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### **RE: Submission - Sydney Gateway Environmental Impact Statement**

The Australian Logistics Council (**ALC**) is pleased to make this submission regarding the Environmental Impact Statement (EIS) for the Sydney Gateway.

ALC is the peak national body representing the freight logistics industry with a focus on national supply chain efficiency and safety.

The efficient delivery of freight relies on adequate transport infrastructure, and the Port Botany/Sydney Airport precinct is one of the most significant in the national freight transport network.

ALC acknowledges the importance and value of the Sydney Gateway in reducing road congestion in the Sydney metropolitan area and improving travel times for commuters.

We also acknowledge the potential contribution the project could make to improving the efficiency of freight movement around Sydney, particularly to and from the international trade gateway of Port Botany.

However, ALC remains concerned that there are flaws in the EIS that could mean the project will not deliver on its intended outcomes in relation to freight movement and reducing congestion. This in turn would lead to increased negative environmental externalities, such as increased emissions from heavy vehicles caught in grid lock on local roads adjacent to Gateway.

In particular, the failure to incorporate direct, dedicated connections for heavy vehicles travelling to and from the Cooks River Intermodal Terminal (CRIT) and adjacent freight depots will jeopardise the overall ability of Sydney Gateway to achieve its objectives in terms of reducing traffic congestion in and around the Port Botany/Sydney Airport precinct.

Equally, the potential inability to develop a direct port rail access turn out until after Gateway has been fully constructed would inhibit port rail mode share growth and lead to a further increase in road congestion, particularly if the terminal moves away from port rail shuttles as a direct result.

ALC also remains extremely concerned that the reduction in total capacity of the Sydney empty container storage market has not been addressed. This reduction flows from the demise of the Tynes St Peters Empty Container Park (ECP) and the operational impact of Gateway on CRIT (regardless of if the road runs through the terminal as currently shown in

the EIS or if it purely runs along its eastern border). This scenario may result in further aggravating traffic congestion in and around Cooks River.

We believe Gateway's design and environmental impact could be vastly improved by: (i) reinstating dedicated heavy vehicle access ramps at St Peters for trucks wishing to access the CRIT and Port Botany, as per the original planning design, (ii) accommodating the construction of the direct port rail turn out during Gateway construction and (iii) properly considering the loss of storage capacity at Tynes and CRIT in terms of the overall port supply chain and reducing the impact on the latter as a critical continuing operation being the largest ECP in Sydney.

This submission sets out why such connections are so critical for industry and for local communities in the precinct.

### **Freight and the NSW Economy**

The freight logistics sector makes a significant contribution to the strength of the NSW economy. In 2017, freight represented around \$66 billion to NSW Gross State Product<sup>1</sup>, and this contribution is set to grow significantly in coming years, with freight volumes in NSW forecast to increase by 28 per cent by 2036 – with a 50 per cent increase anticipated for Greater Sydney alone.

In relation to Port Botany, port lessee NSW Ports estimates that containers could more than triple from 2.3 million to 8.4 million TEU per annum in the next 30 years.

At present, around 80 per cent of the containers travelling to Port Botany are carried by road – and thus the anticipated increase in volumes will place significant pressure on the road network, even with ongoing efforts to achieve modal shift from road to rail.

Similarly, there is significant growth forecast in relation to air freight at Sydney Airport, with an increase of 58 per cent expected by 2039. Again, all freight travelling to and from Sydney Airport is transported via road.

This growth in freight volumes will place enormous pressure on road infrastructure in and around the Port Botany/Sydney Airport precinct.

Given that one of the core reasons for undertaking the Sydney Gateway project is to alleviate these congestive pressures and improve the efficiency of freight movement, it is vital that the needs of freight logistics operators remain a core consideration in the design, so that the environmental benefits that flow from doing so can be fully achieved.

Regrettably, removing the dedicated heavy vehicle access ramps at Canal Road that were part of the original design means that the freight outcomes from the project will be limited, and will do little to solve heavy vehicle congestion in and around Mascot for heavy vehicles traveling to and from Port Botany.

