



The Maritime Union of Australia

Sydney Branch

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22 July 2009

Mr Robert Domm
Chief Executive Officer
Sydney Harbour Foreshore Authority
PO Box N408
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Dear Robert

Re: MUA Submission on the Future of Sydney Harbour Bays Precinct

The NSW Minister for Planning, the Hon. Kristina Keneally, announced on 12 June 2009 a consultation process for deciding the future of the 'Bays Precinct'. This area incorporated White Bay, Glebe Island, Rozelle Bay, Blackwattle Bay and the heritage listed White Bay Power Station.

The Minister also announced specific consultation with industry groups. However, the Maritime Union of Australia (MUA) was not included. This is of great concern for two reasons. Firstly, the Bays Precinct is of great historical importance to our members, many of whom worked in and currently work in this area. Maintaining its maritime heritage is clearly important to the MUA. Secondly, the conversion of this area to non-maritime activities (such as residential or unknown development) effectively ends the role of Sydney Harbour as a working harbour. That the MUA, as the primary maritime labour representative, was not asked to participate in this consultation strongly suggests that the result is largely pre-determined. As we will show, this would be a short-sighted decision with long-term implications for future trade development.

I also urge you to consider the importance of Sydney Harbour to future economic development and the lack of alternatives. The suggestion of alternatives such as Newcastle and Port Kembla are just panaceas. These ports are distant from the primary market of the Sydney metropolitan area. Their harbours have constraint problems and they have poor and inadequate transport linkages to the Sydney area. World trends are to transport containers by rail and the rail system linking Sydney and

both Newcastle and Port Kembla is antiquated. They battle in transporting passengers, they certainly will not facilitate Sydney's commerce.

Furthermore, our shippers don't want to go there either. They want to discharge their cargos at the market as anything else is inefficient and inflationary.

Attachment A contains the MUA submission. It considers the current usage and options, as well as possible future demands for ports to service the Sydney metropolitan area. There are significant economic benefits in retaining Sydney Harbour as a working port, let alone making sure that public ownership of the foreshore is retained to the benefit of all Australians and not simply over-run by residential developments.

I strongly recommend that you realise the importance of the Bays Precinct to our members and consider their views. I look forward to taking a full part in the consultation process and discussing this submission in person.

Yours sincerely

Warren Smith

A handwritten signature in black ink that reads "Warren Smith". The signature is written in a cursive, slightly slanted style.

Branch Secretary
Maritime Union of Australia
Sydney Branch

Cc: Community stakeholders

Attachment A

The Future of Sydney Harbour Bays Precinct

Keeping the Harbour Wharves as Working Ports

**A Submission to the Sydney Harbour Foreshore Authority by
the Sydney Branch of the Maritime Union of Australia**

1 Maintaining Sydney Harbour wharves and surrounding areas in public ownership

- 1.1 Retaining public ownership of the Bays Precinct wharves and surrounding land is a fundamental position of the Maritime Union of Australia (MUA). We believe that retention of such vital and unique State and national infrastructure should be retained in public ownership to ensure that the Commonwealth and State Government, working under a COAG process, have the best chance of ensuring that critical national infrastructure is best used in the national interest.
- 1.2 Retention of Sydney Harbour wharf infrastructure in the Bays precinct has now a heightened importance given the Rudd Government's announcement of a National Ports Strategy on 21 May 2009. The Rudd Government announcement creates a new emphasis on a national planning and coordination approach to maritime infrastructure in general and port planning in particular. Rather than Sydney divesting itself of its working wharves, there appears to be now a real opportunity to develop an integrated national freight transport plan which includes the development of sea ports, in the context of the entire supply chain planning. Two bodies, Infrastructure Australia and the National Transport Commission, are to jointly consider the incorporation of port planning and funding as part of the National Ports Strategy.
- 1.3 Even before the Prime Minister's recent announcement on a National Ports Strategy, in February 2008, Australian Transport Council (ATC) Ministers agreed to begin an ambitious program of national transport reform to address significant national challenges across all transport modes addressing climate change, safety, efficiency, congestion, and the skills crisis. A National Transport Planning (NTP) Framework was developed to ensure future developments adhere to this framework. On 20 May 2009 the Hon Joe Tripodi, NSW Ports Minister, recommended that State and Territory Ministers responsible for ports meet as part of the ATC process to consider port infrastructure, investment, funding and developing institutional arrangements to ensure that strategic port matters are afforded a high priority at a national level.
- 1.4 Therefore, consistent with the NTP Framework, sea ports and sea transport are now being properly considered as part of a whole of supply chain approach to freight and passenger transport planning and infrastructure spending, rather than the silo or modal approach of the past. Equally, any re-development of existing or potential maritime assets should not be taken in isolation, but must be viewed as part of this innovative and comprehensive strategy that addresses all aspects of port development for Australia's future needs. Any re-development of a major maritime infrastructure such as the Bays Precinct must reflect the framework.
- 1.5 Accordingly, the MUA suggests that the future of the Bays Precinct is not only the responsibility of the State Government and the Sydney Harbour Foreshore Authority (SHFA), but that the decision should be referred to the Australian Transport Council and ultimately to COAG and for consideration under the NTP Framework.

