

CURRENT

An Update from Sydney Ports Corporation

August 2006

Facilitating Trade

End of year trade results – record exports and record container trade

A new all time high for container trade has been set by the ports of Sydney, with 1.445m teus# traded through the ports during the 2005/06 financial year.

The 2005/06 container trade of 1.445m teus was a 5.0 per cent increase on the previous financial year and shows an average annual growth of 7.6 per cent over three years. Total trade in mass tonnes was 25.9# million mass tonnes.

Traditionally Sydney has a reputation for being a port dominated by imports and during 2005/06 full container imports increased by 4.8 per cent to 720,500 teus.

The highlight for this year is a new record for full export containers with 345,000 teus exported, an 8.0 per cent increase over last year.

The increase in imports was mainly through commodities such as textiles, manufactured goods and chemicals.

Container exports picked up this year, especially through a combination of exports of cotton and waste paper to North Asian countries, including China and Hong Kong.

Movement of containers on rail also increased to around 290,000 teus - 21.5 % of total containers and an increase of nearly 2% on last year.

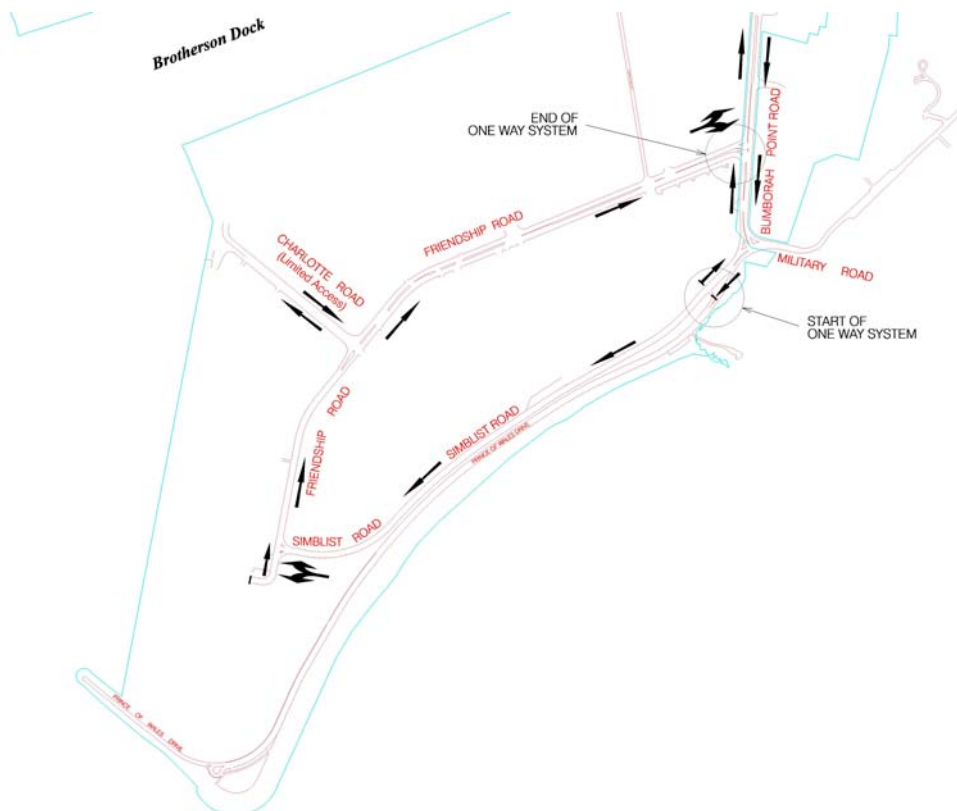
Around 240,000 vehicles were imported this year, setting another record performance above the 235,000 vehicles last year.

In regard to bulk and general cargo imports, salt and machinery have been the top import commodities entering Sydney ports, with 15.5% and 14% increase, respectively, against last year.

#end of year preliminary figures

Complete Trade Statistics for the year available on the website www.sydneyports.com.au

Upgrading existing Roads System at Port Botany



A new one-way traffic system along Simblist and Friendship Roads at the southern end of Port Botany is to be introduced from October 2006.

The details of the proposed changes are:

1. The system will operate one-way in a clockwise manner along Simblist Road (from Prince of Wales Drive to Friendship Road) and Friendship Road (from Simblist Road to Bumborah Point Road).
2. The right hand turn from Bumborah Point Road into Friendship Road will be prohibited.
3. Two-way traffic movement will be retained at Simblist Road (from Military Road to Prince of Wales Drive) and Friendship Road (south of Simblist Road).

Construction of the one-way system will commence in August 2006. Information will be provided to all affected to ensure that there is minimal disruption to operations during construction and conversion to the new arrangement.

Based on detailed traffic studies and discussions with tenants, port users and other stakeholders, Sydney Ports will implement this initiative as it provides a number of efficiency and safety benefits to traffic flow in the area.