Further, delaying the potential development of a direct port rail turn out at CRIT will only worsen this situation at a time where Gateway construction is reducing Sydney's overall

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<sup>1</sup> Transport for NSW (TfNSW) Transport Performance and Analytics 2016 (as reported in NSW Freight and Ports Plan 2018-2023, p. 18)

storage capacity of empty containers, forcing more volume into the Cooks River area for receipt.

With Gateway likely to impinge significantly on the operation of CRIT as currently shown in the EIS, it remains difficult to understand how future volumes will in fact be managed outside of a major reconfiguration of the terminal given the reduction in storage capacity as a direct result of the roadway.

### **Cooks River Intermodal Terminal (CRIT)**

The Cooks River Intermodal Terminal (CRIT) is Australia's largest ECP and significantly touches some 30 per cent of all containers that move through Port Botany each year. The facility is heavily relied upon by shipping lines and freight logistics companies who use Port Botany within their operations especially as for every two full containers that are imported, one is re-exported empty thereby requiring the use of such empty park facilities for the staging of containers. This trend is expected to increase with the future tripling in trade and further decline in the local manufacturing base.

CRIT is also situated in the heart of the area where Sydney Gateway will be constructed, and sees hundreds of empty containers travelling to and from the facility each day via road transport.

It is a feature of supply chain operations that empty containers always travel by road. This is true of empty containers being returned to the facility from the port, and also when shipping lines call for containers to be delivered to the port for repositioning.

These calls invariably come at short notice, and empty containers are carried on trucks to the port via a continuous "stack run". Because of the tight timeframes and other operational imperatives involved, transporting these containers via any means other than road is impractical.

Currently, trucks undertaking such a task utilise Kent St, Coward St and Bourke Rd in Mascot.

The continued growth in container volumes discussed earlier means that heavy vehicle traffic volumes servicing CRIT and Port Botany will continue to grow steadily in the years ahead. This scenario will be exacerbated in the short term by the closure of the Tyne St Peters ECP as a result of Sydney Gateway construction, which will undoubtedly place further pressure on CRIT as the largest and closest empty park facility to Port Botany.

While the Gateway EIS documents recognise that additional ECP capacity will need to be created to replace that lost at Tyne St Peters and CRIT, the assumption that additional capacity may be added at Enfield, Moorebank and St Marys is in no way guaranteed.

At this stage, there is no open access ECP facility at Enfield, Moorebank is unlikely to have an ECP with empties instead being railed back to Cooks River for onward road distribution to Port Botany, and St Mary's is still relatively early planning process with a referral to the Independent Planning Commission that will potentially require additional approval time.

Further, to date no international shipping line has agreed to store containers away from Port Botany and in Western Sydney, which means there is no commercial imperative for the dehire of containers in Western Sydney.

Therefore, the question remains how will lost ECP capacity engendered by Gateway construction be replaced and operationally managed unless the private sector makes substantial near term capital investments in new facilities (in areas where land is scarce) or they redevelop existing ECPs such as CRIT, which will be contending with the ongoing effects of Gateway, during the project's construction and once it is operational.

It is also worth noting that in the event there are rail closures at Port Botany, then freight trains terminate at CRIT. In that event, it is not merely empty containers moving to the port from CRIT, but all export freight being carried on rail.

This highlights CRIT's critical role in the NSW supply chain – and demonstrates why ensuring heavy vehicles can continue to access the facility in the most efficient manner possible is an imperative for Sydney Gateway and the overall port supply chain.

### **Residential Growth**

Over recent years, the suburb of Mascot has witnessed burgeoning residential growth, with a significant number of large-scale apartment buildings being constructed in an area that, until recently, was largely industrial and commercial use land.

The changing character of the area is also placing pressure on the road network, particularly on Kent St, Coward St and Bourke Rd, which are now key routes for passenger vehicles driven by local residents, in addition to freight vehicles and commuter traffic travelling to and from Sydney Airport.

In practical terms, this slows road freight movements to and from the port, as freight vehicles have to contend with traffic congestion, parked cars along key routes and complications created by diversions put in place to accommodate construction work on new residential apartment buildings.