- 1.6 It is self evident that the potential sale and conversion of any part of the Bays Precinct to non-maritime commercial or residential development will lead to the loss of control over major public infrastructure, and remove forever the option that these valuable national assets be used to support the State's and the national economic functioning through trade, tourism and the maritime cluster. Any change in usage to non maritime development would remove forever the option of future maritime and port related investment decisions for the development of maritime infrastructure for Sydney.
- 1.7 However, any consideration on the future use of Sydney Harbour also requires the involvement of Infrastructure Australia (IA). Its role is to develop a strategic blueprint for our nation's future infrastructure needs and - in partnership with the States, Territories, local government and the private sector - facilitate its implementation.
- 1.8 IA will provide advice to Australian governments about infrastructure gaps and bottlenecks that hinder economic growth and prosperity. It will also identify investment priorities and policy and regulatory reforms that will be necessary to enable timely and coordinated delivery of national infrastructure investment. In IA's role of guiding and funding infrastructure development, the MUA suggests that any decision on the future of the Bays Precinct requires input from an IA perspective on the development of maritime infrastructure.
- 1.9 The estimated cost of the Port Botany expansion project has already exceeded one billion dollars. This is a very major investment by a State Government but we ask, how much greater will future developments cost if suitable public land verging on deep water access is simply not available? In other words, we need to be viewing the Bays Precinct as not just a scarce public resource that has potential immediate commercial benefit, but as a scarce public resource that should be held in trust for future need. Forgoing the opportunity cost now will have long term economic consequences for the State and the nation.
- 1.10 If as a result of the Commonwealth and State processes that we say should form part of the decision making on the future of the Bays Precinct there is surplus waterfront land that does not require retention for maritime purposes, it is the submission of the MUA that that such surplus wharf space should be retained in public ownership and made available to the public through conversion to parkland or other public access purposes. Public support for the future conversion of this parkland to maritime use can be achieved if it is done as part of a clearly explained and coherent ports strategy.

2 Retention of current usage

- 2.1 The Bay Precinct is currently a major, if underutilised, component of Australia's national maritime infrastructure. Any consideration of its future must take into consideration its place, both existing and potential, in the national and regional economy. The Bays Precinct still has the potential to play a major role in

Australia's domestic and international trade by building on its existing facilities and usages.

- 2.2 The wharves at White Bay and Glebe Island are still operable. They continue to play a significant commercial and trade related role within Sydney and more broadly NSW. This is despite the decision to remove bulk and general cargo and container trade from within Port Jackson.

The berths at White Bay and Glebe Island are currently utilised for the following cargo:

- Sugar
- Cement
- Gypsum
- Tallow
- Vegetable Oil
- Lubrizol
- Coconut Oil
- Various break-bulk cargoes

A number of other activities also occur on these wharves which all bolster economic and business activity and provide employment opportunities:

- Maritime repairs
- Vessel lay-ups
- Cargo storage
- Barge work
- Passengers
- Vessel preparation.

- 2.3 These are all critical commercial services to support wider economic development in the Sydney Basin, and have the potential to be expanded and better integrated into the commercial fabric of Sydney and the State.

3 Port Differentiation

- 3.1 The overwhelming location of non-agricultural commerce and industry in NSW are the adjacent metropolitan areas of Sydney, Newcastle and Wollongong. However, in terms of usage, the three ports that service these metropolitan areas are highly specialised and lack any significant ability to support each other, with the possible exception of Newcastle as an overflow container port.

