

Friday 5 April 2024

IPART determination signifies the removal of a major hurdle for Port container terminal

Port of Newcastle has today welcomed the Independent Pricing and Regulatory Tribunal's (IPART) determination for the one-off compensation payment of \$10,120,000 (approx. \$13,100,000 when adjusted for CPI) the Port must make to the State under *the Port of Newcastle Extinguishment of Liability Act 2022* (NSW).

While the details of the determination are yet to be fully examined, once complete, this payment of the compensation sum will bring an end to the legislative process, meaning Port of Newcastle will no longer be penalised for competing against Port Botany.

Port of Newcastle CEO, Craig Carmody, said with the determination figure handed down, the Port has one final regulatory roadblock to remove before meaningful progression can occur on a container terminal.

"Today is a significant and historic milestone for Port of Newcastle and regional NSW, a path forward that means we will no longer be penalised for wanting to offer choice and competition in NSW container trade," Mr Carmody said.

The Port of Newcastle extends its appreciation to all sides of parliament for their pragmatic approach to the legislative process.

"Support across the political divide for this Act has been wonderful to see, but I must extend particular thanks to the Member for Lake Macquarie, Greg Piper MP, who courageously fought for regional NSW and ensured all political parties aligned for the benefit of the state," Mr Carmody said.

With the legislative process nearing completion, attention for the Port turns to the NSW Freight Reform Review, which is a determinant of state planning decisions.

"While we are delighted that the determination has been made, we now need to ensure the NSW Freight Reform Review, which the NSW Government has commenced, also reflects the decision by Parliament to promote competition through the Port of Newcastle Extinguishment of Liability Act," Mr Carmody said.

“The current Freight and Ports Policy states that Port Kembla is the designated second port for a container terminal in NSW, which impacts Port of Newcastle’s ability to get planning approvals for its own container terminal.

“We hope the NSW Freight Reform Review will agree that there should be a level playing field for competition rather than the state trying to pick winners,” he said.

The IPART determination process included the opportunity for all interested parties to make submissions, informing IPART’s review and determination for the one-off compensation payment. We can now assume, with the determination made by an independent body, that we have the support of all sides of parliament to move toward the expansion of container operations at Port of Newcastle.

With the legislative process nearing completion and the NSW Freight Reform Review underway, Port of Newcastle will continue to focus on growing exiting container trade through its new Multipurpose Terminal.

“Our immediate focus will be the continued growth of container trade through our existing Multipurpose Terminal, which we have invested over \$35 million in and currently has planning approval for 350,000 containers a year,” Mr Carmody said.

To learn more about the Multipurpose Terminal visit [MPT](#) or the larger Newcastle Deepwater Container Terminal visit [NDCT](#).

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Media enquiries: Lucas Coleman, Senior Manager Corporate Affairs on 0418 883 264 or media@portofnewcastle.com.au