Sydney Gateway is intended to alleviate some of these pressures. However, without the provision of dedicated ramp access for heavy vehicles accessing CRIT and Port Botany, trucks will be forced to continue using the current route along local streets in Mascot to travel between the two facilities.

This will undermine the core goal of Sydney Gateway to reduce road congestion and improve the efficiency of freight movement, which will in turn engender poorer environmental outcomes through heavy vehicle congestion.

It will also have a deleterious impact on community amenity in these new residential communities, as residents become increasingly vocal about the movement of heavy vehicles through their local area.

As history has shown, complaints from residents about heavy vehicle noise and movements on local streets generally results in the imposition of curfews or outright bans on heavy vehicle movements in particular areas. This further undermines the efficiency of freight movement.

Sydney Gateway represents an opportunity to stop that problem before it starts by ensuring a superior environmental and community outcome by removing port trucks from local roads through having heavy vehicle access ramps at Canal Road.

## **Improved rail access to and from Port Botany**

While the vast majority of empty containers travel to and from the port by road, CRIT is also looking to enhance its rail connectivity with Port Botany for shuttle trains either travelling directly to and from CRIT to the Port, or for regional trains calling ex Port for the loading of empties to deliver up country.

As part of this strategy, Qube Logistics as lessees of CRIT have proposed the development of a direct rail turn out to and from the Port which would cross directly underneath the proposed concept design of Sydney Gateway, close to where the roadway crosses the main line at elevation.

While ALC understands that the latest Gateway design does not preclude this future rail access / corridor, the Gateway project team must give consideration to the building of the rail turn out concurrently with the roadway construction to maximise environmental outcomes from a port rail perspective.

If this cannot be done, it will mean such a connection may not be possible for close to ten years. This risks port rail shuttles being turned off, and the terminal becoming solely road based in the near term.

Given the NSW Government's commitment to lifting rail's share of the freight task to and from Port Botany, this seems a short-sighted approach.

## **The Solution**

Sydney Gateway has been described as the 'missing link' in the Sydney road network, and ALC agrees with this characterisation.

However, there is little point in constructing the 'missing link' if it does not actually provide adequate connections to and from the key freight facilities in the region, namely the Port Botany/Sydney Airport precinct (including CRIT), and it does not deliver positive local environmental outcomes because of continued heavy vehicle congestion on local roads.

Dedicated ramps for heavy vehicles accessing these critical facilities, as present in the original designs, are essential for improving efficiency and combatting poor environmental outcomes from local road congestion.

Likewise, without a direct rail turn out to and from the Port, trains will be forced to propel in on the main line, reducing total rail supply chain capacity and jeopardising the NSW Government's overall rail mode share target. This needs to be allowed for before Gateway is completed.

ALC submits there is compelling reason for a strategic business case to be developed as part of this Stage 1 Gateway construction that includes:

- Direct, dedicated connections for heavy vehicles to and from Sydney Gateway that will facilitate access to, in particular, CRIT, but also Port Botany and Sydney Airport; and
- The benefits of a port rail turn out as part of the overall solution.

The logical way to achieve this would be to construct ramps at Canal Road that can accommodate heavy vehicles accessing CRIT and other freight facilities as well as allowing for a direct rail port turn out from CRIT to the port to be built while Gateway is being constructed.

ALC and other stakeholders have worked together to produce a concept design of how these ramps could be incorporated into the design for Sydney Gateway and the location of a proposed port turn out. An example of the ramps design is included at **Appendix A** and the rail turn out at **Appendix B**

It is important to note that the incorporation of such dedicated access ramps into the Sydney Gateway design will be a crucial aspect of 'future proofing' the project, in the sense that such ramps would be able to accommodate Higher Productivity Vehicles (HPVs) that will play an increasingly important role in meeting the future freight task from CRIT through their additional safe carrying capacity and improved environmental outcomes.

Moreover, such ramps may also help in the more efficient transport of passengers to and from Sydney Airport's terminals by providing access for public transport busses and private coaches.

To fully realise the potential benefits of the project, it will also be important to further enhance connectivity to Port Botany by dealing with current capacity constraints on General Holmes Drive, as well as connectivity from Foreshore Rd to the M5 East.

