

# I L L A W A R R A R E G I O N A L D E V E L O P M E N T B O A R D

NSW Legislative Council  
Standing Committee on State Development  
Parliament House  
Macquarie Street,  
SYDNEY, NSW

STATE DEVELOPMENT  
COMMITTEE

23 DEC 2003

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## Inquiry into Port Infrastructure in NSW

### **Submission from the Illawarra Regional Development Board:**

Committee members,

The Illawarra Regional Development Board (IRDB) wishes to make clear its support for the expansion of the port of Port Kembla, as proposed under the State Government's Ports Growth Plan.

We understand that Wollongong City Council has provided a highly detailed submission to the Inquiry addressing the Terms of Reference, principally in terms of the Ports Growth Plan's impact on the Illawarra Region. We do not propose to waste the committee's valuable time by repeating the detail of Council's submission, but would like to make it clear that we fully support the arguments contained in that document.

The IRDB is a panel of business and community leaders from across the Illawarra Region whose role is to develop strategies to identify and promote business and investment opportunities in the region. Our aim is to create a strong business climate conducive to generating employment for new and existing residents.

We act in an advisory capacity to the State Government, and work closely with the NSW Department of State and Regional Development and other government agencies to both attract new employment-generating businesses to the Illawarra and to assist existing businesses to expand.

We consider that by identifying Port Kembla as a key player in the Ports Growth Plan the NSW Government is sending out the strongest possible message to businesses in this State, nationally and even internationally that it has confidence in the Illawarra Region. By boosting trade through Port Kembla it is not only providing a vote of confidence in the region's infrastructure and capacity to handle this increase, but also taking an extremely positive step as a government to generate a large number of jobs for a region with unemployment that is well above the State average.

The IRDB recognises that the majority of these jobs will be generated in the service industries that will be established to support the expanded container and general cargo trade through Port Kembla. The Board has been charged with establishing a committee (under the chairmanship of board member and former Federal Parliamentary Speaker Dr Stephen Martin) to identify and develop strategies to establish and grow these port-related industries and businesses so that the region and generate the maximum number of jobs possible.

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An initiative of Department of State and Regional Development NSW Government.

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As I have already stated, the IRDB does not propose to provide a detailed response to all the Inquiry's Terms of Reference. However, with a responsibility to take a strategic view of employment generation on the Illawarra Region, we do want to address the third Term of Reference and point out the potential for jobs growth:

### 3) The employment implications for Sydney, the Hunter and Illawarra regions.

The Illawarra Region is going through a painful transitional phase from a heavy reliance on an economy with a traditional heavy industry based on steel making and coal mining, to a broader base involving the education and health sectors, ICT and other "knowledge" industries, tourism and services. While this process has been demonstrably successful on a number of fronts (notably the University of Wollongong), the region is desperately short of so-called "blue-collar" jobs and has high levels of unemployment as a result.

The 2001 Census showed that the Wollongong local government area had a total unemployment rate of 9.1 percent (7,337 persons) while the Illawarra Region as a whole had 8.9 percent (14,545 persons) unemployed. This is almost two percent above the NSW average and represents a major cause for concern for the entire community.

In addition, an estimated 20,000 people commute to jobs in Sydney each day making Sydney-Wollongong one of the largest commuter "corridors" in Australia.

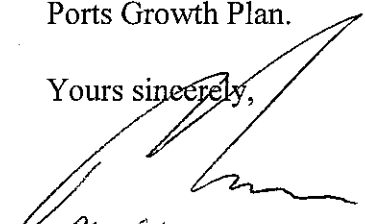
Illawarra Regional Information Service statistics show the region lost 6,500 jobs in the manufacturing sector between 1986 and 1996, which was 31 percent of the State's decline. Those jobs have not been regained since 1996, and the situation has been exacerbated by a similar decline in coal mining jobs.

Clearly, establishing a container-handling facility at Port Kembla would be a major opportunity to regain a significant number of "blue-collar" jobs for the region. In fact, the National Institute of Economic and Industry study estimates that in the long term 2000 jobs will be sustained both directly and indirectly.

This would be an extraordinary economic and social dividend for the Illawarra Region.

On behalf of the Illawarra Regional Development Board, I urge the committee to consider the employment potential for the regional centres of Wollongong and Newcastle in assessing the Ports Growth Plan.

Yours sincerely,



Per G Langton 15-12-03

**GARRY LANGTON**  
Chairman