

# ENVIRONMENTALLY SPEAKING

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## SYDNEY PORTS CORPORATION AND THE MEANING OF COMPETITION

A site for the 5<sup>th</sup> berth in the Port Botany Expansion has been found (The Southern Courier 27/6/06). The location – one of three examined – was recommended by independent experts Ron Finlay and Robert Gillespie. Of the three options this one has the greatest negative impact on the ecology of Penrhyn Estuary and public amenity. However it is the cheapest, it is preferred by Sydney Ports Corporation (SPC), **and it presents the best opportunity for a 3<sup>rd</sup> Stevedore.**



In forming their recommendation Messrs Finlay and Gillespie considered 44 documents including many that were presented at the Commission of Inquiry. Documents from community groups opposing the expansion were not included even though these included scientific reports on air, noise and water pollution impacts.

Laurie Brereton's Railing Port Botany's Containers Report (Document 42) is listed as "Proposals to Ease Pressure on Sydney's Roads". The studies show (including those of SPC) that there will be at least a doubling of semi trailer movements even if the 40% take up by rail is achieved. The rail impacts of noise and air pollution are ignored.

Document 44 is a letter that the former treasurer sent to the Commission of Inquiry on 18 October 2004. It was a late submission of support for SPC and included two key messages. The first of these was to 'advise' the Commissioner that a solution for meeting the growth in container freight was to be found **only** in Botany Bay and not in Port Kembla or Newcastle. The second message goes as follows: *The Government supports a terminal design at Port Botany that facilitates the entry of a new stevedore and/or an increase in the level of competition between existing market participants. In this regard the Government is mindful that stevedoring lease arrangement may vary considerably over the next decades. Indeed, the level*

*of growth forecast will provide significant opportunities, and incentives . for new entrants. A new entrant at the same location as its competitors may be more viable than a start up at a regional port, **particularly in the short term.** For example, a new entrant at Port Botany could directly pitch for existing Sydney based customers with local logistic infrastructure (transport, warehousing and distribution). I trust this information assists. Yours sincerely, Michael Egan Treasurer.*

**In May 2005 Commissioner Cleland rejected the SPC development** and recommended a small development at the Port. His preferred option preserved a greater part of the ecology of Penrhyn Estuary and the public amenity. It is only hypothetical, but had he been allowed to consider Newcastle his recommendation might well have been for no development at Port Botany. The Cleland report was submitted to the then Minister for Planning, Craig Knowles. After Knowles' resignation and departure from politics it was passed to the new Planning Minister, Frank Sartor. On October 13, 2005, Minister Sartor released the Cleland Report, his Determination of the Development, and the Laurie Brereton Railing Port Botany Containers Report. The Premier announced the Port Development as per the recommendation of the Department of Planning and not the Commission of Inquiry. On page 8 of Minister Sartor's determination is a section on Competition and reference is made to Treasurer Egan's letter of 18 October 2004: *The Treasurer stated that the government supports a terminal design at Port Botany that facilitates the entry of a new stevedore and/or increases the level of competition between existing market participants. Notwithstanding the Treasurer's advice, the Commissioner found that he was not satisfied that SPC had provided sufficient evidence to support its claims that a third stevedore would commence operations at the port in the short to medium term. The rebuke continues: **the Department's conclusion is that the Commissioner's recommendation is fundamentally inconsistent with Government policy regarding competition as well as potentially facilitating a monopolistic situation.***

Document 41 of the Finlay and Gillespie report is a Fax from Hutchison Port Holdings Limited (HPH) to Colin Rudd dated 12 October 2004. Colin Rudd is the Project Manager for the Port Expansion and the fax was dated 6 days prior to the Michael Egan letter (18 October 2004). HPH according to their web site ([www.hph.hk](http://www.hph.hk)) operate 247 berths in 42 ports along with a number of transportation related service companies.

In 2005, the HPH Group handled 51.8 million TEU. HPH is a subsidiary of Hutchinson Whampoa Ltd(HWL) one of the Fortune Global 500 companies.



The ultimate shareholder is Cheung Kong Holdings. This group operates in 54 countries with around 220,000 employees and Mr Li Ka-Shing (pictured left) is the Chairman. ([www.ckh.com.hk](http://www.ckh.com.hk))

**The China-Australia Free Trade Agreement** was raised in the Senate 20/6/2006: Senator Hogg asked **Hasn't China stated an interest in opening up the use of**

**Chinese stevedores on Australian wharves to load and unload Chinese goods..** Senator Coonan replied: *China has not made a request for access for unskilled labour to Australia. However, that is not to say that both China and Australia are not free to raise any issue of interest to them in the negotiations.*

Well may we ask what sort of competition does Sydney Ports and NSW Treasury have planned in the longer term.

