

Container terminal at BHP site can be done

If governments won't, private investors would, writes **Greg Cameron**.

LAST week, the NSW government ruled out the former Newcastle steelworks site becoming a container terminal. It will be used instead for general cargo.

The government's decision means that manufacturers in the Hunter and northern NSW will never have decent access to a container terminal. It is already prohibitive in terms of cost and logistics to move goods by truck to Port Botany from anywhere in northern NSW, because of Sydney's clogged roads.

Manufacturers in regional areas must have certainty of access to a container terminal if they are to export. In addition to discouraging manufacturing industry in northern NSW, I believe the government's policy will increase pressure on Sydney's already stretched urban infrastructure by encouraging economic growth in Sydney.

There is enduring private sector interest in developing the Newcastle site for a container terminal to serve northern NSW. The site's former owner, BHP, proposed a private container terminal for the site in 1998.

Newcastle's competitive advantage is rail. A container terminal at Newcastle can serve northern NSW and allow regional manufacturers to plan for the future with greater certainty.

The NSW government has form on container terminal policy. In mid-2000, the NSW government entered into a confidential Memorandum of Understanding with BHP. Two months later, the NSW government received BHP's development application for the site. The DA was approved; ownership of the site was transferred to the NSW government.

In 2003, the government announced that Newcastle would be the site for NSW's next container terminal after Port Botany reached capacity. In 2005, the government approved expansion of Port Botany container terminal to 3.2 million twenty-foot equivalent units (TEU) per year. The Coalition's Andrew Stoner lambasted the plan, saying "the Coalition supports more container freight on rail". One of the conditions of consent for further



GAME CHANGER: Newcastle's competitive advantage is rail, especially with the upgrade of the rail freight corridor.

expanding Port Botany terminal was "further environmental assessment".

But last week, the Roads and Ports Minister, Duncan Gay, revealed that the cap was now abolished. The information was provided in answer to a question in the NSW parliament. There has been no other announcement. It is not known if the requisite environmental assessment was undertaken. It has not been revealed how an increase of 5 million TEU movements (from 2 million in 2011 to 7 million in 2030) will be accomplished.

Port Kembla was included in the government's scoping study for selling Port Botany terminal, when it was realised that the Port Botany line would not cope with the long-term increase in container movements.

Presumably, containers will be railed from Port Kembla to south-western Sydney. The proposed Moorebank intermodal terminal (IMT), with its capacity of about 1 million containers, is too small. Neither the NSW nor the Australian governments have revealed where additional IMT capacity will be

located in south-western Sydney.

I believe the NSW government's motive for abolishing the cap on Port Botany container movements, and for including Port Kembla in the sale offer, had nothing to do with transport policy; it was to increase the sale price. It is possible that other assets are for sale, such as Enfield terminal.

It was recognised in 2000 that Newcastle presented an alternative to further development of Port Botany. A game-changer is the decision by the Australian and NSW governments to spend \$1.1 billion upgrading the Northern Sydney Rail Freight Corridor to Newcastle.

This upgrade alone will not allow Newcastle to replace Port Botany. Its purpose is to allow for more rail freight between Sydney and Brisbane – all of which will pass through urban areas of Newcastle. But by completing a number of additional upgrades, the line is capable of accepting container rail from Newcastle.

About \$559 million has been allocated by the Australian

government to shift the School of Military Engineering from Moorebank to make the site available for an IMT.

These funds are better spent on completing the upgrade of the North Sydney Rail Freight Corridor to Newcastle and developing a greenfield IMT in Sydney's north-west, with private capital.

But it appears the NSW government has not considered the possibility of Newcastle replacing Port Botany. Along with the Australian government, it appears it won't consider completing the upgrade of the North Sydney Rail Freight Corridor to Newcastle. There is no impediment to the government making the Newcastle site available for private development of a container terminal to serve northern NSW. Cost to the government? Nothing. Benefit to the community? Significant.

