

1 June 2010

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NSW Business Chamber
incorporates

- > Sydney Chamber of Commerce
- > Australian Business Limited Apprenticeship Centre
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To Whom It May Concern

**Submission: Infrastructure Australia and the National Transport Commission
*The Proposed National Ports Strategy***

NSW Business Chamber welcomes the opportunity to provide comment to Infrastructure Australia on the *Proposed National Ports Strategy* discussion paper.

As NSW's largest business association, NSW Business Chamber represents the interests of around 22,000 companies across New South Wales, from all industry sectors, business sizes and business types ranging from owner-operators to corporations, from product-based manufacturers to service provider enterprises.

Affiliated with over 100 Chambers of Commerce throughout the State, representing a further 10,000 businesses, the Chamber's broad-based membership is supported through a network of regional offices located in the Hunter, Illawarra, Central Coast, Northern Rivers, Murray and Riverina districts, in Canberra and throughout Western Sydney, Sydney South, Sydney North and the Sydney CBD in the metropolitan area.

Improving landside efficiency and reliability

Better connectivity, both physically and technologically, throughout New South Wales is essential for the Nation to fully capitalise on the State's global links. Efficient ports, road and rail links to the ports, and indeed, efficient cross town road and intermodal networks remain as important as ever.

NSW businesses require an extensive freight infrastructure network, one that facilitates the efficient and timely movement of goods. To achieve this, the NSW Business Chamber supports a planning framework for ports that evaluates expansion in capacity by measuring externalities associated with congestion, investigations of specialisations and complementarities, and detailed assessments of minimum economies of scale.

This will also ensure a better utilisation of current under-utilised infrastructure. In an age of financial constraint and the requirements for all businesses to realise efficiencies, it is imperative that business are able to maximise the value of their assets through the efficient and effective use of their surrounding hard infrastructure. In terms of their internal efficiencies, port operators and transport owners should also benefit from the

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maximised use of soft infrastructure, including a more flexible approach to timetabling and the scheduling of goods movements.

Such an approach has the potential to not only make the best use of NSW's ports, but also to expand opportunities to further develop high value added container terminals and links to international shipping companies.

Consequently, costs of moving freight between customers and intermodal terminals and/or the wharf need to be taken into account as well as costs between wharf and terminal. While these costs are dependent on the capacity and quality of land transport infrastructure, it is generally true that the greater the distance between the customer and the port, the greater the land transport costs. However, it is a concern that issues related to congestion have not been adequately addressed, and it is likely that congestion will become a key contributor to the rising costs of freight movement.

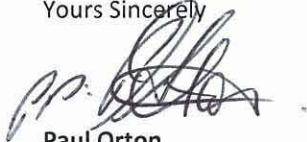
The NSWBC believes that it is a futile exercise to consider increasing the capacity of ports without giving equal consideration to the planning of freight distribution after it leaves port. However, businesses utilising land and sea freight services who seek fast, quality services at a reasonable cost, require the examination of the whole of the transport chain dealt within the context of the development of a National Ports Strategy. The benefits derived from improved port facilities and more efficient handling must not be undermined by inefficient freight land transport.

Therefore, NSWBC recommends that the relationship between land transport including transport between ports and intermodal terminals and between intermodal terminals and customers requires more analysis.

NSWBC supports initiatives that will contribute favourably to a balanced infrastructure development for freight movements throughout NSW. The Strategy should provide economically and administratively acceptable solutions for port service providers, ship owners, land transport operators. Importantly, the flow on effects of any reformation of our national ports infrastructure and its flow on effects must not bear too heavily on the end consumer.

Thank you for the opportunity to comment on the proposed National Ports Strategy and your consideration of our views. Should you wish to further discuss this matter please do not hesitate to contact Prudence Stone, Senior Policy Adviser – Infrastructure on (02) 9458 7359.

Yours Sincerely



Paul Orton

Director, Policy and Advocacy

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