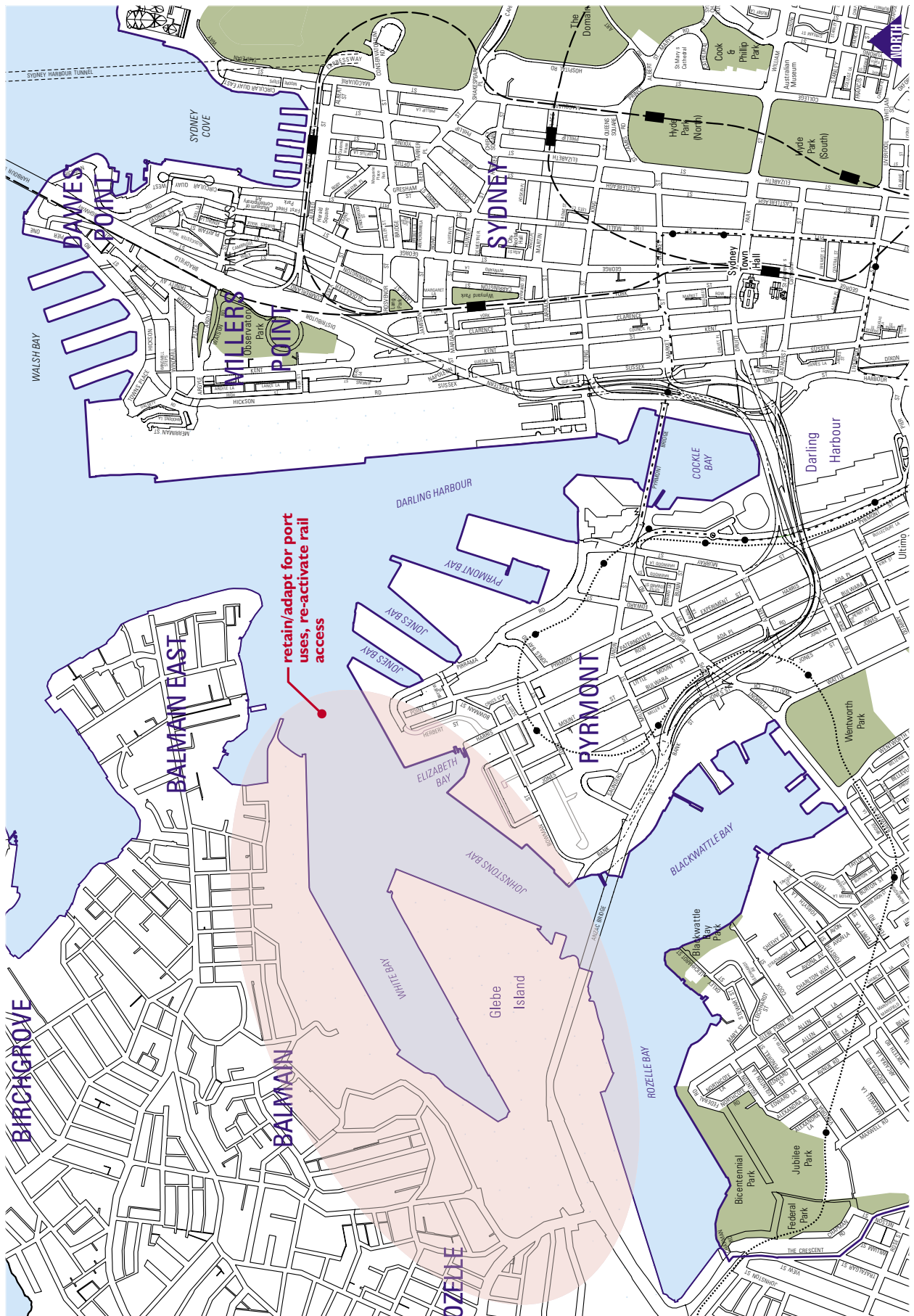


Figure 5: Potential Elements (White Bay & Glebe Island)

Public Access

The second key tenet of the *NSW Ports Growth Plan* is to, "...Create an unbroken run of public access to the foreshore of the harbour between Woolloomooloo and the Anzac Bridge" (*NSW Government, 2003*). Public access to the Sydney Harbour foreshore is an essential and admirable component of the State Government's intentions for the foreshore. However the execution of this principle in foreshore redevelopment has been on a site-by-site basis rather than as part of a single approach to providing access.