**NSW Treasury and the Federal Government saw eye to eye on the sale of Snowy Hydro. What other 'synergies' are they developing.**

#### **MEDIA WATCHING**

The Sydney Morning Herald has done it again. On 28.6.06 it ran the Port Botany story on page 7 (ironically above an advertisement for the Brisbane River Tunnel) and on page 3 put an article on the Deputy Principal of the Conservatorium High School learning to text message. The following day 2 letters were published in response to the text messaging article and none on Port Botany. This was one of the letters the Herald chose not to publish:

*The State Government's Commission of Inquiry report into the Port Botany Expansion clearly stated that Port Botany could not be expanded like Ports Melbourne and Brisbane because of environmental impacts and Sydney Airport. The Commission, which was not permitted to look beyond Botany Bay for port development, recommended a small expansion. **The Government overruled its own Commission.** It is not only Botany Bay and communities in Southern Sydney that will suffer as collateral damage but also the State's economy. In the longer term we won't be competitive. Brisbane, in particular will become more attractive to NSW exporters as Sydney grinds to a congested halt. The Hunter is set up with port land ready to be developed and a massive industrial-warehouse complex. But there are too many powerful interests committed to development in Sydney for the Government to allow commonsense and sound long-term planning principles to prevail.*

The Fairfax owned Newcastle Herald has published a few articles on the Newcastle Port terminal but SURPRISINGLY the Sydney Morning Herald has not bothered to include the Newcastle response when reporting on the Port in Sydney. The Government's media machines are experts at containing and quarantining statewide issues.

#### **PRINCE HENRY DEVELOPMENTS**

***It is through your input that we can ensure this development is something of which we can all be proud.*** (Mr Bob Carr in correspondence to his constituents in the Maroubra electorate , July 2001)



The Prince Henry Plan, Mr Carr said, included **retaining remnant bushland.** The remnant bushland at Prince Henry includes 33 characteristic Eastern Suburbs Banksia Scrub(ESBS) species and according to the 2001 Landcom *Vision for a New Village* handout **5ha of remnant bushland would remain.** ESBS is listed as an Endangered Plant Community under NSW and Federal legislation. The most significant stand of remnant bushland at Prince Henry fronted Jennifer Street. A section of that bush has recently been cleared for yet another access road.

Yet again we find commitments, and legislation which is designed to protect the current and future public amenity, count for nothing.

#### **WHEN THE PRICE IS RIGHT \$zero**



*Helicopter Base-Truck on roadway from Cape Banks construction site.*

Cape Banks is located at the end of a narrow, dangerous road(as per the Botany Bay National Park Plan of Management) with road humps and 40km restrictions. The road winds through Botany Bay National Park and provides access for visitors – by car,

bicycle, and foot – who come for whalewatching, birdwatching, military heritage, fishing, beachcombing and other passive pursuits. The site is rugged and notably wind blown. Yet 1.38 ha of Cape Banks is now the new and much larger home for the SLSA Helicopter Service, formerly located at Prince Henry. This new home will include a second storey boardroom, a reception area and storage for 20,000 litres of fuel. Regular deliveries of such fuel will be made by trucks using the road through the National Park.

In March 2004 the NSW Health Department and the Ambulance Service of NSW commissioned international consultants (Operational Research in Health Ltd) to report on helicopter emergency services in NSW. In December 2004 the Review of Rotary Wing Services NSW final report was presented. Under section 3.2.5 the authors state:

*The Sydney SLSA and CareFlight helicopters and teams also have high utilisation and mission hour productivity rates. The current locations work well in relation not only to response coverage, but in terms of linking with the road and Fixed Wing retrieval systems.*

***The planned move of the Sydney SLSA base from Mascot to the coast (Cape Banks) may cause some logistical difficulties in the latter regard.***

The story of the new Helicopter Base begins in the 1980s when Cape Banks was incorporated into Botany Bay National Park and 1.38ha of the National Park was marked out (in person) by the then local member Mr Bob Carr to be leased to the Scouts for use by scouting groups located in Sydney's South East.

Thousands of volunteer hours and dollars were contributed by parents, scouting and other volunteers in building the amenities block which is located within the 1.38 ha site.



Scouts Amenities Block

**April 2002:** After an extensive site selection programme the Airplan Team confirmed that a site at Port Botany had been found for the SLSA Helicopter Service formerly located at Prince Henry. Landcom informed the local community at a meeting of the La Perouse Precinct Committee.

**July 2003:** Scouts requested a 5 year lease on site but could not be issued until NPWS finalized BBNP Plan of Management. Subsequent to the finalisation of the BBNP Plan of Management Scouts advised that licence would not be extended. NPWS have said that the Scouts Association have not used the site in recent

years. Accordingly the Scouts Association has no legal claim on the site. (page 54 Landcom's Review of Environmental Factors of the site) Note that there are records of Scouts using the site during the stated period, including a photograph which appeared in the Southern Courier. The BBNP Plan of Management was finalized in 2002.

**17 March 2004:** Legislation to excise 1.38ha (the area leased to Scouts) of Botany Bay National Park passed through the NSW Legislative Assembly.

**4 May 2004:** Legislation to excise 1.38ha of Botany Bay National Park passed through NSW Legislative Council.

**4 April 2005:** Close of exhibition of Review of Environmental Factors (REF) for Cape Banks development. eagles, falcons, kites and hawks which provide biological control of rabbits are now considered a birdstrike problem. Military Heritage is listed as highly significant but there are no plans for remediation. There is no compensation for Scouts. There is no compensation for the loss of National Park.

