



3 April 2017

Have Your Say
Infrastructure Victoria

Ask for: Kathleen McClusky
Phone: 9932 1000
Our Ref: A2595084

To whom it may concern

Second Container Port Advice – Evidence Base Discussion Paper

Hobsons Bay City Council as a municipality with a direct interface with the Port of Melbourne welcomes the opportunity to contribute to Infrastructure Victoria's advice on the need, timing and location of a second container port in Victoria.

As a coastal municipality we have strong links with the ports and the freight pathways. These can provide both positive and negative impacts for our community, including businesses. It is with this in mind that we provide the following submission.

If you would like to discuss this submission further please contact Kathleen McClusky, Director Strategic Development on 9932 1004 or email kmccclusky@hobsonsbay.vic.gov.au.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Chris Eddy', written over a horizontal line.

Chris Eddy
Chief Executive Officer



Hobsons Bay City Council Submission on the Second Container Port Advice – evidence base discussion paper

Hobsons Bay is situated on the Port Phillip Bay, approximately seven to 20 kilometres south west of Melbourne's Central Business District (CBD).

Council recently provided input into the development of Victoria's future port capacity discussion paper which identified the important role played by Hobsons Bay in the freight and logistics sector. Our Economic Development Strategy 2015-20 indicates that Hobsons Bay has one of the highest levels of worker productivity in the western suburbs. It is imperative for Council, given the strength of the workforce, that we facilitate growth and ensure our local businesses have every opportunity to prosper, including logistics industries as they are heavily reliant upon access to port facilities.

Council, through Hobsons Bay 2030 Community Vision, seeks to achieve growth through innovation, technology, environmental sustainability, access to local jobs, and an accessible and connected community. This guides our submission and overall support for the Bay West port.

In summary the following comments are made:

- there is support for the addition of a second container port for Melbourne based in the west of Melbourne to maintain direct linkages between current freight and logistics industries
- this is reliant on the successful integration into the transport network, particularly, a strong alignment to rail freight, to enhance efficiency and sustainability outcomes
- an emphasis on reducing emissions from transport and sustainable construction practices is essential
- congestion management on the West Gate Freeway, the planned West Gate Tunnel and other connected roads is required to minimise motorists 'rat running' through residential areas
- the amenity, liveability, health and wellbeing of the communities in and around the port and freight routes needs to be paramount when considering a second container port
- there must be consideration of the environmental impacts on RAMSAR wetlands and river systems, along with recreational impacts such as fishing
- there is concern regarding the visual amenity impacts on any extension to the container port at Webb Dock for residents in Hobsons Bay and Port Phillip



Discussion

The western region of Melbourne has an employment base of approximately 200,000 employees. Manufacturing, transport/postal/warehousing, retail and community services, and government sectors provide over half of the jobs. The manufacturing and transport/postal/warehousing sectors are the largest employment sectors, employing around 58,000 people in total in 2011 and comprising 25 per cent of the regional workforce.

There are not enough jobs in the western region for the population which leads to increasing road congestion. The outer areas with extensive residential development, like Melton, Wyndham and Brimbank are strong labour exporters to the inner city areas. Bay West offers opportunities to respond to these challenges by increasing employment in the western region.

The freight and logistics industries are growing in response to increased container movements. The geographic location of the municipality, with its proximity to the CBD, the Port of Melbourne, Melbourne and Avalon airports, the national rail network, the West Gate freeway and other major arterial roads, makes it an attractive location for investment.

Hobsons Bay City Council is committed to becoming a leader in sustainable business practices, and to provide the support and assistance required to create a culture of sustainable best practice across the municipality. The Hobsons Bay Economic Development Strategy 2015-20, acknowledges the important role of sustainability in creating an adaptable and socially aware business community that is resilient to global economic shifts.

Council is committed to becoming a leader in sustainable business. One way it seeks to achieve this is through a network wide approach to transport planning that not only considers the relationship between all transport modes but the integration of land use and transport planning. This is particularly relevant given the potential development of a second container port to the south of our municipality. Embedding a network approach requires a move away from car dependency and consideration of alternatives, particularly rail transport for freight and active transport for the wider community.