### **Consistency with the NSW Freight and Ports Plan 2018-2023**

The construction of dedicated heavy vehicle access ramps for Sydney Gateway and preservation of a rail corridor for a direct port turn out from CRIT would be entirely consistent with undertakings provided in the *NSW Freight and Ports Plan 2018-2023*, published in September 2018.

The Plan calls on the NSW Government to pursue the "*investigation of truck-only lanes in the port precinct*" within the next decade and the achievement of a significant growth in the port rail mode share.<sup>2</sup>

Given that the Sydney Gateway is likely to be the most significant investment in road infrastructure within the Port Botany/Sydney Airport precinct within that period, the project represents an ideal opportunity to deliver on the Plan's commitment by incorporating dedicated heavy vehicle access ramps into the Sydney Gateway design and allowing for future direct port rail access underneath the elevated roadway at CRIT.

### **Conclusion**

Sydney Gateway is a significant project that has the potential to dramatically enhance the efficiency and safety of freight movement in Australia's largest city, as well as contribute significantly to a reduction in road congestion, reduced emissions and enhanced amenity for local communities in new residential developments around Mascot and Botany.

However, these potential benefits will only be fully realised if we ensure the project design is fully optimised to meet the operational needs of the freight logistics industry and that the

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<sup>2</sup> [NSW Freight and Ports Plan 2018-2023](#), p. 65

opportunity to alleviate the impact of thousands of trucks per day on local roads in Mascot is fully grasped

Ensuring that heavy vehicles are provided with dedicated access ramps to and from CRIT and the project design allows for a future direct port turn out from CRIT to be built while Gateway is being constructed will be critical in this respect.

ALC remains concerned that the overall loss of ECP storage capacity in the Sydney market and its impact on the Port Botany chain as a result of Gateway has not been addressed adequately in the EIS.

ALC calls for further analysis of the impact of Gateway on CRIT so as to mitigate the current operational outcomes of Gateway on the facility, which potentially have widespread negative environmental outcomes across the entire port supply chain.

CRIT plays a central role in the resilience of the national supply chain – particularly on those occasions when rail services at Port Botany are temporarily unavailable. Incorporating dedicated heavy vehicle access ramps at Canal Rd to and from CRIT into the design of Sydney Gateway – as was originally envisaged – will further strengthen the project.

It will be additionally enhanced by constructing a direct port rail turn out and reducing the overall operational impacts Gateway has upon the operation of the facility on its eastern side.

Addressing the matters outlined above will help ensure Gateway's undoubted value is shared even more broadly across the entire community.

ALC is grateful for this opportunity to comment on the Sydney Gateway EIS.

Please contact me on 0403 477 131 or via email to [simon.morgan@austlogistics.com.au](mailto:simon.morgan@austlogistics.com.au) should you wish to discuss this submission in further detail.

