



ILLAWARRA SHOALHAVEN JOINT ORGANISATION
SUBMISSION TO
DRAFT NSW FREIGHT AND PORTS PLAN

March 2018

Prepared by:

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INTRODUCTION

The Illawarra Shoalhaven Joint Organisation (ISJO) is the peak organisation representing Local Government in the Illawarra and Shoalhaven regions. Member Councils include Kiama Municipal, Shellharbour City, Shoalhaven City and Wollongong City Councils.

The area extends from Helensburgh in the north to Durras Waters in the south, a distance of approximately 230 kilometers, and encompasses a population of approximately 400,000.

RESOLUTION

At its meeting held 1 March 2018 ISJO resolved (Resolution 005) to endorse this response to NSW.

“005: Resolved: That the following recommendations form the basis of an ISJO submission to the draft NSW Freight and Ports Plan:

- ▶ Wollongong City and the major port of Port Kembla be recognised as a NSW Global gateway and a Satellite City under FT2056.
- ▶ An updated Illawarra Shoalhaven Regional Transport Plan such as that prepared for the Hunter is required to inform and guide the State’s port and freight planning, (incorporating recent transport connectivity reports and initiatives such as:
- ▶ Finalisation of the Draft Freight and Ports Plan should be deferred pending release of the NSW Cruise Development Plan and the NSW Regional Ports Strategy for consideration.”

BACKGROUND

As noted in the ISJO response to the Draft Future Transport 2056 (FT2056) ISJO is cognizant that the suite of plans comprising FT2056 are for a future well beyond current and short-term imperatives. It is therefore essential that they all specifically recognise and plan for that future for the Illawarra Shoalhaven region, the regional Centre of Wollongong City and its existing transport infrastructure including the Port of Port Kembla, the Illawarra Regional Airport, and the road and rail –based infrastructure.

The ISJO FT2056 submission noted that:

- ▶ **Port of Port Kembla is a state significant asset** but the Port of Port Kembla and City of Wollongong were not recognised as a global gateway in FS2056.
- ▶ **Western Sydney growth and the decision to proceed with the Western Sydney Airport Plan, coming on-line** in 2026, will create further drivers of transport growth and increase the imperative for improved connectivity to Port Kembla which have not been addressed.
- ▶ **Significant housing growth in Macarthur Land Release area** (in and around Wilton) is within 30 minutes of Wollongong City.

It recommended:

- ▶ That Wollongong/Port Kembla be recognised as both a NSW Global gateway and a Satellite City under FT2056.
- ▶ That meaningful consultation be undertaken with Councils in the region on the contribution of the region to the State transport task.
- ▶ That a Future Transport Plan for the region be developed for the Illawarra Shoalhaven based on the above.

KEY POINTS IN REGARD TO NSW FREIGHT AND PORTS PLAN

- ▶ ISJO welcomes investigation of the South Coast Rail Enhancement initiative in the next 10 years.
- ▶ Is concerned that no reference is made to the role of the port of Port Kembla in regard to the **cruise ship industry**.
- ▶ Notes that **investigation of Southern Sydney Freight Corridor enhancements** are listed as both a 0-10 years and 20+ years initiative?
- ▶ Believes that 20+ years is too late for “investigation of **Freight Rail Capacity Enhancements** providing additional or dedicated capacity for freight in the Southern Highlands, Illawarra and Main West rail lines”;
- ▶ Believes that 20+ years is too late for “**Addressing long term capacity constraints to Port Botany and South East**: Investigation of new train and road links to address longer-term capacity constraints on selected corridors”.
- ▶ Notes that consultation has been undertaken in the absence of the State Infrastructure Strategy 2013-2038 which has been released just as consultation on the draft NSW Freight and Ports Plan closes.

RECOMMENDATIONS

The Draft Freight and Ports Plan better recognise the potential of the Port of Port Kembla as a “nationally significant asset” and address planning for, and construction of required infrastructure well before the 20+ years’ future proposed in the Plan.

Opportunities that should be examined include:

- ▶ Greater recognition of the role of the Port of Port Kembla in serving the whole of SE NSW, and opportunities to capitalise on a wider range of imports and exports, e.g.:
 - ▶ Investigation of the ability of Port Kembla to assist earlier in the delivery of the 56% to 60% of container traffic from Port Botany into the 20 to 40 kilometre radius zone from Port Botany, given the successful case study provided by vehicle imports through Port Kembla to that part of greater Sydney.