- 3.2 Port Kembla is primarily a commodity export port surrounded by a steep escarpment that has major cost and technical implications for infrastructure development. A previous inquiry noted numerous problems associated with the rail and road infrastructure when considering Port Kembla as an alternate container port for Sydney¹.
- 3.3 The Port of Newcastle is the largest coal exporting port in the world. In 2004 it was also considered as an alternative to Port Botany, but dismissed at the time for several reasons that include:
- 3.3.1 The volume of commodity exports, primarily coal, severely impacts on the ability of land-side transport to handle non bulk commodity imports or exports. It is difficult to see how the Newcastle supply chain can provide efficient support to the Sydney metropolitan area when it currently appears unable to meet the current needs of Newcastle's port.
 - 3.3.2 The new container wharves under construction will primarily serve the needs of the Hunter Economic Zone with little, if any, spare capacity to service the needs of the Sydney metropolitan area;
 - 3.3.3 The cost of shipping goods from Newcastle to the major commercial areas in Sydney's south-west is uneconomic²; and
 - 3.3.4 As coal exports expand Newcastle is reaching a finite limit on capacity for the number of ship transits into the port.
- 3.4 As a result of the inability of either Port Kembla or the Port of Newcastle to provide additional capacity to service the Sydney metropolitan area, Sydney must rely on Port Botany and Port Jackson to meet its needs. Therefore, it is imperative that Sydney maintain sufficient spare capacity in the Bays Precinct to meet its medium to long term requirements.

4 Port Botany

- 4.1 Port Botany was developed as Sydney's new container terminal after an extensive inquiry into the city's port requirements. Its original design was for a capacity of 3.2 million TEU transits per annum but, with the short-sighted closure of the remaining Port Jackson working wharves between 2004 - 2008, Sydney now has no dedicated bulk and general wharf area. Much of the break bulk cargo initially moved across Port Jackson's wharves is now moved through Port Kembla, which has added significant costs to freight movements considering that 80% of the State's break bulk cargo previously moved across White Bay and Glebe Island and travelled no longer than 40Kilometers from the waterfront.
- 4.2 In its overview on Port Botany container expansion the Sydney Ports Corporation (SPC) forecasts that Port Botany will reach its capacity of 3.2 million TEUs by

¹ Standing Committee on State Development, *Inquiry into Port Infrastructure in New South Wales*, June 2005, pp 67 - 71

² In 2004, the additional cost per twenty-foot equivalent unit containers was a minimum of \$160.00. Standing Committee on State Development, *loc.cit.*, p. 47

around 2020. This is a conservative forecast even allowing for the impact of the Global Economic Crisis (GEC). The SPC forecast was based on a high growth range of 6%, yet from 2001 to 2008 the compound annual growth rate was 8.7%. This is well above the SPC forecast. Even with the GEC, TEU trade through Port Botany grew in 2008-09 by 2.0%. It is clear that Port Botany's capacity will be reached in a relatively short period of time.

- 4.3 Theoretically, 3.2 million TEU movements is not the upper limit as technological and organisation improvements can increase capacity. However, there are restrictions on the land based infrastructure that services the port. The NSW Government has set a target for rail to handle 40 per cent of all TEUs to and from Port Botany. This is a finite limit based on a significant investment that will lead to an improved capacity of 1.2 million TEUs³. Any increase over that amount must be met by road transport. In 2020, based on the conservative growth forecasts, that will result in an approximate increase of 160,000 TEUs every year that will have to join existing road users. By 2030, additional TEUs that would flow onto the Botany road network each year would theoretically approach two million. Practically, however, as noted by the Independent Expert Panel Report on Port Botany Expansion Stage 2, "...the capacity of the port is likely to be limited by the port's supporting road and rail infrastructure. The importance of planning and development of this can not be overstated." Of course, what can also not be over-stated is the limitation to planning caused by the dense residential populations that completely surround Port Botany, further restricting development to existing road and rail links.
- 4.4 With Port Botany reaching its full capacity in the timeframes indicated there becomes a huge problem for Sydney if it has exhausted all of its cargo movement capacity through the closure of the perfectly functional world class common user berths at White Bay and Glebe Island.
- 4.5 The long term forecasts for Australian stevedoring are of strong growth. The Meyrick and Associates/GHD/Booz Allen Hamilton report to the Australian Maritime Group (which reports to the Australian Transport Council) entitled "International and Domestic Shipping and Ports Study" of May 2007 predicted that Australian international container trade will almost triple its 2005 level of 4.3 million TEUs to almost 12 million TEUs in 2020, with the bulk of this trade through Sydney, Melbourne and Brisbane.
- 4.6 Australia is a nation in Infrastructure Partnerships Australia's report titled 'Meeting the 2050 Freight Strategy' it was forecast that domestic freight transport will triple by 2050. Even without government intervention, it estimates that road freight dominance will peak in 2020 with initially coastal shipping, then later rail freight, experiencing renewed market share growth to road freight's detriment. There is a high environmental cost to this uncontrolled growth with emissions forecast to exceed the national target by over two-thirds. Environmental policies will almost certainly have to address this growth.

