

MEDIA RELEASE

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Controversial Webb Dock redevelopment will cost Victorian tax payers \$1.3 billion and increase road congestion by over 2,000 trucks per day

Asciano Limited today called on Government to abandon the Port of Melbourne Corporation's (PoMC) controversial \$1.3 billion plan to redevelop Webb Dock as a container port, and instead commit to the short term expansion of Swanson Dock to allow time for a full and proper investigation of the merits of Geelong and Hastings as container terminals in the longer term.

Asciano said that with better alternatives available, the proposed Webb Dock redevelopment is not only uneconomical, it's just plain unnecessary.

"The proposed redevelopment of Webb Dock is a short term solution which comes with a high price tag and enormous ramifications for the city of Melbourne," said Mark Rowsthorn, CEO and Managing Director of Asciano Limited.

Victorian tax payers will be required to contribute \$1.3 billion to cover costs including wharves, dredging roads and relocation of other businesses.

"A quick decision to redevelop Webb Dock as a container port at the mouth of the Yarra is expected to cost Victorian taxpayers at least \$50m per year based on other port charges.

"Should the redevelopment go ahead before other alternatives are considered, you can expect an unnecessary increase of more than 800,000 truck movements per year due to the lack of a rail link, an increase in noise and light pollution and the destruction of views for nearby communities with the addition of up to seven 70m high cranes operating 24 hours a day, seven days a week," he stated.

Asciano has reiterated its long term vision for the ports of Victoria, with its submission to the PoMC's container capacity market sounding process, which is being run on behalf of the Minister for Roads and Ports, Tim Pallas. The process aims to find alternatives for the creation of short term capacity other than the unattractive Webb Dock redevelopment.

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Asciano's alternative plan satisfies the state's short term container capacity needs and provides a development strategy that is flexible and efficient. It recommends an immediate expansion of Swanson Dock and the medium term introduction of an international container terminal at Geelong Port to Victoria's needs through to 2030. Both Swanson Dock and Geelong Port have vital road and rail links to distribute the containers. A fast tracked development of Port of Hastings with the addition of rail and road corridors to Melbourne is also being considered.

Managing inner city congestion will be achieved by moving medium term container capacity growth away from the inner city. At the same time, this will help to ensure the Government meets transport objectives of moving 30 per cent of port freight on rail.

"Planning for the decentralisation of Victoria's port facilities away from the urban centre, with a long term plan to service freight markets utilising road and rail freight links, must take place now in order to cope with Melbourne's continued population and trade growth," Mr Rowsthorn continued.

Mr Rowsthorn said he applauded the Victorian Government's decision to re-evaluate its port expansion options and that Asciano will continue to discuss the issue with Government and industry stakeholders, while continuing to answer the questions of community.

"The public has been happy to see discussion of alternatives to the expensive redevelopment of Webb Dock. There's a lot of concern about its effects – particularly with extra traffic congestion on the West Gate Bridge and inner city. The redevelopment of Webb Dock for containers just does not make sense," he concluded.

Asciano's submission to the PoMC's market sounding process is available at www.asciano.com.au

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