**13 June 2006:** Notice of Intention to Lease Crown Land of 1.38 ha within Botany Bay National Park to Southern Region SLSA Helicopter Service for 20 years appears on page 102 Southern Courier 13/6/06. Lease is effective from 27 June 2006.

**12 July 2006:** Tenders close for Health contracts for Helicopter Emergency Services. There is 1 contract for the Sydney Basin and 1 contract for the Illawarra.

*Helicopter Base under construction at Cape Banks:*



The process raises a number of questions but the most obvious concern the integrity and efficiency of delivery of emergency service:

1. Given that the NSW Health Department and Ambulance Service of NSW had commissioned a Review of Emergency Helicopter Services on March 9, 2004, why would special legislation be put through the Lower House on March 17, 2004 and the Upper House on May 4, 2004, to specifically excise part of Botany Bay National Park for a helicopter base. Why didn't the authorities wait for the recommendations of the Review.
2. Given that the Review of Rotary Wing Services NSW final report was available in December 2004, and given the recommendations of that

report, why was there no subsequent review of the decision to locate to Cape Banks.

3. Why would the Department of Lands issue a 20 year lease to the SLSA commencing 27 June, 2006 when tenders for provision of helicopter emergency services with the NSW Health Department and Ambulance Service close 12 July, 2006. The Health contacts are for 7 years with an extension of 3 years. The contracts are for 1 operator for the Sydney Basin and 1 for the Illawarra. CareFlight operates from Westmead hospital. The Illawarra base is located in Wollongong. \$8.8 million (the price quoted in the Southern Courier 28/3/06 for the Cape Banks facility) can buy a lot of flying time. The Wollongong base has been operating 10 hour days even though communities in Southern NSW need a 24 hour service. The Wollongong Base can provide coverage for South Eastern Sydney. Newcastle, at a greater distance than Wollongong, often services Sydney's north shore and northern beaches. Careflight also services South-Eastern Sydney.

For details on the Illawarra situation see [www.guardian.org.au](http://www.guardian.org.au) and follow the link for Media Centre.

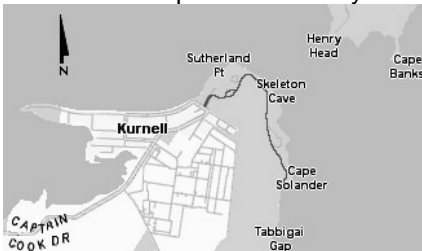
The NSW Helicopter Emergency Services and the current Health Department and Ambulance Service tenders have also been a topic of discussion on the Pprune forum for helicopter pilots. The forum link is at <http://www.pprune.org/forums/showthread.php?t=226527> One participant on 22/6/06 commented:

*Political Manipulation has for years been the thorn in the side of moving the EMS helicopter system of NSW into the future.*



Falco berigora (Brown Falcon) – can be seen at Cape Banks

**WHALE-WATCHING – CAPE BANKS IS A GREAT SPOT.** It doesn't have a whale-watching platform like Cape Solander but it is arguably a better vantage point as watchers at Banks can see the whales and dolphins when they enter Botany Bay.



## BI-CENTENNIAL PARK YARRA BAY

In the mid 80s the Federal Government provided funding for the creation of the Bi-Centennial Park. This was to celebrate the 200<sup>th</sup> anniversary of Captain Phillip's first landing in Australia at Yarra Bay on January 18, 1788. Only a section of the project was completed. From July to September this year Randwick Council propose to complete a further section of the project. Details of this are at: <http://www.randwick.nsw.gov.au/default.php?id=555>

Some issues to note:

- o Vehicle access from Military Road will be blocked even though access and parking at this point would provide relief for residents of Phillip Bay whose roads and footpaths are congested with cars during summer.
- o There is no detail regarding the provision of amenities such as BBQs nor the management of the existing amenities block.
- o The landfill will be capped not removed. This raises questions of leachate, particularly relevant as the EPA already ranks Yarra Bay as one of the unhealthiest beaches in Botany Bay.
- o There is no management plan for Bunnerong Creek/drain and the lagoon on Yarra Beach.

## PROPOSED REDEVELOPMENT OF ORICA'S SOUTHLANDS

Re-development of Orica's Southlands site could yield 50,000-60,000 sq.metres of warehouse space and generate hundreds of additional truck movements a day. As part of any re-development it is likely that a new road will be built to connect the site to Foreshore Road (on the Botany Road section).

## SEAGRASS MONITORING BOTANY BAY

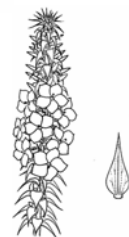
Next session July 22. Anyone interested in participating can contact me through the Kooloora Community Centre.

## BOTANICAL BITES IN BOTANY BAY NATIONAL PARK

Take a short walk from Happy Valley Bridge to Congwong Bay and enjoy the intoxicating Acacia suaveolens (Sweet Wattle)



and Woollisia pungens which are in flower over winter.



Lynda Newnam July 2006