³ *Ibid*, p. 57

- 4.7 However, there isn't just an environmental cost. The report notes that a one per cent increase in supply chain efficiency will save Australia around \$1.5 Billion in associated costs. In order to ensure efficiencies are attained the report made several recommendations pertinent to the future of the Bays Precinct, including:
- 4.7.1 A need for truly integrated long-term (fifty year) planning across transport modes to focus on efficient end-to-end movements in a freight supply chain;
 - 4.7.2 More effective co-ordination between jurisdictions and industry bodies; and
 - 4.7.3 Addressing competition for infrastructure between international and domestic freight.
- 4.8 which trade continues to be an increasing proportion of GDP. The NSW economy, especially Sydney, does not want to pay an excessive and permanent penalty following a temporary economic windfall that would result from a poorly planned redevelopment of the Bays Precinct.
- 4.9 Without the Bays Precinct, there is simply no alternative to Port Botany until, in barely ten years time, the pressure of volume will inevitably lead to inefficiencies in cargo handling, extreme pressure on the capacity of its land-side infrastructure and increasing costs to importers and exporters.

5 Coastal Shipping

- 5.1 In 2008 the Federal Parliament's House Standing Committee on Infrastructure, Transport, Regional Development and Local Government issued a report entitled 'Rebuilding Australia's Coastal Shipping Industry'. A strong focus of the report was the need to increase the share of domestic transport undertaken by coastal shipping. The Recommendation arose, in part, because of the considerably lower environmental cost of moving goods by sea, but also because it makes sound economic sense. The Rudd Government is currently considering its response to the Report's Recommendations. Public statements by the Minister for Infrastructure, Transport, Regional Development and Local Government, the Hon Anthony Albanese suggest the Government is committed to the revitalisation of Australian coastal shipping and is very likely to will provide fiscal, regulatory and policy support for the expansion of domestic shipping. The Rudd Government is also providing financial assistance to the State governments for port infrastructure development.
- 5.2 It is for this reason that the MUA supports a competitive, efficient and productive ports sector and port configuration which is capable of supporting all freight types and all freight transport modes and which contributes to a fair freight transportation market place in which there is genuine choice of modes in the coastal freight corridors. However, to achieve such an outcome, port planning, port development and the regulatory/competition policy framework for ports must be responsive to the differing requirements of both international shipping and

domestic shipping and the obligation to support national policy objectives to revitalise and grow domestic shipping.

5.3 We submit therefore, that it is the responsibility of the NSW government to ensure facilities are available to adequately cater for this increased coastal shipping trade, of which the majority is likely to occur in non container formats. We believe there are many decisions that the NSW Government could take to support the expansion of coastal shipping, but the most important is to ensure there is sufficient dedicated wharf space available for economic coastal shipping operations. Other supportive measures could include:

5.3.1 Legislating to remove long haul oversized cargo from road transportation. Instead, such cargo should be moved by rail or ship. The handling of over-sized cargo obviously requires dedicated wharf facilities;

5.3.2 Provision of port upgrades to accommodate Roll on – Roll off (Ro-Ro) vessels and their wharfage requirements. Break-bulk and cargo carried by Ro-Ro vessels can require under-cover storage facilities at the wharf, which has little place in the operations of modern container ports.

5.4 Ideally, a rail line should be available for the cargo from the wharves to the nearest modal point. It is clear that the Port Botany rail services are, already, fully utilised and are not readily available for non-containerised cargo. The Bays Precincts already has an existing and under-utilised heavy rail link. The existing capacity of this rail link is under-utilised due to the progressive closure of much of the maritime infrastructure over the preceding decades. In fact, the closure of the White Bay wharves resulted in the Sydney basin losing 25 – 30% of Sydney's rail capacity supporting maritime trade⁴. It is enlightening that, in its 2004 submission on the Port Botany expansion, P&O Ports recommended non-maritime redevelopment of the Bays Precinct because it posed an economic threat to their move to Port Botany⁵. The MUA strongly recommends its retention, not to directly compete with Port Botany, but to be retained for complementary development as Port Botany reaches the capacity limits of its supply chain and for the utilisation of cargo types other than containers with which Port Botany is largely limited to.

