

1. Legislative Assembly by date

2. 6 March 2008

Newcastle Port Development

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NEWCASTLE PORT DEVELOPMENT

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Ms JODI McKAY (Newcastle) [3.47 p.m.]: I bring to the attention of the House the recent initiatives of the New South Wales Government in supporting the development of the port of Newcastle. Newcastle is one of the world's largest coal export ports, setting a new record for coal exports last year of 80.8 million tonnes. This record would have been even greater if not for the devastating storms experienced last June. The performance is set to continue, with the port achieving a new half-year record of 44.5 million tonnes for the second half of 2007 and a record month for coal exports in December, with 8.3 million tonnes shipped.

The New South Wales Government is working with the coal industry to achieve the continued growth of the Hunter coal industry. In January, the New South Wales Government signed a 35-year lease with the Newcastle Coal Infrastructure Group for the development of a new coal loading terminal at the port of Newcastle, with a capacity of up to 66 million tonnes per annum. This project is expected to make a \$1.5 billion contribution to our gross domestic product and create up to 5,000 jobs across New South Wales. In addition, in April last year the Government approved the expansion of the existing Port Waratah Coal Services coal terminal from 102 million tonnes to 140 million tonnes per annum. These new developments are important steps towards meeting the world's demand for Hunter coal, which continues to grow due to the quality of the coal available in the Hunter. Hunter coal has an international reputation that we in the region are very proud of.

The size of the demand, and how fast it has grown, means the industry needs to find new ways to manage coal exports from the region. On Monday 3 March the Australian Consumer and Competition Commission issued a draft decision to authorise the common user provisions required to manage coal exports from the Hunter. This will provide a fair allocation system for managing coal export systems until the end of 2008, giving the coal industry a chance to decide how to manage coal exports in the long term. I welcome the

Hon. Nick Greiner's involvement in helping the coal industry to reach an agreement on this long-term plan. The former New South Wales Premier was in Newcastle yesterday for the Hunter Valley coal chain logistics meeting.

It is important to note that the port of Newcastle enjoys a strong future beyond coal. The New South Wales Government's Ports Growth Plan identifies Newcastle as the location of the next major container terminal once Port Botany reaches capacity. Port Botany experienced a massive 12 per cent growth in container trade last year—that is twice the forecast level of growth. If the container growth through Sydney continues to accelerate at that rate Newcastle may be in the container business far earlier than we originally expected. The former BHP site at Mayfield, now called the Intertrade Industrial Park, is the strategic site for container stevedoring in Newcastle. The master plan identifies 30 hectares for a container trade future, and that future is getting closer.

Premier lemma announced last year that the New South Wales Government, through the Newcastle Port Corporation, will commit \$22 million to the project. In January I announced a national call to tenders to carry out the multi-million dollar redevelopment of wharf infrastructure at the Mayfield site. That project includes a 265-metre berth due to be built on the site plus the construction of eight hectares of hardstand behind the wharf on the Hunter River. The hardstand construction may include facilities such as covered or uncovered storage, cargo and container storage areas, services and amenities. The project will facilitate trade growth and allow the port of Newcastle to establish new functions complementary to other New South Wales ports. The continued diversification of the port will also be assisted by the Government's announcement to consolidate ownership of Newcastle port lands with the Newcastle Port Corporation. Consolidation of government land ownership at the port will strengthen its position as a world-leading coal export port.

The Government has begun transferring ownership to the Newcastle Port Corporation, creating efficiencies for the port and the Hunter region. Consolidation will see 470 hectares of land pass into Newcastle Port Corporation ownership. This includes the 90 hectares of waterfront land at the Intertrade Industrial Park, including the future container terminal. Proponents of investment now will be able to deal with a single entity that is able to assist with land and waterside requirements. Cutting red tape in this way means greater efficiency and reduced costs. The Newcastle Port Corporation is also working on a 20-year development plan aimed at helping the coal industry, including the new coal terminal project that is due in 2010.

Further, the plan will prepare the port for other opportunities to diversify its business. One new venture worth noting is the alignment of Cruise Hunter to the auspices of the Newcastle Port Corporation. This successful regional project has relocated to the Newcastle Port Corporation to allow further development of this niche market. So far it is working well, with international cruise ship visits contributing almost \$1 million to the Hunter economy in the first quarter of this year. All these initiatives are aimed at improving the port's competitive advantage, helping to achieve growth and diversification. Once completed the expansion of the coal industry and the continued diversification of the port are expected to provide up to 12,000 new jobs and increase gross domestic product by \$1.5 billion per year. This is further evidence that the lemma Government is getting on with the job and delivering results in Newcastle.