Minimum width distances appear to characterise much of the existing foreshore access, with maximum width given to development. Linkages to the foreshore are often not clear, represented again in minimum width thoroughfares between buildings. In the case of residential re-development, the location of public access alongside private units or private open space courtyards often results in the access feeling more 'private' than public, hence limiting genuine public access to the foreshore. The City understands that each site within the foreshore will differ, in terms of factors such as size, location, slope and outlook and as such proposes that the nature of access may vary around the foreshore, but the variance may be better managed and effectively linked if the foreshore is mapped and managed as a whole and access is therefore seen as a consistent factor throughout such planning, rather than as a component of site-specific master plans.

A critical point to be made in relation to providing public access around Sydney harbour is that public access and port uses are not mutually exclusive.

Provision of public access on Sydney harbour need not require the removal of the port uses. The options are not "port or no port". To an extent the then Department of Urban Affairs and Planning recognised this, in *Sharing Sydney Harbour*, which stressed the continuance of the diversity provided in the four harbour themes. In fact it is considered that a proportion of the port lands at Wharves 3 to 8, Darling Harbour East may be resumed for public parkland, without compromising the port operations that may remain. Should the port uses be concluded as proposed in the *NSW Ports Growth Plan*, other maritime industries and functions should be considered for Wharves 3 to 8, Darling Harbour East, such as additional passenger terminal facilities, ferry facilities for both local and regional routes and workshops/boat building and maritime repair facilities.

Other compatible development to the port uses and to general maritime uses may be commercial development, however extensive research and consultation is necessary to consider if and how such development may progress in conjunction with the port, maritime uses and open space.

Millers Point and 'Iconic' Development:

Millers Point is to be preserved for a future 'iconic' development. As a first principle, the preservation of Millers Point as it is (i.e. without any potential for so called 'future iconic development') is already provided for, in the State Heritage Register listing of the suburb as a whole. The area also includes a significant number of listed heritage and landscape/streetscape items under the City's *Central Sydney Local Environmental Plan 1996* and *Draft City of Sydney Local Environmental Plan 2002*, and the suburb is listed as a *Special Area* within each of these plans. These listings reflect the intact built form of Millers Point, however they also reflect the social and associative significance of the suburb with maritime functions that remain today at Wharves 3 to 8, Darling Harbour East.

Whilst future development in and around Millers Point is not precluded, proposed development must not compromise its valuable heritage significance. Clarification should be provided as to what is meant by 'iconic'. The City also questions the applicability of 'iconic' development to Millers Point, given the above context of recognised significance. Any future development there must be sensitive to the heritage context and connections.

The scale of Millers Point must be respected in any future development. Also, the northern end of wharves 3 to 8 includes superb views of the diverse use and nature of the harbour. Public open space appears to be the optimum way to preserve these views for generations.

6.5 Wharves 3 to 8, Darling Harbour East

These wharves form an important focus of the City's submission. They are the last remaining active wharves within the City of Sydney Local Government Area (LGA).

Wharves 3 to 8, Darling Harbour East is presently zoned Maritime and Transport by *Central Sydney Local Environmental Plan 1996* (LEP 1996) and *Draft City of Sydney Local Environmental Plan 2002* (DLEP 2002). This zone allows for a range of port and maritime activities and in some locations (such as Wharves 9 and 10, Darling Harbour) non-port redevelopment has been permitted. The backdrop to the wharves, Millers Point, is largely zoned Residential by LEP 1996 and DLEP 2002. The suburb of Millers Point is also listed in its entirety on the State Heritage Register. Separate to the *NSW Ports Growth Plan*, Wharves 3 to 8, Darling Harbour East is a Schedule 1 site under *State Environmental Planning Policy 56* (SEPP 56) and therefore requires a master plan. Any master plan requires Ministerial approval, as would subsequent development applications under any master plan adopted for the site.

Considering usage of the wharves, development and uses existing within the wharves includes:

- Multi-purpose berths and storage;
- Dry bulk berths;
- Bulk liquid storage;
- International passenger terminal
- Sydney Ports Corporation administrative offices;
- Sydney Ports Corporation vessel storage area;
- Emergency response facilities; and
- Temporary uses mostly associated with the passenger terminal.