6 Specialised industry vessels

6.1 There has been very little oil and gas exploration off the NSW coast to date despite the Sydney metropolitan area being one of the major users of LNG and petroleum products. In June 2008 a joint venture between MEC Resources and Bounty Oil and Gas announced they were exploring an area off the coast just north of Sydney. A preliminary survey estimates undersea reserves of up to 1 billion barrels of oil and enough gas to meet Sydney's needs for a decade. Several years development will be required to exploit this or similar fields. All would require dedicated port facilities for the support and exploration vessels required to create and maintain the required marine infrastructure. The Bays

⁴ Standing Committee on State Development, *loc.cit.*, p. 32

⁵ *Ibid.*, p. 43

Precinct is clearly the most suitable site for the land-based infrastructure required by these types of vessels associated with oil and gas exploration, construction and production, should such an industry emerge off the NSW coast. If diverted to Newcastle they would clearly be in competition with existing port users to the detriment of all, with similar concerns for Port Kembla plus the imposition of additional transit time.

- 6.2 This infrastructure only relates to the needs of the support and exploration vessels. Pipelines and processing plants would be sited elsewhere but would still require a separate maritime structure that would support the maintenance vessels.

7 **Passenger services**

- 7.1 White Bay is already designated as the site of a temporary cruise terminal. Although, due to size, the largest cruise ships can not go under the Sydney Harbour Bridge, there is still in excess of one ship a week that will use this facility. Each ship requires several hundred passengers to be moved in a very short space of time. Most passengers, especially if they are on a continuing voyage, will want to access other transport nodes such as Circular Quay, the city centre or the major beaches. This currently requires transiting the city centre by car, an event to be avoided for both visitors and the over-burdened inner-city road network.
- 7.2 In terms of transport it is our contention that the existing rail network could be jointly utilised for light rail purposes in transporting passengers to and from passenger vessels berthing at White Bay No.5. A further solution to any potential transportation issues that may be raised, particularly by residents, with the onset of passenger services to White Bay, would be the introduction of a shuttle ferry service. The new Hungry Mile development is projected to include a ferry hub and this shuttle would be a relatively easy solution that would link passengers with the city's public transportation networks from this newly developed area.
- 7.3 The Maritime Union of Australia supports the proposal for a passenger terminal at No.5 White Bay.

8 **Economic Benefits**

- 8.1 In the short term, retaining the Bays Precinct as working wharves would provide specific economic benefits for the immediate area. These include maritime infrastructure for the vessels such as:
 - 8.1.1 bunkering (refuelling facilities);
 - 8.1.2 minor repair facilities and workshops; and
 - 8.1.3 freight agents.

8.2 In terms of the entire NSW economy, the economic benefits are considerable, including:

8.2.1 A reduced social impact through the use of local rail infrastructure to transport goods that would otherwise have to be transferred from other ports by road;

8.2.2 Dedicated wharves to encourage domestic shipping which would also reduce the amount of goods transported by heavy vehicles;

8.2.3 Savings in transport charges rather than shipping them overland from Newcastle or Port Kembla

9 Environmental Benefits

9.1 There are numerous environmental benefits from retaining the Bays Precinct as working wharves. Firstly, goods moved by rail produce less than a third of the emissions produced by heavy trucks⁶. The existing railway provides an environmentally friendly means of transport from the harbour to an intermodal logistics centre such as the proposed development by Sydney Ports at Enfield. Secondly, the retention of the working wharves will, with the support of the Rudd Government, encourage the revitalisation of the domestic shipping industry. Of the three major domestic transport modes, shipping is the most environmentally efficient method. Increasing the percentage of domestic trade carried by sea directly reduces the amount of emissions and green house gases produced by our transport networks. However, without working wharves, Sydney would not be in a position to support the extension of domestic trade.

9.2 Multiple wharfage locations also spreads the social cost of port usage. Lacking maritime facilities in the Bays Precinct would force all maritime imports and exports through the suburbs surrounding the Botany Bay wharves. Congestion is inevitable and would severely impact on the quality of life of the residents, while the inefficiencies associated with congestion would result in greater fuel consumption and emissions for each tonne of cargo carried by road to Port Botany.

