

FREIGHT POLICY REFORM

Interim Directions Paper

Submission

October 2024



ACKNOWLEDGEMENT OF COUNTRY

The Committee acknowledges the Traditional Owners and Custodians of the Greater Hunter region and recognise their continuing connection to land, waters and culture. We pay our respects to Elders past, present and emerging.

THE COMMITTEE FOR THE HUNTER

An independent and inclusive champion for the communities of the Greater Hunter and their enterprises. Representing around 70 organisations including the largest employers and institutions in the region, we provide a non-partisan, unified voice for the Hunter. Our members are drawn from all three levels of government, industry, business, unions and the community sector. We come together with a shared interest in building a sustainable, prosperous and equitable future for our region. The Committee delivers through advocacy on regionally significant priorities, thought leadership and as a platform for cross-sector partnerships.

The diversification of the Hunter economy is the most significant priority of the Committee and our members.

More information about the Committee can be found at www.hunter.org.au

Independent Advisory Panel: Freight Policy Reform Program

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Thank you for the opportunity to provide feedback on the Freight Policy Reform Program: Interim Directions Paper.

The Committee for the Hunter (the Committee) acknowledge the leadership of the NSW Government in reviewing freight policy to deliver productivity, better safety and more sustainable outcomes for NSW through a stronger role of the Greater Hunter in freight and supply chains.

This submission augments actions and directions outlined in the Committee's feedback on the Freight Reform Policy: Consultation Paper.

INTRODUCTION

Place matters in economic development. In the case of the Hunter, some places are more important than others in delivering State objectives like productivity and economic growth, higher living standards, clean energy and emission reductions.

The Hunter is the largest regional economy in Australia and NSW, with the State's second largest city at its heart.

The region is a global gateway to NSW, with the State's second (operational) international airport and a deepwater port linked to global trading partners.

The region has two out of the top six fastest growing Local Government Areas (LGAs) in NSW. Three Hunter LGAs feature in the top ten for growth.

The region is home to the State's largest electricity users and emitters, and accounts for over 80 per cent of NSW coal-fired electricity generation capacity. NSW emissions reductions, clean energy infrastructure and industry decarbonisation commitments depend on actions and investment in the Hunter.

The Hunter is also an \$86 billion economy entering structural adjustment as the contribution of coal to the regional economy declines over time. Over 15,000 direct jobs in coal mining and energy generation are impacted, along with thousands more in business supply chains.

The task is to create diverse industry and jobs in sectors of competitive advantage and connect affected worker and businesses to these opportunities. This is a key priority and performance criteria through which the Committee is looking for freight reform to deliver on.

With smart policy and targeted investment, the Hunter will thrive through this change, sustaining our critical role in growing productivity and living standards for all NSW residents.

In our submission, the Committee identifies priorities for a modern freight policy framework that delivers more focus, better policy and investment into the Hunter relative to our size, strategic significance and capacity to do more heavy lifting on NSW priorities.

ABOUT THE HUNTER



FEEDBACK ON THE INTERIM DIRECTIONS PAPER

Strategic planning and industrial land – immediate actions and directions

- Integration of the process, priorities and content relating to freight and industry between the Lower Hunter Metropolitan Plan and Hunter Strategic Regional Transport Plan, both currently in development.
- Assess the supply of industrial land in the Hunter suitable for manufacturing, industry and freight functions and work to increase the pipeline. Anecdotal evidence from incoming investors and local businesses looking to expand suggests there is a shortage of large scale sites, both serviced and unserved, relative to what is reported in the NSW Employment Lands Development Monitor.

Ports – immediate actions and directions

- Ensure language in NSW port and freight policy eliminates any suggestion of hierarchy or sequence in the development of container trade across the three ports of NSW, enabling competition, merit and commercial decisions to deliver investment and outcomes.
- Prioritise freight and supply chain projects for public funding and support on the basis of merit, removing the direction that government does not need to provide additional infrastructure to assist the Port of Newcastle to develop a container terminal.

ACTIONS & DIRECTIONS CARRIED OVER FROM THE COMMITTEE'S SUBMISSION TO THE DISCUSSION PAPER

1. \$15 million in matched funding over 3 years to attract international carriers to Newcastle Airport, supporting 760 jobs and \$665 million in economic benefits.
2. \$27 million for an International Air Cargo Facility at Newcastle Airport, creating \$155 million in economic benefits (a BCR of 2.68).
3. On-off ramp from the M1 Pacific Motorway at Masonite Rd to improve freight connectivity to Newcastle Airport.
4. Duplication of Cabbage Tree Road to improve freight connectivity to Newcastle Airport.
5. A port and freight policy that eliminates hierarchy in the development of container trade across the three ports of NSW, enabling competition, merit and commercial decisions to deliver investment and outcomes.
6. Provide directions for the strategic use and/or divestment of the Intertrade Site, Mayfield, consistent with the Port of Newcastle's masterplan. The July 2023 EOI process closed with no successful proponent identified and a pause on the sale of government-owned land. Property and Development NSW are the asset owners.
7. Ensure the provisions on land use at and around the Port of Newcastle in the Three Ports SEPP are no more onerous or restrictive than those for other NSW ports, with special attention to enabling the import/export, storage and transport of clean energy infrastructure critical to NSW Renewable Energy Zones. A coordinated approach to planning, capital investment, operations and maintenance of infrastructure in freight supply chains. This includes considerations of regional governance models that bring producers, suppliers and users together for this purpose to optimise benefits and reduce costs for all parties.
8. A coordinated approach to planning, capital investment, operations and maintenance of infrastructure in freight supply chains. This includes considerations of regional governance models that bring producers, suppliers and users together for this purpose to optimise benefits and reduce costs for all parties, as demonstrated by the Hunter Valley Coal Chain Coordinator (HVCCC)
9. Confirm the pathway to finalise the Lower Hunter/Greater Newcastle City Plan and coordinate scope and priorities with the draft Hunter Strategic Regional Integrated Transport Plan.
10. A strategic and collaborative approach to the identification, sequencing and funding/financing of transport upgrades required to deliver and maintain NSW Renewable Energy Zones and critical clean energy infrastructure.
11. Scope an intermodal hub in the Lower Hunter that connects and integrates all modes of freight transport and provides space for industry development, complemented by master planning, streamlined approvals and enabling infrastructure.
12. Complete a Strategic Business Case for transport upgrades in the Hunter to maintain access to regional freight and supply chain and evacuation routes, and critical infrastructure tied to program funding; similar to that conducted by Infrastructure NSW for the Hawkesbury-Nepean Valley.
13. Confirm funding and delivery of the Lower Hunter Freight Corridor project following confirmation of the route in 2022. This will reduce network congestion and improve travel times and reliability for both rail freight and passenger rail services.
14. Test and trial green fuels and fleets across transport modes in the Hunter region.