

TfNSW Freight Branch Team
Transport for NSW
NSW Government

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Friday, 25 October 2024

Re: Recommendations to inform the Freight Policy Reform Program: 2nd submission.

Newcastle Airport welcomes the opportunity provided by Transport for NSW to submit further input into the review of the Freight Policy Reform Program.

With the opening of our international terminal on 1 August next year, Newcastle Airport is committed to being the airport our region deserves. Serving a catchment of 1.2 million people, it is crucial to enhance connectivity for the greater Hunter Region to key domestic and international markets. Therefore, we urge greater consideration of Newcastle Airport in the Freight Policy Interim Directions paper, alongside the Port of Newcastle, as significant providers of end-to-end freight solutions for regional NSW.

We are deeply concerned that the Interim Directions Paper overlooks Newcastle Airport and its potential as a key element in the state's air-freight value chain. This omission, coupled with the lack of recommendations to bolster the growth of the Port of Newcastle, signals a troubling deprioritisation of the Hunter region. As the Hunter undergoes significant transition, it is crucial that government support is directed towards stimulating business growth and creating local jobs. The strategic development of Newcastle Airport is essential for the economic vitality and future prosperity of our region.

In our previous submission, we identified that a dedicated, regional international air cargo facility is the missing link in the Hunter Region's air-based supply chain. Capital funding for this project is key to unlocking the region's economic potential. Investment in an air cargo facility at Newcastle Airport would also support current investments in the Port of Newcastle, allowing air and sea freight to work together more efficiently to transport complementary cargo.

We strongly believe the Interim Directions Paper should acknowledge the incredible benefits of growing Newcastle into a major logistics hub which would service the needs of regional NSW, strengthening the local economy and positioning the region as a leading exporter worldwide. Given our region's importance as Australia's 6th largest economy, we recommend the Interim Directions paper highlight and not deprioritise the strategic importance of enabling freight transport through the Greater Hunter.

Of note, the Hunter region possesses a greater availability of industrial land relative to Sydney, providing a significant competitive advantage that the State Government should consider in its investment decisions. Likewise, Newcastle Airport offers superior development opportunities compared to Mascot.

We reinforce that activation of the Code E runway upgrade (completed in 2024), the current expansion of our terminal (to be completed by 1 August 2025), and investment in a dedicated air cargo terminal/precinct will benefit our region over the next 20 years as follows:

- 175,000 additional international visitors annually to the state.
- 4,410 extra full-time ongoing jobs.
- \$12.7B to the regional NSW economy (\$6.2B in extra income for the visitor economy, and \$6.5B in additional freight activity).

We reiterate our requests from our first submission:

1. Include and plan for Newcastle International Airport as a crucial part of NSW's airfreight network.
2. Ensure that all planning, creation of enabling infrastructure and policy settings are established to allow an airfreight facility at Newcastle Airport to flourish.
3. Prioritise funding for a regional international air cargo facility at Newcastle Airport to generate a Benefit Cost Ratio of 2.6 for Australia, and to address the gap in the air-based supply chain in the region and wider regulatory and operational supply-chain gaps.

We endorse Hunter Joint Organisation's second submission recommendations:

1. Collaborative Policy Development: Ensure that state and federal policies are aligned and mutually supportive. This collaborative approach will help create a cohesive strategy that addresses both the economic and transport challenges facing NSW, while also contributing to broader State Government policy objectives for the economic transformation of coal affected regions like the Hunter.
2. Planning: Long-term strategic planning involving all relevant parties, including state and federal governments, must focus on integrating the Port of Newcastle and Newcastle Airport into the national logistics framework. In addition, the NSW government should consider a fast-track approval process for the Port of Newcastle's major expansion plans given the importance of these projects to the regional economy undergoing a transition to net zero.
3. Road upgrades for REZ freight: Prioritise upgrades to the Hunter road network that will be tasked with transporting 80% of NSW's wind and solar freight componentry to the state's Renewable Energy Zones (REZ) in regional NSW

In addition to our requests, we also recognise and endorse the following measures to create an integrated freight transport system for our region and support a more efficient and connected freight logistics chain within NSW:

- A prioritised, streamlined approval process for the Port of Newcastle's significant expansion plans, particularly considering the necessary efficiencies for coordinating air and sea cargo.
- The strategic importance of the **Lower Hunter Freight Corridor** (Hexham-Fassifern bypass) for our region when taking on more of the state's freight tasks.
- Effective linkages to the **Lower Hunter Freight Corridor** when planning a dedicated rail freight network in Metropolitan Sydney.
- Focus on upgrading the Hunter roads network.

Newcastle Airport is a key enabler for our region. Our developments and our vision to transform the region into a major freight and logistics hub align with our stakeholder engagement across government, industry, business and tourism channels. By including Newcastle Airport and prioritising the entire freight logistics network within the Hunter region, the NSW Government can align with both [NSW](#) and [Commonwealth](#) policies to transition to net zero, aiding economic transformation and contributing to the broader goal of creating an efficient transport network.

We thank the Freight Policy Reform Program for the opportunity to make a second submission to the Interim Directions Paper, reinforcing how incredibly important Newcastle Airport, and an integrated and prioritised Hunter Freight network, is to the state's air-freight value chain. Should you have any further questions regarding this submission, please contact [REDACTED]