9.3 It would be to this State government's permanent shame if this area of Sydney becomes just another commercial and residential development in order to gain a windfall profit to developers and government. At the very least, retaining the Bays Precinct as open land leaves Sydney for future alternatives that are simply not possible if it is developed as a mixed residential / commercial precinct. Showing enormous foresight for a local planning body, the Leichhardt Council submitted in 2004:

“...the uses of the sites should retain the potential for future maritime activities in accordance with working harbour principles. Those uses should

⁶ Andrew Macintosh, *Climate Change and Australian Coastal Shipping*, Australia Institute, October 2007
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also provide genuine public foreshore access. There is a need to move away from the concept that a 10 metre strip of land constitutes meaningful public access; and that short-term decisions and decisions on these lands should not alienate the use or the purposes for maritime uses or associated uses.”⁷

10 Benefits to Tourism

- 10.1 Retention of the Bays Precinct as working wharves benefits tourism through the provision of a multi-modal facility. It will directly provide bunkering services and landing facilities for cruise ships of various sizes. It can also act as a ferry point for tourists transiting Sydney for the northern and eastern beaches, along with access to harbour tours.
- 10.2 Minimalised redevelopment of the White Bay section of the Bays Precinct with a focus on maritime tourism surrounded by parkland will provide an attractive entry point for visitors to Sydney which will enable them to participate in day activities focussed on Sydney harbour. Of course, minimal development will also leave the Bays Precinct available for future maritime infrastructure development.

11 Creation of a maritime cluster

- 11.1 A maritime cluster refers to the whole range of land based facilities that supports the vessels using the harbour. Depending on its size, it could include shipping and crewing agents, freight agents and specialised insurance agents. Maritime clusters generally consist of small to medium enterprises (SME) and develop in response to the shipping needs of the port. As a major international port, a working Sydney Harbour enables the SME sector to grow and to offer its know-how and products to the global operating environment.
- 11.2 The enterprises in the maritime cluster are attractive employers and, together with universities, research institutions and public sector actors, they create and further develop innovative products, processes, services and types of operation.
- 11.3 As the potential for oil and gas exploration off the NSW coast increases, the range and value of SMEs employed in this sector will also provide substantial economic benefit.

⁷ *Ibid.*, p. 43

11.4 Increased emphasis on harbour tourism and cruise vessels will also require local commercial support in the form of shop front and office requirements.

12 Conclusion

12.1 The future of the Bays Precinct should not be made purely on local issues independent of wider considerations. The MUA recommends that the future of the Bays Precinct requires consideration by COAG, the ATC and IA under their national development plans and framework.

12.2 For the reasons contained within this submission, the MUA supports the general principle of maintaining Port Jackson as a working harbour. For the working harbour to be maintained in a realistic and functional manner the following functions could be allocated to the berths in the area.

- Maintenance of White Bay as working berths
- No.5 White Bay to become the new passenger terminal
- We are uncertain of the wisdom or benefit of the Bunkering facility at No.6 White Bay and believe that area may be better served as a ferry wharf to assist with passenger related activities at No.5 White Bay.
- No. 3 and No. 4 White Bay to be maintained as working common user berths to service vessels in a range of maritime activities not excluding potential future stevedoring operations.
- No. 1 and No. 2 White Bay we believe could be utilised for the creation of parkland and residential and community access
- Glebe Island No. 1 and No. 2 should be maintained for future stevedoring, lay-up, maintenance and other maritime activity
- Glebe Island No.7 and No.8 should continue to be utilised for dry bulk cargoes as current practice.
- We support the ongoing utilisation of Blackwattle Bay for the Hanson cement works and berthing of the vessel *Claudia*.
- While supporting ongoing maritime activity in Rozelle and Blackwattle Bay we strongly support the current community utilisation of those areas with respect particularly to the various rowing clubs in area to the south of the Anzac Bridge.

12.3 It is a mistake to look at the future of the Bays Precinct separate to that of the economic future for Sydney and NSW. Working wharves are essential to the state's commercial prosperity and their importance was acknowledged in 2004. Nothing has changed since. The lack of wharves, or the lack of ability to develop wharves, will inevitably cap the volume of imports and exports through Sydney and therefore become an economic inhibitor. Unlike England, there is no channel tunnel providing direct land links to our regional neighbours. The only other option is air freight which is both expensive and environmentally the least efficient. Therefore, it is imperative for the continuing economic development of Sydney and NSW that, at a minimum, the maritime infrastructure in the Bays Precinct be maintained and that any surplus capacity becomes parkland for the use of all residents. It should also be clearly explained that the retained land is designated for the future development of maritime infrastructure, as required.