- ▶ Investigation of the potential for beneficial reductions of the infrastructure congestion, noise and liveability impacts in inner Sydney Council areas (20 kilometre radius of the Port) of the identified growth of container traffic from Port Botany during the next 20 year window.
- ▶ Investigation of the Port's capacity to capture trade that the Inland Rail initiative may deliver to ports outside of NSW (see Figure 40 in the Draft).

A comprehensive Future Transport Plan for the region be developed for the Illawarra

ISJO commends the State Government on release of the Draft Greater Newcastle Future transport Plan and its role in providing:

“the overarching strategic transport network and vision that will guide future transport planning for the Greater Newcastle area. It is a ‘Supporting Plan’ in the Future Transport suite. The ‘Supporting Plans are more detailed issues-based or place-based planning documents that will support the implementation of Future Transport 2056”.

ISJO contends that a similar document, reflective of the many new opportunities and new directions of Future Transport 2056, is sorely needed for this region.

The Illawarra Shoalhaven Regional Transport Plan prepared by Department of Planning in March 2014 is outdated, does not reflect the visioning required of Future Transport 2056, having been consulted on 6 years ago, via a 17 April 2012 community forum, and meetings 5 years ago in mid-2013 with government representatives. All projects that it identifies are already completed and the roles or opportunities of the Port and the Airports are not clearly articulated.

It does note that:

“Freight growth, including the expansion of Port Kembla, will require delivery of the right network capacity and configuration to enable efficient freight movements, meet capacity and complexity needs, support productivity and sustainable operations”

Opportunities that require further investigation include:

- ▶ Investigation of the role of the Illawarra Regional Airport in niche freight markets for the South East of NSW
- ▶ Capitalizing on the upgraded Princes Highway and the new connectivity to the South and south East of NSW it provides.
- ▶ Contextualisation of the region's freight and port transport role and requirements within the broader complex transport task of the Illawarra Shoalhaven, South East NSW, and the State strategic directions.

Finalisation of the Draft Freight and Ports Plan should be deferred pending release of the NSW Cruise Development Plan and the NSW Regional Ports Strategy for consideration.

ISJO appreciates the opportunity to comment on the Draft Plan, but believes that key pieces of work that are needed to inform comment are not yet available. Without the 2 identified key pieces of work, the future role of NSW ports cannot be fully explored.

Finalisation of the Draft Freight and Ports Plan should not occur until these can be considered and meaningful feedback on these two strategies included.

EVIDENCE BASE

The following evidence for the above recommendations is submitted.

► The NSW State Infrastructure Strategy Update - November 2017

The Update released by the State Infrastructure Authority and accepted by the NSW Government recognises Port Kembla as an international gateway.

One of the 5 strategic objectives for International Gateways identified in the NSW State Infrastructure Strategy update (Section 4) is:

OPPORTUNITY	KEY INFRASTRUCTURE NSW RECOMMENDATIONS	COSTS & FUNDING
Secure freight paths to Port Kembla	<ul style="list-style-type: none"> Assess and prioritise projects that secure freight paths for regional exporters at Port Kembla Encourage the ARTC to amplify the Southern Sydney Freight Line between Moorebank and Macarthur to enable regional exporters to secure freight paths to Port Kembla Gauge private sector interest in the potential to construct, operate and maintain the Maldon Dombarton rail link 	<p>Cost of planning is not material</p> <p>Assume delivery by ARTC based on user funding model</p> <p>Assume delivery by the private sector</p>

The Update goes on to say:

“Infrastructure NSW recommends that work commence immediately on projects designed to secure these freight paths to ensure they are available and unconstrained when needed”.

► Upgrading Rail Connectivity Between Illawarra and Sydney - Illawarra Business Chamber - August 2017

The report the Illawarra Business Chamber commissioned the SMART Infrastructure Facility UOW (SMART) to investigate options to improve speed and reliability of passenger and freight transport services between the Illawarra and Sydney. The Report notes that:

“The potential economic and social benefits of improved connections between the Illawarra and Western Sydney have been highlighted in several recent studies, including the Greater Sydney Commission in its Draft South West District Plan (2016). The Commission cited the objectives established by Transport for NSW in relation to improving north-south transport connectivity in south western Sydney, including: “improved public transport and freight connectivity to Port Kembla and the Illawarra” (p.50).”

► The 360 Economic Outlook – February 2018

The 360 Economic Outlook was commissioned by the NSW Department of Premier & cabinet, the Illawarra Shoalhaven Joint Organisation, the University of Wollongong and the Wollongong City Council. (Copy attached)

A benefit assessment framework was adopted to identify and qualify the top economic opportunities in and surrounding the Illawarra-Shoalhaven that have the potential to enhance the economic growth of the region's existing skills base, economic assets and industries.

