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12 December 2003

Mr T Burke
Committee Chair
Legislative Council
Standing Committee on State Development
Parliament House
Macquarie Street
SYDNEY NSW 2000

Tony
Dear Mr T Burke,

Many thanks for affording our companies, Newcastle Stevedores and Illawarra Stevedores, the opportunity of providing a submission on port infrastructure in New South Wales.

In offering this submission I will introduce myself. My name is Geoff Beesley, born Deniston NSW 1939.

- Commenced employment in shipping with P&O 1956.
- Worked with P&O Sydney in shipping, stevedoring and container depot until 1984.
- Transferred to Newcastle managing P&O shipping and stevedoring business to 1996.
- In 1996 offered early retirement (forced).
- In 1997 commenced own business in Newcastle – Newcastle Stevedores.
- In 1998 commenced business in Port Kembla – Illawarra Stevedores and Illawarra Shipping Services.
- Currently Managing Director and owner driver of the 3 companies.
- Currently reside in Belmont, NSW.

Submission:

In relation to:

- (1) **The NSW Government Port Growth Plan including any planned closure of shipping freight facilities in Sydney Harbour.**

The recent move by P&O to shift its business from White Bay to Darling Harbour will see a further build up of ships to these berths which inevitably will cause further road congestion which will become intolerable to all concerned in the area.

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The build up of shipping at the Darling Harbour berths will lead to delays to some vessels and this without doubt will see shipping companies make a move away from the port to improve their position possibly at Port Botany, Port Kembla or Newcastle. This situation will only occur if they can persuade Sydney importers and exporters to change their transport arrangements to accommodate roading from Port Kembla and Newcastle.

The planned closure of Darling Harbour general cargo berths will no doubt in the future make the area available for some wonderful developments and could incorporate a grassed parkland to the waters edge, facilities for arts as well as being a link road between The Rocks and Darling Harbour entertaining area.

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

Many years ago the move to Port Botany for container shipping was seen as a big step for the improvement of the Port of Sydney by relieving it of intercity traffic, however as a result of Sydney's increased population imported containers have risen considerably and now Port Botany terminals are believed by some to have reached saturation. I do not subscribe to this theory and believe Port Botany should be allowed to expand to accommodate future growth however I believe if expansions plans are agreed then a sunset clause should be determined between government and terminal operators to agree on what is an acceptable level of container activity that will work in harmony with the environment.

The main concerns for the Botany expansion no doubt is the impact additional container movement will further contribute to traffic congestion. Terminal operators are obviously well aware of this situation and are no doubt working on logistical options as a means of alleviating the problem.

From the beginning of container terminals in Sydney operators have had the dilemma of emptying their terminals of imported containers and whilst they offer flexible delivery arrangements to importers they are reluctant to change, and in the main continue to take delivery of their containers in peak times between 7am and 4pm. Trucking companies after delivery of the containers to the restricted times travel back to the terminals to obtain another container for morning delivery which adds to the peak hour traffic at night and first thing in the morning.



If the importers receipt culture could be changed it would extract a lot of container movements out of peak hour traffic.

Whilst I believe terminal operators are moving positively in the direction of rail deliveries to suburban depots, I have a view that to further lessen the impact of road and rail traffic intrastate barging should be seriously addressed. For example, containers destined for north of the Hawkesbury could be block stacked by terminal operators in a designated area in the terminals then loaded to barge for barging to Newcastle for distribution.

The movement of containers or bulk cargo by barge has a lot of merit as not only does it have its own infrastructure in place, barging uses a lot less energy than road or rail, in Europe where they currently barge 1.2 million TEU's up the Rhine alone, their statistics show that the weight of goods that can be moved one kilometre by one litre of fuel by the three modes of ground transport is :

Road -	50 tonnes
Rail -	97 tonnes
Barge -	127 tonnes

Not only is barging fuel efficient it also reduces road and rail congestion and is obviously environmentally much more friendly than road transport. I believe with an ever increasing population up the northern coastline of NSW environmentally barging will prove in the future to be the most efficient mode of transport for servicing an ever increasing population up and down the NSW coastline.