On the east side of Hickson Road, development has a height limit of 25m-28m and comprises heritage bond store buildings. One contemporary building, known as 'The Bond' has been developed in recent years, with a height of 33m. East of these buildings and Hickson Road, a man-made escarpment separates Hickson Road from the heritage-listed suburb of Millers Point, where the built form is largely terrace housing, bond stores and pub/commercial uses. To the south, the master plan for Wharves 9 and 10 is progressing, enabling mixed use (residential, commercial, retail and entertainment uses).

The Statement of Significance listed within the NSW State Heritage Register for Millers Point focuses not only on the intact built form of the suburb, but also on the integral nature of maritime activity to the development and retention of the suburb.

Elements for Future Development:

Wharves 3 to 8, Darling Harbour East has a consistent history of proposed redevelopment, and in this context, the *NSW Ports Growth Plan* appears to be another step in the series of proposals for change on the wharves. The first known proposal dates from the nineteenth century, as maps show the filling of the shoreline and the development of the wharves (previously the shore line was located east of Sussex Street and west of Kent Street).

Built form proposals followed in the twentieth century, as schemes for the future of the land included cargo ports, passenger terminals and most ambitiously, a mixed use commercial and residential port facility. Mixed use has generally characterised proposed redevelopments. In the early twentieth century, proposals included mixed wharf uses, passenger terminals and related commercial uses. These schemes reaffirmed the working harbour/working port. In the 1980s, redevelopment proposals included significant commercial development, but also saw the retention of the working harbour as essential. The proposed commercial uses effectively provided a buffer between the wharves and the residential area of Millers Point, which would enable the intensification of the port uses, without the flow-on effects of such intensification (i.e. noise).

The *Ports Growth Plan* envisages development in the dichotomous context of 'port or no port'. Redevelopment may occur at Wharves 3 to 8 Darling Harbour in conjunction with existing port uses and/or future land and water interface uses such as passenger terminals and ferry transport. Such redevelopment needs to involve careful design and execution so as to respect Millers Point and more immediately, the character of Hickson Road. Such redevelopment needs also to be mindful of compatible uses to port and wharf uses (for example, residential traditionally clashes, given the noise and air quality impacts arising from port and transport functions).

Options and Elements:

Whilst it would be presumptuous to predict the outcome of the recommended extensive consultative and masterplanning process, it is important to outline the broader range of opportunities available within a redeveloped Wharves 3 to 8, Darling Harbour East, if a process of redevelopment is pursued.

Options or elements of redevelopment may include:

- Provision of open space, within a large, discrete and culturally-relevant parcel;
- Provision of linkages that proceed through the open space and are located through/past the wharf area;
- Inclusion of commercial development, particularly along Hickson Road, where built form may take cues from the height and nature of existing heritage-listed buildings;
- Inclusion of mixed uses, such as retail, commercial and cultural/community uses;

- Improved links to Walsh Bay and Millers Point locally and to the CBD in a regional context;
- Development of compatible activities that emphasise the maritime cultural heritage of the area and that recognises the area's pre-British and European heritage;
- Consideration of the potential for the area in tourist and visitor terms; and
- Development of the maritime-active nature of the area in terms of passenger movement within the Harbour.

An indicative plan of potential elements is shown in **Figure 6**.

Finally, it would be short-sighted to ignore the economic benefits, in both private and social terms that are offered by re-integrating the foreshore on the Western side of the CBD with:

- Other parts of the City Central Business District (CBD);
- Other Darling Harbour developments/attractions;
- Millers Point/the Rocks;
- Other parts of the CBD through an accessible 'Foreshore Walk'; and
- Other parts of the City of Sydney through an integrated pedestrian-bicycle path from Glebe through to Rushcutters Bay.

Similarly the opportunity to examine options linking the site via light-rail to other modes of transport within the re-vitalised CBD should be investigated, especially considering the width of Hickson Road. Such opportunities will not readily come again and appropriate infrastructure investment may well produce substantial longer-term economic gains.

Most importantly, by involving the people of Sydney in the process of planning there is the opportunity to accentuate and take advantage of the obvious feeling of 'place-ownership' that Sydney-siders feel for the Harbour and the foreshore areas. This re-gendering of the 'place' of the Harbour in our City psyche may well be the principal 'iconic' outcome of the opportunity.

