The Commissioners, Road and Rail Freight Infrastructure Inquiry, Productivity Commission, Locked Bag 2, Collins Street East, MELBOURNE, VIC 8003.

Dear Commissioners,

Re: Discussion of Draft Document - Road and Rail Freight Infrastructure Pricing - JEL code: C,R, Canberra, September 2006.

I had been unaware of the above document until I attended the Commission's sitting in Sydney on 31st October to hear Dr. Philip Laird speak to his submission to the Commission on the Draft.

By then the date of 27th October for receipt of submissions had passed.

Enclosed along with this covering letter is a copy of the published document 'Sydney Passenger Transport Infrastructure – The Future; Sydney, 2006', which the Commission is probably unaware of.

Although the main thrust of our document, written by a professional colleague and I, is a discussion of novel passenger transport options for Sydney, there a section, **'#3'**, consistent with the main theme of the whole document, that relates specifically to the question of freight handling from and to Port Botany, and Sydney Airport. In our view it is not possible to separate the passenger transport regime and freight movements in the current environment. Our aim has been to devise a method whereby these two transport categories – passenger and freight- *can be separated*.

Hence the proposals in our paper impinge on the Commission's present deliberations on Road and Rail Freight Infrastructure Pricing. As a result we feel obliged to draw our document to the Commission's attention.

Best wishes,

P. G. Lowe. Emeritus Professor of Civil Engineering. What follows is Section 3 from the Document 'Sydney Passenger Transport Infrastructure.....', referred to in the covering letter (above). This is the only section of that document that deals specifically with freight. As can be read, Section 3 is a radical proposal as to how freight could be handled to and from Port Botany and Sydney's Mascot Airport, so as to largely remove this component from the current volumes of traffic which Sydney City transport infrastructure is at present required to cope with. The rest of the document deals with similarly radical, new passenger transport proposals for the city. The whole document can be seen at the National Library in Canberra, the NSW State Library, The NSW Parliamentary Library and the Fisher Library at Sydney University.

3. HANDLING FREIGHT FROM AND TO PORT BOTANY AND MASCOT AIRPORT. A STAND-ALONE RAIL DEVELOPMENT!

Freight container movements contribute much of the present city street congestion and this is set to increase. The proposal made here is to move most or all of this container traffic onto a **freight-only, underground rail line**.

The proposal is then to construct an underground, freight-only, rail line from Port Botany, passing Mascot Airport and beyond, to service one or more surface rail distribution sites in the South and West of the city, see Fig. 1. The twin tunnels, for traffic in each direction, of similar type to that for passenger train tunnels (qv), would each be of the order of 15 km long. Such a transport corridor has the potential to absorb all the present freight traffic as well as the trebling of container movements at the port that will result from the already announced expansion strategy for Port Botany. Such a freight-only under-ground rail line also has the potential to allow full inspection of all containers landed at the port once the constraint on wharf space and storage is removed. The benefits from a physical and bio-security viewpoint would be enormous. This option offers advantages over any of the current schemes being considered to deal with freight movements to and from Port Botany and Mascot airport. Indeed, this freight U/G rail line should probably be the first priority in the building programme for new public sector Sydney City transport infrastructure. Such an underground freight rail line is likely to cost in the range \$750M to \$1B, and could be constructed in 2-3 years if given priority.

An U/G freight handling system would not only vastly reduce the impact on existing surface transport corridors and facilities, but would curb much city environmental pollution generated by the present road-bound container movements. It also offers the possibility of generating **substantial recurrent revenues for the State, and hence the public good.** At present there are no next stages under discussion which could adequately accommodate the announced trebling of freight handling envisaged for Port Botany. Shifting more freight to the existing rail facilities is a declared aim, but how this will be fully realised is not clear. New underground rail infrastructure, as proposed here, should remain publicly owned, and the revenue stream generated from usage tolls should be directed to improvements in the transport infrastructure systems, state-wide.

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