

Secretary: *J. L. Moore*

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AUG 2005

HOUSE OF REPRESENTATIVES
STANDING COMMITTEE ON
TRANSPORT AND
REGIONAL SERVICES

The Chairman

House of Representatives Standing Committee on Transport and Regional Services
Parliament House
CANBERRA
NSW 2600

SUBMISSION NO. 110

9 August 2005

Dear Mr Neville,

Subject: Submission to Parliamentary inquiry into regional rail and road connections with Australian ports / Rail Access into and out of Sydney Markets Flemington Site.

The aim of this letter, and the attachments, is to provide your inquiry with advance notice of an important opportunity to provide positive input into the extensive and broad ranging stakeholder consultation just announced by Sydney Markets Ltd: The "Consultation" being on the future development of the Flemington site. See pages one and two of the winter 2005 addition of Sydney Markets "Leader". See Attached

To further assist you in the task of gaining a better understanding of what I regard as the most important issue, that of future rail access into the Sydney Markets Flemington site, I attach a copy of correspondence and supporting documentation already hand delivered to Mr John Watkins NSW Minister of Transport .

It is my personal view that the issue of Sydney Markets regaining direct rail access into the extensive existing internal rail network is critical, not only the continued viability of future market operations, but also to the future of the multitude of rural producers who ultimately bear the burden of the ever increasing road freight costs. [Sydney Markets currently serves as a critical site where the treatment, packaging, inspection, and consolidation of fruit and vegetable export shipments take place.]

Of course, as is evidenced by the findings of the recent NSW Government Commission of Inquiry into the viability of the proposed "intermodal freight terminal" at Ingleburn, the environmental benefits of removing at least the longer distance Sydney Markets road freight from our roads would be enormous. Literally many hundreds, if not thousands, of trucks a week would no longer congest and pollute our main link roads and our communities.

It is most gratifying for me to learn that Sydney Markets Ltd last week announced they will provide the opportunity for individuals, organisations and Government to respond to future development important issues.

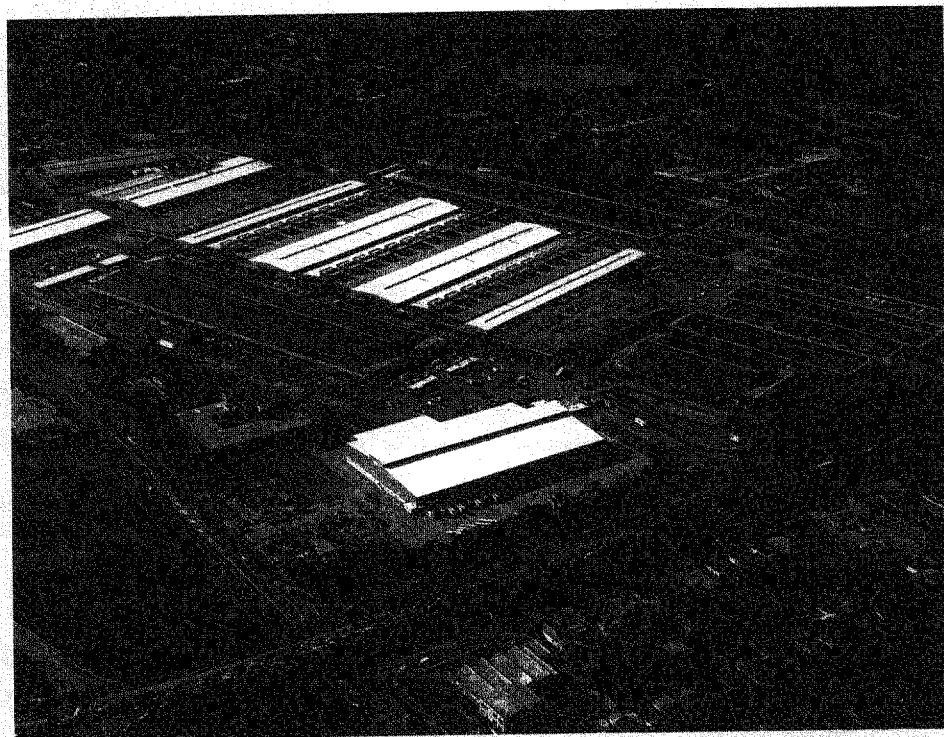
Yours Sincerely

Robert A Fozzard

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Copy : Mr Frank Sartor NSW Minister Infrastructure Planning and Natural Resources

Long-term study update



- CEO'S PERSPECTIVE
- WASTE CONTRACT AWARDED - COLLEX CLEANS UP
- TONY BASIL ELECTED BOARD
- WELCOME MARINA ELYEH
- MR JOHN PEARSON TO CHAIR SYDNEY MARKETS LIMITED BOARD
- www.freshforkids.com.au WINS COVETED AWARD
- PADDY'S MARKETS MONORAIL STATION AND LIGHT RAIL TRAM STOP LAUNCH IN JULY 2005
- AUF RACE DAY
- NEW SYDNEY MARKETS BROCHURE
- MARKETING OFFICE HAS RELOCATED
- FEES AND CHARGES 2005-2006
- GREENGROCER OF THE MONTH
- WINNER OF THE FLORIST OF THE YEAR FOR 2004
- MARKET TOURS
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- AROUND THE SITE
- SECURITY REMINDERS
- ACCESS PASSES
- WINTER OPENING TIMES
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- EDITORIAL NOTES

Following an extensive research study into the trends and changes in the fresh produce supply chain, operational, economic and infrastructure issues, a decision to keep the markets at Flemington was announced at Sydney Markets Limited's AGM late last year.