Greg Cameron is a public affairs consultant based in Canberra and a former BHP Newcastle executive.

Financial life raft plucks drowning from sea

An ocean of debt is swallowing real lives, writes **Wendy Maile**.

RECENTLY the Australian Bureau of Statistics released some figures that showed suicide rates in Australia dropped in the decade leading up to 2009.

What we are hearing at Lifeline Newcastle and Hunter in 2012 is a completely different matter.

Since November 2011, suicide-related calls to the service have been at record numbers. Last week, Lifeline Newcastle and Hunter's telephone crisis line had calls from people so distressed that one in 10 felt suicide was the only option left.

Unfortunately, the week was not uncommon. Across the board, there seems to be a heightened sense of intensity and desperation in the way many people are reaching out to us.

The role of Lifeline's financial counsellors is to assess the issue at hand, negotiate with creditors, advocate on behalf of our clients, prepare a realistic budget and link our clients with appropriate community agencies if necessary.

In the first few months of 2012, we assisted 208 new financial counselling clients, provided support for 283 ongoing clients and made over 1000 calls, letters and emails to creditors on behalf of our clients.

While we acknowledge that every client has a different set of circumstances and needs, there are a few distinct groups in our community who are highly vulnerable to financial stress.

Recently we have seen an increase in single parents who have taken on mobile phone contracts for teenage children and found themselves wearing the total debt. It is all too common for parents to

come in owing \$3000 - \$4000 on phones that they have never used.

Naturally, credit card debt still remains one of the most pressing reasons people seek financial guidance from Lifeline.

With rental prices through the roof and mortgage payments harder to maintain, people are relying on credit cards to cover basic costs where once they would only use their cards for non-essential items.

Recently, one of our financial counsellors managed to get a 50 per cent debt reduction for a client on five separate credit cards. In total, \$42,000 was waived.

It was not a quick process. The financial counsellor made 50 calls and sent 25 emails and letters to creditors on behalf of the client. The case, which lasted over 10 months, also involved liaising closely with the Financial Ombudsman.

Thanks to the support of the NSW

Office of Fair Trading and the Department of Family, Community Services and Indigenous Affairs, Lifeline financial counselling appointments are free of charge. Appointments are readily available in 14 locations throughout the Hunter, including Lifeline's main counselling centre at Tighes Hill, neighbourhood centres and multi-purpose centres, as well as the John Hunter and Mater hospitals.

Anyone seeking an appointment can call Lifeline on 4940 2000 during business hours. More information can be found at lifelinehunter.org.au

Wendy Maile is the manager of Lifeline's financial counselling service.

 Lifeline 13 11 14



Big bill shock

TEENAGERS are racking up mobile phone bills of \$1000 to \$1500 a month, tipping the balance in some Hunter households already struggling with soaring debts.

Why give your child the latest phone on a plan? Whatever happened to prepaid, or the landline, or even talking in person? Make the kid pay for their credit with their pocket money, or does that not even exist now?

Megs

Prepaid pretty much eliminates bill shock. Oh, and raising responsible children.

NickDen

Why not just go prepaid and when you run out of credit you run out. Never had bill shock with this way of doing it. Just a thought.

billboy

"Awareness of the cost of the calls is not reinforced in the parent." We would all prefer it not to happen but mistakes like this just happen.

aw

I'm sorry to say but parents have no one to blame but themselves. They should be providing their children with prepaid phones so that there is complete control over how much the child can spend. If the child isn't independent enough to undertake a plan on their own then they shouldn't be on one!

Planner

These kids must spend close to 24 hours a day on a call or texting. I have a plan that receives \$500 odd worth of calls and SMS per month and I'm on my phone most of the day for work. Yet I have never gone over the limit. Surely these kids don't have that much to talk about.

Frank

Agree with comments re stupidity. However, stupid people should be protected – the phone should be cut off when the plan ceiling is reached.

Old Hand

Don't buy your kid a phone. Problem solved. Why do kids even need them?

Alisa

ONLINE poll

