

CURRENT

An Update from Sydney Ports Corporation

November 2006

Managing and Developing Port Facilities

Port Botany Expansion Project

On 24 August 2006, the New South Wales Government announced their agreement to the recommendations of the Independent Panel established to investigate the best location of a fifth berth for the expansion. Approval was given to Sydney Ports's preferred location of a fifth berth adjacent to the previously approved expansion area.



Delivery of the expansion project is continuing in earnest with the appointment of a Procurement Manager (Evans and Peck) and a Contract Project Manager (Bovis Lend Lease). Both these appointments bring to the project team extensive experience in the management of large-scale infrastructure projects.

On 1 September 2006, we commenced the process of selecting a Design and Construction (D&C) Contractor. Advertisements were placed in national and international media, calling for Registrations of Interest from interested parties. This process has generated a lot of interest from Australia and overseas and Registrations of Interest closed on 1 November, 2006. A shortlist will be selected and those on the list invited to tender in early 2007. The D&C contractor is expected to be approved by late 2007.

In 2007, Sydney Ports will also commence the process of seeking a stevedoring operator for the expanded area, with a decision on this likely in late 2008.

Designs for the terminal areas, public areas and environmental works are being progressed by design consultant Maunsell in consultation with a number of stakeholders – landowners, community, councils, existing stevedores and neighbours.

Sydney Ports has established a Community Consultative Committee with members of the local community, environment groups, businesses in the area and local councils. The Committee has met twice and has another meeting scheduled for November. Issues discussed at the meetings include designs for the public areas, estuary rehabilitation works, dredging profiles and construction plans. A wider community consultation programme is also under way with newsletters, community open days and briefings.

Groups have been established to consult about specific aspects of the project – a boating/fishing group to obtain input on the best design for a boat ramp to be constructed a part of the project and a bird-watching group to assist with the design of a bird lookout at Penrhyn Estuary.

Sydney Ports's proposal for an Intermodal Logistics Centre at Enfield

Discussions between the NSW Government and the Commonwealth in regards to the commitment to the development of an intermodal terminal on the Moorebank site are progressing. Sydney Ports supports the concept of a network of

strategically located intermodal terminals within the Sydney metropolitan area to facilitate the movement of more freight by rail.

A decision in relation to Sydney Ports' Development Application (DA) for an Intermodal Logistics Centre and the role that Enfield can play as a part of that intermodal network will proceed once the future role for Moorebank is clearer. The current DA is therefore being held in abeyance.

Sydney Ports continues to focus on its goal of improving logistical efficiency of road and rail links to the port precincts to manage the growth in trade. Key initiatives being undertaken in the 2006/07 financial year include:

- Planning and developing road and rail access arrangements for the Port Botany Expansion;
- Implementing the one-way system for Simblist and Friendship Roads at the southern precinct of Port Botany;
- Continuing dialogue with industry and the Roads and Traffic Authority regarding the introduction of super B-double trucks within the Port Botany precinct; and
- Ongoing liaison with industry to ensure the effective management of the pre-Christmas peak with minimal adverse impacts on port users and the community.

Statutory Pilotage Charge amendments for Sydney Harbour and Port Botany

Recruitment of new pilots, upgrading of three pilot vessels and the introduction of a new pilot belt roster system, bringing improved service reliability and flexibility have all come at a cost to the Sydney Pilot Service (SPS).

To cover the cost of these improvements, the SPS is increasing the pilotage fees applicable for Sydney's Ports.

From 1 December 2006, a permanent \$150 increase will apply to existing pilot boarding fees and there will be the introduction of a \$25 per pilotage movement fuel surcharge (to remain in place while the price of diesel is above \$1.00 per litre/ex GST).

Sydney Pilot Service will continue to pursue opportunities for cost savings in the provision of competitive pilotage services.

Facilitating Trade

Trade results first quarter 2006/07

Trade for the first 3 months of the financial year to September 2006 has started strongly, with 6.8 million mass tonnes traded through the port, an increase of 2.6% compared with the same period last year.

Container trade has increased substantially with 399,415 TEUs traded through the port, an 8.9% increase on the same period last year.

This growth has been driven by an increase of full imports, up 8.7% to over 202,000 TEUs and export movements of full containers increasing 11.5% to over 95,000 TEUs, against the same period last year.

Leading containerised imports through the ports included chemicals, machinery, manufactures, paper products and non-metallic minerals.

In exports, leading containerised commodities include chemicals, non-ferrous metals, cereals, iron and steel and paper products.