Yours sincerely

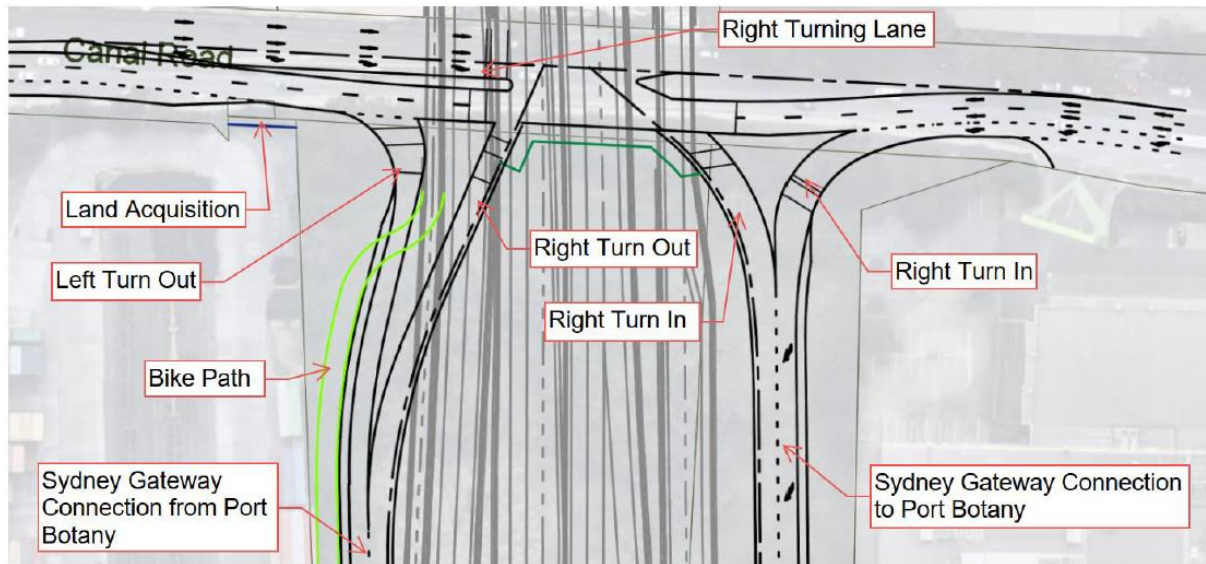


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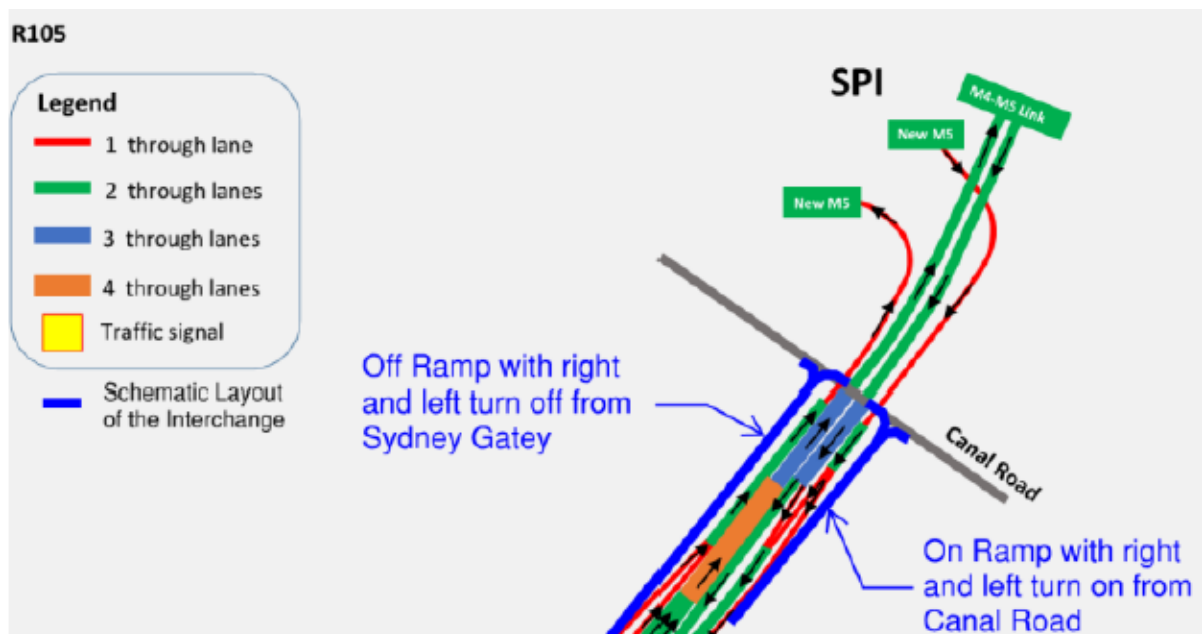
## Appendix A: Potential Design of Sydney Gateway/Canal Road Heavy Vehicle Access Ramps

**Figure 1: Proposed Connection Layout**



Source: Mott MacDonald and Qube Logistics

**Figure 2: Schematic Layout of Proposed Connections**



Source: Provided by RMS and adapted by Mott MacDonald



Figure 3: Residential area of B-Double Route used to access Port Botany from CRIT



Source: Mott MacDonald and Qube Logistics

**Appendix B: Potential Design for Rail Turn Out From CRIT to Port Botany**



Source: Mott MacDonald & Qube Logistics