The Outlook provides a snapshot of developments and economic opportunities in surrounding regions including Western Sydney, South East NSW and ACT, Metropolitan Sydney and through the Port Kembla International Trade Gateway.

It recognises the significance of the Port and also the significance of the Western Sydney Airport and the region's road infrastructure connections to western Sydney.

“Port Kembla is one of NSW's most significant industrial and manufacturing precincts and a major contributor to the Illawarra-Shoalhaven economy. It is currently the primary port in NSW for motor vehicle imports and is likely to continue to support export trade across a number of sectors. Since 2016 Port Kembla has hosted a number of cruise ship visits, which represents a new market for the region's visitor economy.”

“The Port Kembla Outer Harbour development will provide additional land and berthing facilities to cater for future trade, manufacturing and heavy industry job growth for the region. The NSW freight task is expected to nearly double by 2031 and as such the integration of long-term transport infrastructure and land use planning at Port Kembla is critical.”

“Investigations on how to best activate surplus industrial land in Port Kembla and surrounds will provide the ability to enhance the economic diversification of the region by supporting the development of port-related activities in and around Port Kembla. Future activation of these lands will also help the region grow jobs in advanced manufacturing and related industries and attract businesses from areas where industrial land is limited or highly constrained. To further enable the development of the Port and associated industries, road safety, transport efficiency and asset maintenance issues along the Princes Highway should be considered.”

It goes on to identify The Waterfront, Shell Cove as one of the four major local opportunities for this region.

“The Waterfront, located south of Shellharbour Village at Shell Cove, is being developed as a boating, tourism and lifestyle destination. This major residential and marine based tourism development will drive significant opportunities in the region and across Southern NSW.”

“The Waterfront will deliver over \$500 million to the local economy from construction as well as increased household and tourism visitor spending. The final development will include a 300 berth marina, a mix of retail and entertainment, a local shopping centre and a range of recreational open space walkways and cycleways.”

“The precinct is expected to generate up to 2,000 long term jobs and become a critical employment precinct for the region. It will also open up the area to new marine based tourism opportunities along the South Coast.”

“To realise the potential economic benefits of The Waterfront, it is critical that government, industry and research organisations:

- *Develop strategies to leverage the marine development to create new industries and tourist markets along the South Coast. These strategies should also consider the increased focus on the cruise ship industry in Eden and Port Kembla.*
- *Establish and maximise training opportunities linked to the needs of new and existing industries that will establish in the area, including cruise ships and yachting, hospitality and marine-based services.*
- *Explore opportunities to develop employment precincts aligned with new industries in the area.*

▶ **The Illawarra Regional Airport Strategic and Business Plan – Shellharbour City Council**

This plan has identified an opportunity to address aspects of the regional freight task which has not been recognised in the existing Regional Transport Plan.

“The airport is able to provide a freight haulage hub as the current airport transport configuration and aircraft composition allows freight carriers to operate from the site. A freight hub location would be an ideal use of the land currently held by private landowners. Access to freeways is excellent so Sydney can be reached quickly. The cost of infrastructure and cost of operating a business would also be lower than a comparative development in the Sydney basin”.

▶ **Recently completed and future State investments in the Princes Highway, the Picton Road and the Trunk Road 92 Corridor upgrades and the Western Sydney City Deal.**

These initiatives post-date the preparation of the existing Illawarra/Shoalhaven Regional Transport Plan and release new opportunities that can assist the region contribute to the State economy and as an international gateway. These opportunities are poorly articulated throughout the suite of Future Transport 2056 documents and the role of the region, its industry and its Port is consistently downplayed as a result.

A comprehensive Future Transport Plan for the region be developed for the Illawarra Shoalhaven region such as that prepared for the Hunter

RECOMMENDATIONS

- ▶ That Wollongong City and the major port of Port Kembla be recognised as a NSW Global gateway and a Satellite City under FT2056.
- ▶ The Draft Freight and Ports Plan better recognise the potential of the Port of Port Kembla “nationally significant asset” and address planning for, and construction of required infrastructure well before the 20+ years’ future proposed in the Plan.
- ▶ An updated Illawarra Shoalhaven Regional Transport Plan such as that prepared for the Hunter is required to inform and guide the State’s port and freight planning, (incorporating recent transport connectivity reports and initiatives).
- ▶ Finalisation of the Draft Freight and Ports Plan should be deferred pending release of the NSW Cruise Development Plan and the NSW Regional Ports Strategy for consideration.

ATTACHMENTS:

- ▶ [The Illawarra Shoalhaven 360 Economic Outlook](#)
- ▶ [The ISJO Submission to the Draft Future Transport 2056 \(FT2056\)](#)