The converse danger is that large inappropriate development can alienate such lands from any integrated Ports/Foreshore/Harbour/Metropolitan Strategy for generations – denying the public (residents and visitors alike) access to our priceless Harbour. Such an outcome would also lead to the psychological alienation of Sydney-siders from its cultural and commercial heart.

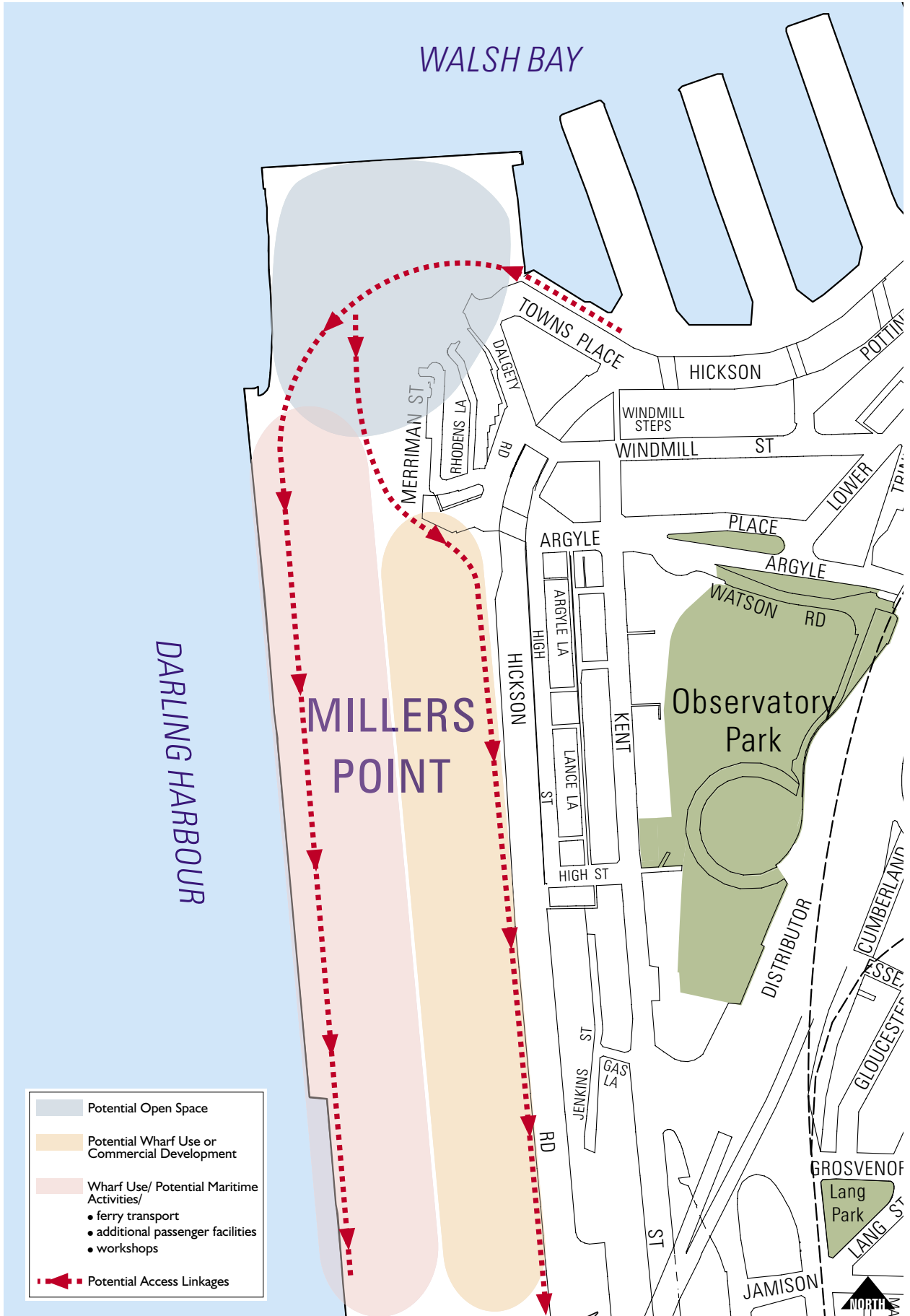


Figure 6: Potential Elements - Wharves 3 to 8, Darling Harbour East