



**Regional
Development**
Australia
I L L A W A R R A

Submission from Regional Development Australia *Illawarra*

in response to

The Land Freight Strategy Discussion Paper

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Introduction

The Illawarra region is located approximately one hour south of Sydney and spans an area of 8,485 square kilometres. It is situated on a narrow coastal strip from Helensburgh in the north to Gerroa in the south. It encapsulates three local government areas of Wollongong, Shellharbour and Kiama and enjoys a mixed terrain of the ocean, rural and urban.

Wollongong is the third largest city in New South Wales and the tenth largest city in Australia. It has a population of over 280,000 (2007) and a growth rate of 2.9 per cent (2006).

The region has a strong industry base of manufacturing, mining, engineering, finance and business services, tertiary education, tourism and retail. The area also has one of Australia's most important deepwater ports, the Port of Port Kembla located 80 kilometres south of Sydney's CBD. Port Kembla has been historically important to Illawarra industry, and has become increasingly important to import and export trade as commercial and residential development impede growth in the nearest significant port, Port Jackson.

About RDA Illawarra

Regional Development Australia Illawarra is the peak regional development consultative organisation for the Illawarra region (Wollongong, Shellharbour and Kiama). It is a locally based, not-for-profit, incorporated association.

RDA Illawarra is governed by an apolitical board of community members and business people, appointed by the Commonwealth and NSW Governments, who volunteer their time to promote the sustainable development of the Illawarra region. A small team of regional development practitioners (Chief Executive Officer, Project Manager, Green Jobs Illawarra Project Manager and Administration Officer) is employed by the RDA Illawarra Board, which receives operational funding from the Commonwealth and NSW Governments.

In broad terms the RDA's role is to be a link between community, business community, business and Government:

- Advising Government about needs and opportunities in the Illawarra;
- Whole-of-Government responses to opportunities and needs in the region; and
- Leading the implementation of economic development projects.

Our Aspirations

The Regional Development Australia Illawarra vision is for a sustainable region with cities and regional centres that offer higher quality of life, socially, economically, and environmentally, through high levels of employment with a highly skilled, adaptable, productive and inclusive community operating in a diverse, vibrant and growing economy.

The Illawarra has an economy driven by diverse industry, and a vibrant and growing port, therefore the Land Freight Strategy will have important implications in terms of achieving our aspirations.

Identifying a National Land Freight Network

RDA Illawarra supports the concept of a national land freight network which focuses not only on current transport and distribution patterns, but is forward-thinking and allows for future growth in the transport logistics sector.

To date, the national freight network has not kept pace with the increasing freight growth and demands. For example:

- the establishment /planning of intermodal facilities does not appear to be co-ordinated to take advantage of existing road/rail infrastructure;
- more regard should be given to inland ports or industrial hubs, such as Moss Vale (Wingecarribee) and Picton (Wollondilly); and
- the national road network (AusLink) stops at the bottom of Mount Ousley (University) some 5 kms from the Port of Port Kembla. The draft freight strategy recognises this deficiency and extends the national road network to the Port of Port Kembla and the RDA supports this extension to include both the inner and outer harbours.

It is imperative that a national land freight strategy is affiliated with the ports strategy in order to ensure that trade to and from ports, such as the Port of Port Kembla, can be serviced. This will be increasingly important for the Illawarra as the limited capacity in and around capital city ports will inevitably increase the usage and importance of regional ports.

The proximity of the Port of Port Kembla to Sydney will be one of its attractions for import and export traders; and road and rail infrastructure must be planned with capacity for future growth to accommodate increased freight movement in the future.

In developing a national land freight network, we encourage the identification of strategies which facilitate interoperability, encourage efficient vehicles and operations, and improve amenity and safety. The network should also seek to reduce impact on the natural and built environment.

It is important that the safety and amenity of the Illawarra community is also considered in the development of the network. There needs to be a futuristic and holistic thinking correlated with growth areas in population, warehousing, industrial estates, employment lands and currently available and future major road and rail arterial corridors. Channelling freight through heavily populated residential and commercial areas generates a hunger for capital resources, logistic inefficiencies, environmental negativities, community angst and imposes a significant productivity impost on road users and the community in general.

We believe this can be facilitated through land-use planning and infrastructure designed to minimise the need to move freight through residential areas and optimising the use of existing infrastructure such as Port Kembla.

Creating a Strategy

RDA Illawarra supports the development of a strategy which incorporates long term freight needs. Such a strategy should take into account relevant National, State and Regional plans, and should enable integration with other important strategy documents such as the national ports strategy.

The scope of any strategy needs to be extensive; it needs to consider the main points of entry and exit into the country and how these pivot points, such as ports, are fed. It also needs to consider whether the existing arrangements are efficient or productive or whether a paradigm shift is necessary as more economic options are presented.

It should also focus on the infrastructure available and required to service the major arterial freight corridors etc and entry and exit points to facilitate the establishment of estates for future economic development. Concentrating more freight into congested areas is not a long-term solution and while it may address the immediate needs it will not avoid the future cost to the community and the economy.

A national freight strategy should recognise the role of all three levels of Government in the planning of infrastructure. As both State and Federal Governments have responsibility for key infrastructure such as major arterial road or rail corridors, a national plan must facilitate a cooperative and coordinated approach to planning and approval.

A well-developed strategy will include forecasting and scenario planning, and this will be important in highlighting opportunities for the Illawarra in terms of increasing import and export trade levels, and the creation of much-needed long term, sustainable employment opportunities.

Executing a Strategy

A national strategy will inevitably identify activities which require cross-border cooperation and coordination. This will require a single planning regime, or a process for approvals which is streamlined and consistent.

A streamlined approach to freight movement regulation will also be important in the execution of the national land freight strategy.

The financing of infrastructure projects is a complex issue, and the possibility of cost-recovery through the private sector or through user-pays requires further examination. RDA Illawarra notes that the Council of Australian Governments is currently conducting trials under the Road Reform Program, and we will monitor the outcomes from these trials.

Summary

All indications to date are that Australian freight will increase significantly in the next 20-30 years. It is evident that in many of the strategic arterial corridors mounting congestion will become a problem, particularly so in capital cities.

It is difficult to specifically identify priorities as all are equally important to service the various markets but one of the looming issues appears to be the capacity of the rail network and its ability to handle growth, particularly where there is shared infrastructure between passenger and freight services.

Movement of freight will generally be driven by many factors, including the origin and destination of cargo, distribution centres, ports, etc. In progressing an overall strategy an important input is to identify, from a national level, how trade to and from our ports and other industrial zones will be serviced. It is important that there are good road connections, major arterial corridors and that the impact on the community is minimised wherever possible. Due to historic planning, in many capital city ports many of the roads, including rail corridors, leading to our ports, have limited capacity for growth without significant expenditure being incurred (tunnelling, bridges, etc).

The strategy needs to consider the point to point movement of freight to major warehousing and storage areas and ports. The distribution network needs to be clearly laid out and the land corridors protected for the future benefit of all.

RDA Illawarra therefore endorses the discussion paper's emphasis on including Port Kembla as a nationally significant regional networked port and adding Port Kembla to the national land freight network.

The 'Land Freight Strategy' discussion paper raises complex and important issues. RDA Illawarra appreciates the opportunity to comment on the paper. Please feel free to contact our office if you require any further information.

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