Improved traffic circulation and efficiency – the one-way system will facilitate better vehicle flows for roads that have significant truck volumes, with provision of additional lanes and clearly identifiable areas for parking and truck queuing. The change will simplify movements at intersections and entrances to property and improve overall traffic efficiency.

Sydney Ports Transport Workshop

Sydney Ports, together with the Sydney Ports Cargo Facilitation Committee will be holding its fourth annual Transport Workshop on Tuesday 22 August 2006. The purpose of this workshop is to bring together participants in the logistics chain to provide a briefing and updates on a number of port-related issues. The workshop will also provide a forum to discuss and agree on strategies for the efficient handling of container volumes and to plan for the onset of the Christmas 2006 seasonal peak.

Invitations have been extended to representatives of shipping lines, stevedores, customs brokers and freight forwarders, rail operators, customs and quarantine officials, road transport and empty container depot operators.

Managing and developing port facilities

Expansion of Port Botany

Following approval for the expansion in October 2005, significant progress has been made on the delivery of the project.

In June 2006, the Minister for Ports announced the Government's decision, that after careful evaluation of the best procurement method for the expansion, Sydney Ports would fund and manage the development of the terminal substructure to be delivered by a design and construct contract.

The main reason for selecting this delivery mechanism was to retain ownership and control of the entire port under the single entity of Sydney Ports Corporation and to maintain a level playing field for all operators within the port.

During June, the panel investigating the location for the 5th berth of the expansion released its draft report for comment. Sydney Ports' Environmental Impact Statement concluded that in the interest of efficiency, value for money, optimisation of space and for the minimisation of environmental impacts, all five berths would be best co-located in one terminal. The independent panel established by the Minister for Planning has recommended that this arrangement provides the preferred location for a 5th berth at the port. A decision on this matter by the Minister for Planning is awaited.

Geotechnical investigations into the expansion area, which commenced in January 2006, are almost complete.

Sydney Ports has appointed leading international port and maritime consulting firm, Maunsell as technical advisor for the project. Maunsell have recent experience on projects such as the Jakarta International Container Terminal in Indonesia, expertise they will bring to this prestigious project. Design development has commenced on the project, including wharf design and designs for a new boat ramp.

A Project Manager and a Community Consultative Committee will be appointed during August.

Intermodal Logistics Centre at Enfield

Sydney Ports is awaiting a decision on the Environmental Assessment by the Minister for Planning, who has recently received the report by the Independent Hearing and Assessment Panel into the project. If approved, preparation work will start on site in 2007.

Glebe Island/White Bay Port

The Independent Cement and Lime (IC&L) proposal to establish a cement import and distribution facility at White Bay is progressing. IC&L have now lodged a Preferred Project Report with the Department of Planning for assessment.

Bailey's Marine's proposal for a Common User Marine Precinct at White Bay, is also progressing with their Environmental Assessment due to be lodged with the Department of Planning later this year.

Alcatel site

Earlier this year, Sydney Ports finalised the purchase of the 5.3-hectare Alcatel site at Port Botany, further progressing the targeted strategic acquisition of land by the Corporation. This followed the acquisition earlier this financial year of the Cooks River Rail Yards and empty container storage depot.

Security update

Issuing of Maritime Security Identification Cards (MSIC) by Sydney Ports, under licence from the Federal Department of Transport and Regional Services, is progressing on schedule. The deadline for the lodgement of applications has been confirmed as 21 August 2006, to enable issue of the cards by the compulsory date of 1 January 2007.

Sydney Ports has now signed up as issuing authority for nearly 4,500 cards – with organisations such as Shell and Caltex amongst the first ones to do so. Nearly 2,000 applications have been lodged.

Organisations such as Flinders Port, Geelong Port, NSW Maritime, Adsteam Marine and Newcastle Port are issuing authorities under contract to Sydney Ports.

All Sydney port-related organisations that need to issue MSIC cards to their employees are urged to contact Sydney Ports prior to the 21 August 2006 lodgement date.

Last sailing of the Spirit III

*Spirit of Tasmania III – Sydney to Devonport
January 2004 – August 2006*

A brief chapter in history will conclude with the sailing of the Sydney to Devonport Spirit of Tasmania III, when the vessel departs Darling Harbour for its final voyage at 2pm on Sunday 27 August, 2006.

The now familiar red and white vessel first sailed from Sydney on Tuesday 13 January 2004, and was forced to end its run when passenger numbers could not keep up with initial expectations and rising fuel costs made the service uneconomic. It visited Sydney over 280 times in this period.

Sydney Ports Corporation is disappointed that the Spirit of Tasmania III will no longer be gracing Sydney's skyline, and we are working together with the owners to ensure a smooth winding up of operations – albeit not with the same enthusiasm with which she was welcomed to the city.

New publication

Stakeholder Satisfaction Report

A report summarising the results of Sydney Ports' sixth stakeholder survey is now available on the website. The survey provided constructive feedback on the Corporation's planning and performance and will assist in guiding the future management and development of Sydney's ports.

Website: [www.sydneyports.com.au/media and publications](http://www.sydneyports.com.au/media_and_publications)