

The Hon Andrew Constance MP

Minister for Transport and Roads Leader of the House

Our ref: BN20/00217

Mr Paul Zalai
Director and Co-founder
Freight and Trade Alliance
68 Brooker Avenue
BEACON HILL NSW 2100

Dear Mr Zalai

I am writing to inform you that I have written to the Port Botany stevedores, regarding concerns raised by your association and others in the road freight industry about increases to the infrastructure access surcharge for Port Botany and the current unprecedented situation posed by the COVID-19 pandemic.

The current COVID-19 environment is far from business as usual and the NSW Government recognises there are concerns across the supply chain including bottlenecks, cash flow, port procedures and shipping arrivals. We also recognise that the efficient operation of each element of the supply chain is critical to keeping freight and other essential services running, ensuring goods and services are able to get to where they are needed.

I am aware that with the emergence of the COVID-19 pandemic, supply chain stakeholders have reported that they are now experiencing additional cash flow pressures and that increases to the access charges are exacerbating those financial pressures.

I am also aware that the landside transport and import/export industries have raised concerns that further increases in port charges have the potential to undermine the ongoing viability of some operators during the COVID-19 pandemic.

Given the unprecedented situation posed by the coronavirus and the crucial role of all parties involved in the supply chain and in moving freight during this pandemic, it is the NSW Government's strong view that now is not the time to increase charges. I have therefore called for restraint from the Port Botany stevedores in not increasing infrastructure access surcharge charges for at least the duration of the COVID-19 response.

In recognition that cash flow is a pain point raised by the road freight industry, I have requested that Port Botany stevedores engage with Transport for NSW (TfNSW) and the road transport sector to find a solution to payment terms.

I have advised the stevedores that it would be beneficial to work with road transport operators to arrange relaxation of payment terms to assist operators with cash flow issues during this time. I have also noted that such arrangements may help to ensure operators are available in the interests of a competitive supply chain when trade rates return to more normal volumes.

TfNSW will be in contact with your organisation to facilitate these discussions to improve terms of payment arrangements and they will shortly be in touch to arrange meetings.

If you have any questions or would like to discuss this matter further please contact Susie Mackay, Executive Director Freight, TfNSW on 0477 300 573 or at susie.mackay@transport.nsw.gov.au.

Yours sincerely

The Hon Andrew Constance MP Minister for Transport and Roads Leader of the House

16/04/2020