One-Way System on Simblist and Friendship Roads at Port Botany - commencing 5 November 2006

The works for the introduction of the one-way system on Simblist/Friendship Roads are nearing completion, with traffic changes to come into effect on Sunday 5 November 2006.

For further details or to obtain a copy of the brochure detailing the changes please visit www.sydneyports.com.au or email enquiries@sydneyports.com.au

Fourth transport workshop a success

Sydney Ports hosted its fourth transport workshop in late August 2006. The well-attended workshop was successful in raising a number of issues and possible solutions for the challenges facing the transport and logistics industry, in the short and medium-term.

Presentations by representatives of shipping companies, stevedores, freight forwarders, customs, quarantine, empty container depots and Sydney Ports served to update those in attendance on initiatives and current issues.

An Australian Rail Track Corporation representative detailed the progress of the Southern Sydney Freight Line, an infrastructure development which will facilitate the movement of freight by rail to/from south-western Sydney and between Sydney and Melbourne.

Initiatives identified as worth pursuing in the short to medium term included, amongst others:

- Examination of trucking issues, including early week congestion, vehicle booking systems operations and activity outside peak hours.
- Examination of empty container park operations and incentives for container movements in non-peak periods.

The Sydney Ports Cargo Facilitation Committee will progress the action plan developed at the workshop.

Start of an exciting cruise season – the biggest ever for Sydney

Yet another busy season of cruising is due to start with the arrival on 10th November 2006 of the *Statendam* at the Overseas Passenger Terminal, Circular Quay.

This year's season will see around 93 cruise visits to the two Sydney cruise terminals.

A number of vessels are set to visit Sydney for the first time including the *Queen Mary 2*, the largest passenger vessel to visit Sydney at 345 metres. On 20 February 2007, the *Queen Mary 2* and her sister ship *Queen Elizabeth 2* will both be in Sydney, with the *QM 2* berthed at Garden Island and the *QE2* at the Overseas Passenger Terminal.

A number of other vessels will make maiden visits to Sydney including the *Seven Seas Mariner*, *Van Gogh* and *Delphin Voyager* while some of the regular visitors to Sydney returning again are – the *Orion*, *Sapphire Princess* and *Pacific Princess*.

The season will end with the departure in April 2007 of the *Pacific Princess*.

Sydney Ports wins National Citizenship Award

Sydney Ports' is proud to announce its success at the Australian National HR Awards with the presentation of the *National Corporate Citizenship Award*.

The Corporate Citizenship Award recognises organisations that have taken a proactive role in demonstrating a responsible and genuine role in corporate citizenship, both internally and within the wider community.

In announcing the winners, the Chief Judge for the Corporate Citizenship Category - Duncan Patterson, CEO, Centre for Australian Ethical Research (CAER) commended Sydney Ports's corporate citizenship efforts across community involvement, stakeholder engagement and environmental commitment. Special mention was made of Sydney Ports' excellence in its commitment to its staff, particularly across the areas of diversity, increasing work/life balance and occupational health and safety.

This follows last year's presentation to Sydney Ports of the *Employer of Choice Award (Public Sector)*.

AAPMA's 40th biennial conference a success

Sydney Ports hosted the 40th biennial Conference of Australian Ports and Marine Authorities (AAPMA) in October 2006. Nearly 300 of Australia's senior port managers including Board Directors, Chief Executives along with port-related business representatives, attended the two day conference, discussing currently relevant issues and listening to innovative local and international speakers.

The Conference covered a wide range of issues and information was presented on topics of interest to the ports and maritime industry. Presenters included representatives of shipping lines, the finance sector, ACCC, Federal Department of Transport and Regional Services, Australian ports and the Vancouver Port Authority, to name a few. Liner shipping, merger approvals, mineral industry requirements, infrastructure financing, pilotage, safety and presentations on other such topics kept all attendees informed about the latest in the industry.

Related events were held at some of Sydney's most recognisable locations including the state reception held at Governor Macquarie Tower, drinks aboard the *HMAS Stuart*, a formal dinner at the Overseas Passenger Terminal and other events taking in the Opera House, Sydney Harbour, Port Botany and Sydney CBD.

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The event also marked the official farewell of AAPMA Executive Director John Hirst, who has been with the AAPMA for 14 years and will step down at Christmas. John's pivotal role in the port and marine industry in Australia was acknowledged formally by Greg Martin, President of the AAPMA and CEO of Sydney Ports Corporation.

The 2008 conference is to be hosted by the Port of Brisbane Corporation.