(3) The employment implications for Sydney, the Hunter and the Illawarra regions.

From a waterfront point of view the possible movement of shipping from Sydney to Newcastle or Port Kembla would have little impact on employment on wharves or possible terminals this due mainly to the fact that since the Hawke and Corrigan reform numbers required on the waterfront have reduced considerably, however future developments in the Darling Harbour area would offer substantially employment opportunities.

If Sydney importers relocated to the Illawarra or Hunter regions and distributed their goods back to Sydney then employment gains would be experienced, however its difficult to understand why this would happen and if it did it would surely only detract from Sydney employment.



(4) **Current and future infrastructure need and social impacts including with respect to the adequacy of existing road and rail infrastructure.**

The current port infrastructure of having individual ports corporised to my mind does not produce the best results for the State, the three corporations all lobby hard for the best for their own region with little thought for the best requirement for the State as a whole.

Sydney – the closure of White Bay and eventual closure of Darling Harbour will open up substantial social benefits and employment opportunities and with future development particularly in the Darling Harbour area will further enhance the beauty of Sydney Harbour and no doubt will further its attraction to tourists.

Port Kembla – the approved extension of the multi purpose berth by 130 meters will increase the ports growth capacity and will attract additional break bulk cargo and containers and possibly cars.

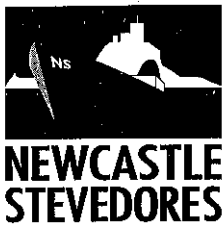
The multi purpose berth extension will give importers and exporters the opportunity to establish on the land close by the berth knowing that the shipping companies they support will be accommodated on the multi purpose berth. This opportunity will lead to further business and employment opportunities.

Port Botany – The proposed expansion should be approved in order to handle the new larger container vessels and also cater for Sydney's continually growing consumer market

To date predictions for container volumes in the Port of Sydney have been very conservative and its obvious that if the population continues at its current growth rate then the proposed expansion may arrive just in time to accommodate the containerised consumer requirement.

Newcastle – I do not share the opinion of others that Newcastle requires a multi purpose berth specifically to cater for the overflow of containers from Sydney to relieve traffic problems.

Newcastle needs a multi purpose berth primarily to cater for its own current business and to cater for further business opportunities that are Port and Region related, which it can't currently do due to lack of appropriate facilities.



As the major break bulk stevedore in Newcastle we handle the majority of our business at the Basin Berths Carrington.

The wharves are old coal loading berths, have weight restrictions on the wharf landing areas, contain rails from the old coal loader gantrys, in short the berths are not conducive to efficient stevedoring.

The berths are also close to the Carrington residence area and as this area is becoming more sophisticated tolerance levels to stevedoring activities become less acceptable which will make stevedoring operations more difficult.

The general bulk cargo is handled at Kooragang Berths 1 & 2 and these berths are becoming very congested and clients are experiencing delays getting onto the berth to be serviced.

It is without doubt that the Port requires a multi purpose complex on the proposed ex BHP site and with back up land to the berth future business opportunities are assured which will also lead to greater employment opportunities.

In the future I believe shipping activities in the Carrington Basin will come to an end and this site would make an attractive area for the Navy to move from Garden Island particularly as the old State Dockyard site is still in existence for carrying out repairs.

(5) The future of public land at Millers Point, Glebe Island and White Bay on which shipping freight operations are currently located.

The public land at Darling Harbour, Millers Point, Glebe Island and White Bay, apart from some residential I believe some thought should be given to putting aside areas of green parkland where visitors and their families can stop and rest and possibly picnic. I also believe that its time we devoted more space to promoting the arts which would fit in nicely in any of the above areas mentioned.

Once again many thanks for giving our companies the opportunity of making a submission on Port infrastructure in NSW. Should you require any elaboration on any of this submission please don't hesitate to contact me on the above phone numbers.

Kind Regards,
Sincerely,

Geoff Beesley
Managing Director