



Committee Secretariat
Standing Committee on Transport and Regional Services
Parliament House
Canberra ACT 2600

16 August 2005

Dear Committee Members

Re: Integration of Road and Rail Connections at the Port of Geelong

Summary

The Port of Geelong is the largest regional port in Victoria handling around 12 million tonnes of bulk and break bulk commodities each year. Geelong currently handles 25% of Victoria's exports including petroleum products, bulk and bagged grain, woodchips, steel, logs and ingots. Imported materials include petroleum products, chemicals, fertiliser raw materials, alumina and steel. The Port of Geelong has over 500 ship visits each year. Customers and tenants of the port include Shell, Incitec Pivot Ltd, Ford, Toyota, Blue Circle Cement, Alcoa, Midway, Graincorp, Smorgons and Terminals.

Toll GeelongPort is the principal organisation responsible for the management of piers and wharves in the Port of Geelong. It manages fourteen deep-water berths and approximately 95 hectares of port zoned land under an Operating Agreement and Asset Lease Agreement with the asset owner Port of Geelong Unit Trust. Port of Geelong Unit Trust, of which Ports Pty Ltd is the Trustee, is jointly owned by Deutsche Asset Management (35%), Hastings Fund Management (35%) and Toll Transport Pty Ltd (30%).

Other port operators in Geelong include Graincorp and the Commonwealth. The Port's land based assets were privatised in July 1996 with Government maintaining ownership of the shipping channels under the direction of the Victorian Regional Channels Authority.

Efficient rail and road linkages are critical to GeelongPort's bulk handling operations in Geelong. Geelong has traditionally had good land transport networks linking the port to much of regional Victoria and southern New South Wales, however with the pending construction of the new Geelong Bypass Freeway and the routing of the Melbourne to Adelaide standard gauge rail line through North Geelong the opportunity now exists to connect the Port of Geelong to these nationally significant infrastructure improvements. In particular we believe the port operations in Geelong could be improved substantially if the port was connected to the Geelong Bypass via a new grade separation access and the Port's principal 3 berth bulk terminal at Lascelles Wharf was connected to the standard and Victorian rail networks via a dual gauge spur line. These two projects are detailed below.

Geelong Bypass – Improved Geelong Port Access

A significant opportunity is available to both State and Federal Governments, to improve vehicle access to the Port and remove heavy vehicle traffic from sensitive residential areas of Geelong.

The incorporation of an additional design element into the Geelong Bypass road will provide a grade-separated access between the Geelong Bypass road and Shell Parade enabling traffic from south western Victoria to directly access the Port, with minimal impact on residential and commercial areas (refer Attachment 1 for the development concept).

Increasing quantities of fertiliser, wood chip, logs, steel and various break bulk commodities are projected to be transported by road between the port and south western Victoria via arterial roads through residential and commercial areas including Anakie Road and Bacchus Marsh Road.

There are significant local concerns with heavy vehicle access to GeelongPort. The completion of the Geelong Bypass is likely to funnel port related traffic through Anakie and Bacchus Marsh Roads to a major intersection with the Princes Highway. Both these roads traverse high density residential areas and cross the main Melbourne – Geelong railway at the St Georges Road level crossing.

The opportunity now available to the Government is to link the Geelong Bypass road with the preferred access to Geelong Port from the north, via Shell Parade. This would be achieved through a grade separated overpass, enabling traffic from south western Victoria to travel the full length of the Geelong Bypass, then turn right over the southbound lanes of the Princes Highway / Geelong Bypass, to merge with Shell Parade.

This would deliver the following benefits:

- Separation of most heavy port related traffic from noise and amenity sensitive residential areas of Geelong
- Enhancing the value of the Geelong Bypass to heavy transport, and increasing the use of the bypass road
- Creating a viable heavy transport link between GeelongPort and the Heales Road industrial estate which has been identified as the next area for development for port related industry
- Improving transport links and reducing costs for significant local industries which service customers in south western Victoria, South Australia and Western Australia from Geelong.
- Improving the viability of GeelongPort, a major regional employer and centre of regional prosperity.

Toll GeelongPort has invested heavily in developing improved infrastructure to support the further development of the port and believes that this proposed additional design element to the Geelong Bypass road will enhance the Port's value to the Victorian economy.

Port Rail Connection - Lascelles Bulk Terminal

The most important and urgent infrastructure initiative for Geelong Port is the connection of the Lascelles Bulk Terminal to the standard and Victorian gauge rail networks via a dual gauge spur line. Lascelles Bulk Terminal which handles over a million tonnes of dry bulk product each year currently has no rail connection despite having extensive wharf storage, handing and ship berthing facilities. Toll GeelongPort in collaboration with the Victorian Government having been working towards achieving a suitable port rail connection since 2002 however the \$5.1 million budget allocation for the Lascelles Wharf project is not sufficient to enable construction of the rail link to begin. Federal assistance in funding the new infrastructure would provide a substantial boost to the port and the regional economy.

At present the GeelongPort in conjunction with the Victorian Department of Infrastructure is determining the most cost effective alignment, which would allow direct raiing of product to the waterfront. The benefits of providing a port rail connection to GeelongPort's port deep-water bulk terminal include:

- Improved land transport efficiencies for import and export bulk commodities
- Improved operation of a specialist dry bulk port terminal with linkages to existing rail networks. Lascelles wharf currently has no port rail connection.
- Ability to significantly reduce the number of heavy truck movement to and from the wharf face
- Improved amenity in the longer term for sensitive residential areas of North Geelong
- Ability to further integrate the Port of Geelong with the national standard gauge network, which is located adjacent to the port in North Geelong.
- Ability to better service our customers and further develop the Port of Geelong.

Thank you for the opportunity to make a submission. GeelongPort would very much welcome the opportunity to meet with the Standing Committee to explore the improved port transport linkages listed above in greater detail.

Please contact me on 0352 266206 or email lindsay_ward@toll.com.au if you require any further information.

Yours sincerely



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Attachment 1 – Melway map