Choosing a new port

The Port of Hastings presents major transport access challenges, including the provision of a national standard gauge rail connection through Melbourne's south east and an over reliance on the West Gate corridor.

Bay West offers a number of strategic advantages including:



- productivity benefits from proximity to the highest concentration of importers and exporters within the Melbourne metropolitan area
- excellent rail connections to the interstate and intrastate rail networks
- excellent road connections to the M1, and the planned Outer Metropolitan Ring route to the Hume Freeway
- proximity to a large supply of affordable (relative to Melbourne/Melbourne's south east) industrial land to cater for potential supply chain reorientation

Coupled with construction of the Outer Metropolitan Ring (OMR), which offers future road and potential freight rail infrastructure, Bay West has the potential to deliver significant economic advantage to the state.

Rail links

One of the decision making factors in regards to where to build a second port is the capacity and availability of road and rail networks outside the port gate. Hobsons Bay is aware that the recent upgrade of Webb Dock resulted in a world class \$1.6 billion redevelopment of the precinct that provided the capacity for a major port expansion program. However, this did not result in the development of a rail network linking Webb Dock to intermodal port facilities. The consequences for the future expansion of Webb Dock is that there is limited capacity to retrofit a rail line into the precinct, particularly given the redevelopment of Fisherman's Bend into a mixed use development. The consequences are that the bulk of the transport network will be heavily reliant upon road freight which will place pressure on the West Gate Freeway which residents and businesses in Hobsons Bay are reliant upon given a lack of alternatives and an infrequent and unreliable public transport network.

As planning for the West Gate Tunnel continues, evidence developed through this process suggests that the current transport network will be challenged by an increase in freight transport which is currently estimated to be in the vicinity of one to two per cent growth per year.

When examining the options for a second port, consideration of rail transport links is critical to Hobsons Bay to achieve the goals of reducing community reliance on the road network through greater access to public transport networks and ensuring strong linkages between the freight rail network and freight and logistics industries in Melbourne's west. Ensuring strong rail transport linkages between intermodal facilities which are being established by Salta in Altona and potentially the Western Interstate Freight Terminal at Truganina and the port is essential to reducing freight on roads and congestion.

Linkages to industry

Ensuring strong linkages between any new port and the industrial hubs of Altona, Brooklyn and Spotswood that have developed in the west of Melbourne is essential to



ensuring a vibrant economy. The proposal as outlined in the discussion paper suggests that both road and rail will be essential to this success and therefore potential connections between Bay West and the industrial centres in the west of Melbourne provide a compelling case.

Although Hobsons Bay's economy is supported by a variety of industry sectors, the majority of economic output has traditionally been generated by high yield manufacturing, particularly from the ship building and motor vehicle industries. However, a national move away from traditional manufacturing, attracting new and diverse investment to the municipality is essential for the western region of Melbourne. Much of this growth is occurring in the advanced manufacturing sector, transport and logistics, construction and retail sector. The transport, postal and warehousing sectors saw some of the largest gains in terms of pure employment numbers. The link between port facilities and the transport, postal and warehousing sector is already strong, any change to this nexus will have significant consequences for the strong industrial base in Melbourne's West.

The evidence presented in the discussion paper suggests that Melbourne will reach a threshold point in about 15 to 20 years, which may result in a cap on container growth of around five million containers, as further growth will adversely impact on Melbourne's liveability. The alternative of Bay West should be planned for and developed within this time as it provides for significant advantages over the Hastings option including land availability, access and transport infrastructure, existing industrial activity, and lower environmental risks and cost. Rail access into Swanson and Webb Docks should be prioritised and the target of 30 per cent container movement onto rail should be re-established. Intermodal terminals/hubs including the Western Intermodal Freight Terminal (WIFT) should be progressed as a priority.