This study formed the first phase of a review into whether the Markets site could support the long-term needs of the businesses and communities it serves. The study concluded that the Flemington site is the best available in Sydney for a market site, and that a range of options will be developed with which to improve the supply chain capability and operating efficiency of the site.

Approval has now been given by the SML Board to progress the Phase 2 scope of work which will involve extensive and broad ranging consultation with stakeholder groups with the view of developing a Master Plan for the 'ideal future market' at Flemington.

Leading research, property and planning firm, UrbisJHD, who conducted Phase 1 of the study will continue to work with SML as the principal consulting firm throughout Phase 2.

Brad Latham will be leading the Urbis Project for Sydney Markets Limited with the majority of Brad's time being focused on achieving the best possible outcome for Sydney Markets Limited

More detailed information about the project approach, your opportunity to contribute and timeline will be available to shareholders and other interested groups in due course. SML will also provide regular updates at key points in the study through newsletters, briefing sessions and the like.

**MARKET INDUSTRIES
PICNIC DAY
Tues. 16 August 2005**

Further details back page.

CEO's perspective

The future for our markets is full of opportunities. Realizing those opportunities is the responsibility of us all.

Those shareholders who attended last October's Annual General Meeting will recall having heard a presentation from a Director of Urbis JHD that outlined the findings of the first stage of their work on the Flemington site. A summary of those findings is as follows:

1. That Flemington is the ideal location for the market based on its proximity to its customers and the necessary infrastructure.
2. That the cost of relocation to another, less suitable, site would have stretched Sydney Markets Limited financial resources.
3. That the site is extremely underutilized.
4. That the site has great potential to increase shareholder value, reduce operating costs and reinvigorate the relevance to Sydney of the city's largest and most important central market.

These findings, coupled with the need on the part of shareholders for stability and clarity, formed the basis of your Board's decision that we will be remaining at Flemington into the foreseeable future.

Having reached the conclusion to remain at Flemington we must now move on and focus our resources on understanding the most appropriate options for enhancing the future of the Flemington market. In order to facilitate that process your Board has elected to proceed, again with the assistance of Urbis JHD, with the development of a Master Plan for the Flemington site. The rationale for undertaking to develop a Master Plan is as follows:

1. Demonstrate good corporate governance and process in the management of Sydney Markets Limited's largest asset
2. Begin the long planning process
3. Effectively engage with local and state authorities
4. Capitalize on any opportunities that may evolve out of the State Government's current Metropolitan and Parramatta Road planning process
5. Facilitate a planned approach to capital expenditure on the Flemington site
6. Consider, and where appropriate reflect, the changes to the market's customer profiles and methods of doing business
7. Clarify the market's space requirements into the future
8. Provide direction to the market

A five stage process has been developed for the completion of this project, with each of these stages requiring sign-off from the Board before progressing to the next.



A great deal of time has been devoted to ensuring that all stakeholders in the markets are given the opportunity to contribute to the development of the Master Plan. In addition to the large amount of information that will be gathered from both internal and external sources there will be a number of workshops held that will be designed to enable all key stakeholders in the future of the markets to have their say. Brad Latham will be devoting all of his time over the next number of months to managing this project in order to provide direction, facilitate the gathering of information, ensure clear communication and manage costs.

The objectives against which the outcome of the Master Planning process will be measured are as follows:

1. Does the Plan represent known best practice in market operations
2. Does the Plan reflect the views of stakeholders
3. Is the Plan aligned with the Sydney Markets Limited Strategic Plan
4. Is the Plan able to be carried out
5. Does the Plan provide the inertia to proceed

We will use this publication as the primary method of communicating progress with the development of the Master Plan to shareholders.

Your Board has now committed the resources to the Master Planning process for Flemington and thus there will be an outcome. It is most important that all stakeholders participate in the process when the opportunity arises so as to ensure that your views are represented in the outcome.

Ian Parker
Chief Executive Officer

ADDITIONAL INFORMATION HELD BY THE COMMITTEE

ATTACHMENT TO SUBMISSION NO. 110

**ATTACHMENTS, APPENDICES AND PHOTOGRAPHS PROVIDED WITH
SUBMISSIONS ARE HELD IN THE COMMITTEE OFFICE**