1. [21 October 2010](#)

Port Botany Expansion

About this Item

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Business Questions Without Notice, QWN

PORT BOTANY EXPANSION

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The Hon. LUKE FOLEY: My question is directed to the Minister for Ports and Waterways. Will the Minister update the House on the progress of the expansion of Port Botany?

The Hon. ERIC ROOZENDAAL: I thank the honourable member for his question and for his interest in this matter. The role our ports play in the State's prosperity and economic growth cannot be overstated. In New South Wales our ports handle around \$80 billion worth of trade each year. Port Botany has achieved spectacular growth in recent decades, averaging around 7 per cent since the 1970s. As members will be well aware, the New South Wales Government is undertaking a \$1 billion expansion of Port Botany to deliver a third container terminal to ensure our State's continued economic prosperity and growth. This project will deliver 9,000 new jobs and boost the State's economy by \$16 billion over the next 20 years. Continued growth is the key to helping us build a strong future for the New South Wales economy. Last financial year Port Botany experienced 8 per cent growth in total container trade through the port, reaching 1.928 million containers, or 20-foot equivalent units. This came despite other container ports around the world suffering declines in their trade levels—Singapore was down 13 per cent in 2009 and Long Beach in the United States of America was down 14 per cent in 2009. All trends indicate that this is going to continue, and that is why we are building the third terminal.

We are building for the future growth and prosperity of New South Wales. The construction of a new container terminal has provided the opportunity to reinvigorate competition in the stevedoring industry. In December last year Hutchison Port Holdings was announced as the operator of the new terminal. Improving competition will ultimately put downward pressure on the cost of shipping at Port Botany. Hutchison's decision to invest in Sydney reflects confidence in the \$400 billion New South Wales economy. Not only will the New South Wales economy benefit from the expansion, so also will the local community.

Last week I had the pleasure of officially opening the Port Botany community infrastructure project—a \$30 million investment for the Port Botany community. The project includes the new Port Botany boat ramp, a Foreshore Road pedestrian bridge, a Mill Stream lookout and an upgraded Foreshore Beach. The expansion of Port Botany is not just a project for Sydney. Both in construction and operation the new terminal will benefit the whole State. Regional New South Wales has reaped rewards also through the supply of the materials used in the construction of the new terminal, including 62,000 tonnes of gravel from Peats Ridge and Emu Plains, 34,000 tonnes of sand from the Nepean and Kurnell, and 24,000 tonnes of cement from various locations around New South Wales.

The Port Botany expansion is more than some new wharves; this is a large-scale, long-term infrastructure

project that will benefit New South Wales with jobs, trade, growth and prosperity. I look forward to keeping the House updated on this project.

<http://www.wharves.com.au/wharves-articles/2008/1/25/berth-of-terminal/>

Berth Of Terminal

Newcastle Herald

Friday January 25, 2008

By GREG WENDT Business Editor

NEWCASTLE Port Corporation will begin a nationwide search this week for contractors for the multimillion-dollar redevelopment of wharves at the former BHP steelworks site.

Building is expected to start by the middle of this year, with the facilities to be operational towards the end of 2009.

Corporation chief executive officer Gary Webb said advertisements would appear tomorrow calling for tenders.

Member for Newcastle Jodi McKay said a 265-metre berth would be built on the site for loading and unloading containers, bulky goods and general cargo.

"The project will facilitate trade growth and allow the Port of Newcastle to establish new functions complementary to other NSW ports," she said.

She said the project was in line with the NSW Government's ports growth plan, positioning Newcastle to develop a container terminal once Port Botany reaches its capacity.

"It includes refurbishment of a former BHP ore berth plus the construction of eight hectares of hardstand behind the wharf on the Hunter River," Ms McKay said.

The hardstand [hard surfaced area] construction would include cargo and container storage areas, services and amenities.

Premier Morris Iemma said last year the Government, through Newcastle Port Corporation, was committing \$22 million to the project.

Mr Webb said the corporation had contacted existing and potential customers about the wharf project.

? AFTER unlocking the potential for development of some of the Hunter's most significant industrial sites, the regional Land Management Corporation will close its doors for the last

time on Thursday. The corporation has been merged with Honeysuckle Development Corporation to form the Hunter Development Corporation.