Road Network

The Port Landside Transport Modelling Report (Jacobs 2017) estimates possible container growth at the Port of Melbourne from 2.5 million to 14.4 million at full capacity. This equates to growth of daily truck numbers from 13,000 to 45,500, a 350 per cent increase. If we allow for an increase in overnight movements to even out the load on the road network, it is difficult to see how such an increase in truck volumes could be accommodated in and around the Port of Melbourne. Modelling for the proposed West Gate Tunnel (WGT) indicates that the West Gate Freeway, following construction of the WGT, will return to peak capacity by 2031 with the WGT congested during peaks.

The amenity, liveability, health and wellbeing of the communities in and around the Port of Melbourne and along the key freight routes to the west of the port will be seriously impacted and compromised if this is not addressed.



It is anticipated that much of the increase in truck traffic with an origin/destination to the port will use existing arterial and local roads through residential areas, including Hobsons Bay to access the terminals, warehouses and container parks in the western metropolitan region. Council is particularly concerned about the displacement of Port of Melbourne truck traffic into Hobsons Bay due to the proposed introduction of truck tolls on the West Gate Freeway/West Gate Tunnel and the imposition of truck bans on existing freight routes in the inner west as part of the West Gate Tunnel Project. In addition, if the Port of Melbourne is developed to the extent suggested and rail capacity is not provided to handle a significant proportion of containers, the increased truck traffic on the motorways and distributor will congest these roads to the extent that more and more motorists will choose to take alternative routes and 'rat run' through residential areas.

It is acknowledged in the report (page 109) "...that any impact on congestion can have a significant impact on the amenity of other road users, especially at a local level near the port." It is noted that the next phase of the project traffic modelling to compare the congestion impacts of expanded container capacity at the Port of Melbourne and Bay West will be undertaken. It is requested that this modelling information be made available to Hobsons Bay City Council.

Social

There is an extensive network of open space along the Hobsons Bay foreshore, from Yarraville to Williamstown. This has significant amenity and tourism values, which are important to the community. Any reclamation works to support the expansion of Webb Dock will impact on city skyline views that would compromise these values, particularly as port operation move towards 24 hour robotic operations. Light spillage, noise and height of stacked containers are issues that require consideration.

As the report identifies 90 per cent of containers entering or leaving the port on trucks create noise, vibration and fumes, these issues will become greater with an increase in truck movement, even if the truck movement is at night. The issue of safety for pedestrians and bicycle users also needs to be addressed. An indirect consequence of the increased truck movement is liveability for those residents along truck routes and, more importantly for home owners, as property values within the area may reduce.

Hobsons Bay is currently undergoing an increase in population density and with it an increase in private car use associated with the lack of integrated public transport. This will add to congestion on city-bound routes during peak hour traffic before the Western Distributor is completed. The paper should consider proposed and future land use change impacts on the existing road network as these may increase the feasibility of connecting and upgrading the existing railway network.



There are also important recreational activities such as sailing and yachting that require consideration when extending Webb Dock, including the impact on already constrained fairways. Establishing a new port away from urbanised areas increases the likelihood of achieving an efficient and effective 24 hour facility capable of expansion and addressing industrial requirements. This is a preferred outcome as it does not encroach on visual amenity and recreational activities.

Environmental

The increase in trucks will reduce air quality on and near key freight routes which is already noted as being worse than when measured in 2013. The 'Second Container Port Advice Environment & Social Advice Final Draft' GHD technical report identifies that electric vehicles could assist in the alleviation of the issues with air emissions. Whilst this is applicable to electric passenger vehicles, this has not been demonstrated for freight vehicles and is not yet considered feasible with current technologies.

The final port design needs to consider existing and future cycling routes. The potential increase in trucks and cyclists may present more hazards to all road users. Consideration of this issue needs to align with Plan Melbourne, especially in relation to Plan Melbourne's Direction 5.1 'Create a city of 20-minute neighbourhoods.'

The extension of Webb Dock East by 750 metres south into Port Phillip Bay is a concern in terms of how the land is reclaimed. If the reclamation use is in-fill consideration will need to be made in relation to materials and how over time will they react to the marine environment.

Another important consideration for Infrastructure Victoria is how climate change, specifically sea level rise and increased storm surges, affects the planning process for both the current and new port facility.