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Maldon to Dombarton Rail Link Feasibility Study
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Maldon to Dombarton Rail Link Feasibility Study – Issues Paper

Shipping Australia Limited (SAL) is a peak industry body representing many of the major Australian and international ship owners, operators and agency companies involved in bulk, tanker, general cargo shipping, container, passenger and tramp trades. Our members would be involved with over 80% of Australia's container trade, car trade and cruise industry as well as over 50% of our break bulk and bulk trades.

We wish to comment in broad terms on the issues paper prepared to determine the viability of a rail line between Maldon and Dombarton, assessing existing infrastructure, requirements for planning and engineering work and to provide an economic and financial modelling.

Our members are of the view that the *Issues Paper* has been well drafted and it highlights the benefits of progressing with the building of this infrastructure. We will, in the main, comment on principles of the proposal and will leave the questions posed in the Issues Paper to be answered by those with the expertise and more comprehensive knowledge of the locality.

We are aware that the project which commenced in 1983 to improve access for coal trains to Port Kembla was abandoned in mid-1988 because it was not an economically viable proposition at that time. However, with the projected growth in trade and the potential for the carriage of other cargoes (e.g. Iron ore, grain new cars, containers, limestone, copper concentrate and steel), the future demand for transport, in our opinion would justify the investment in completing this infrastructure. There is no reason to believe, at this stage, that the project will not be viable in the long-term.

We understand that around 60% of the earthworks have already been completed, including entry cuts to the tunnel portals and access roads to the tunnel and the catchment area. The significant structures that have to be finished are the partially built bridge over the Nepean River near Maldon and the Avon Tunnel. The land on which the rail line would be built has been already reserved for a railway corridor, as such there should be no objections from the general public to its development.

In our view the completion of construction of this rail link would be the most cost effective method of providing supplementary infrastructure to cater for the anticipated growth in trade and reduce congestion on the Sydney rail network. Furthermore, most of the track would be outside the current Sydney rail network, which will enable freight to move along this line without affecting the passenger network.

It is reported that there are limitations with respect to the length of trains, excessive gradient, and establishment of passing loops on the Moss Vale line. Therefore this option should not be considered as feasible.

The Outer Harbour development project in Port Kembla relies heavily on the carriage of cargo by rail therefore it is essential that improved rail access is provided to the Port precinct.

Shipping has been widely acknowledged, by far, to be the most carbon efficient mode of commercial transport, followed by rail. Rail is up to five times more fuel-efficient per tonne-kilometre usage than road freight. It is of paramount importance that truck movements are minimised as far as possible by increasing the use of rail, to reduce pollution and greenhouse gas emissions.

A Maldon-Dombarton rail line has the prospective of a more direct connection to intermodal terminals planned in south-western Sydney (Enfield, Moorebank and Eastern Creek) to Port Kembla. There is also to be good connectivity to Port Botany.

Studies conducted by Sydney Ports Corporation (SPC) have shown that Port Botany will reach capacity for the handling of containers latest by 2025.

The NSW Government is currently reviewing the Ports Growth Plan, which recommended the Port of Newcastle as the overflow port for NSW in 2003. Many arguments have been put forward for Port Kembla to be developed instead of Newcastle to handle containers, as it is closer to the fast-growing west and southwest Sydney area, and intermodal terminals and other logistics infrastructure being developed in the west. Members of SAL await the final decision of the NSW Government in this regard.

Members are however keen that an alternate port for the overflow of containers from Port Botany is identified and planned soon, given the long lead time taken for construction of such facilities.

Turning to a few of the questions posed in the issues paper:

Containers:

Are there likely to be overflow containers from Port Botany in the 2010-2030 study period?

Following the global financial crisis Port Botany has reordered continuous growth in container trade, as such we anticipate SPC's studies which were concluded during the EIS for the development of the new terminal to be reasonably accurate, i.e. the port will reach capacity by 2024-2025.

Would one of the international shipping companies move from Port Botany to Port Kembla?

In our opinion it is likely that initially, smaller ship operators servicing niche markets could consider relocating their services to Port Kembla.

Cars

Are any companies envisaging rail transport of cars from Port Kembla?

SAL is aware that there was interest shown initially by certain transport operators to move cars by road, but this idea was shelved.

SPC had signed a Letter of intent with Patrick AutoCare to permit Enfield to be used for the receipt of cars. Construction of the Enfield Intermodal Terminal has commenced and it is expected to be operational by 2012.

Would a Maldon-Dombarton line make a difference?

Members of SAL are of the view that rail will be very viable option for the delivery of cars into intermodal terminals, so long as these terminals have 'rail connectivity' and costs are comparable to road transport.

In conclusion Shipping Australia is supportive of the development of the Maldon to Dombarton rail line, which will no doubt reduce road congestion on the major roads in the area and provide alternative infrastructure to cater for the anticipated increase in NSW trade.

Yours sincerely



Llew Russell AM
Chief Executive Officer
Shipping Australia Limited