

**INQUIRY INTO IMPACT OF PORT OF NEWCASTLE SALE
ARRANGEMENTS ON PUBLIC WORKS EXPENDITURE IN
NEW SOUTH WALES**

Organisation: The City of Newcastle

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Strategy and Engagement. J Bath/PMC
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Hon Robert Brown MLC
Legislative Council Public Works Committee
NSW Parliament House
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Dear Mr Brown

**SUBMISSION TO THE INQUIRY INTO THE IMPACT OF PORT OF NEWCASTLE
SALE ARRANGMENTS ON PUBLIC WORKS EXPENDITURE IN NEW SOUTH
WALES**

Thank you for the opportunity to provide a submission to the Inquiry. The Port of Newcastle (PON) adjoins our city centre and is part of our history and our future. City of Newcastle (CN) therefore welcomes the opportunity to support PON's plans to diversify and grow to keep pace with the changing nature of global trade, in particular PON's plan to develop a new container terminal.

CN understands that restrictions on the sale arrangements of PON limits the development of a container terminal. PON has commissioned independent economic analysis that shows a container terminal at Newcastle will create a \$6 billion uplift in economic activity. The flow on effects of a container terminal will help create 4,600 jobs across a diverse range of industries. Planning for jobs and growth within our City and Hunter Region are central to the work that we do.

We support the findings of AlphaBeta's report "*Global Gateway for NSW: the economic impact of a container terminal at the Port of Newcastle*" and Deloitte Access Economics report "*Container Terminal Policy in NSW*" commissioned by PON. The reports make a strong economic case for the development of a container terminal.

CN is undergoing a transformation from its heavy industrial past to a service-based economy. Our Port is similarly changing and planning for sustainable growth. The Greater Newcastle area benefits by its access to international markets through its port and airport. This is recognised in the Greater Newcastle Metropolitan Plan 2036 (Plan) which identifies the desired future role of Greater Newcastle as a Global Gateway City for northern NSW. The development of a container terminal at PON is consistent with the outcomes sought under the Plan

Newcastle is the only place in regional NSW where the national road and trade routes intersect with an international trade port. The Greater Newcastle Metropolitan Plan outlines opportunities to better connect trade movements across NSW and nationally via the Pacific Motorway, New England Highway, Hunter Expressway, national rail network and the proposed Lower Hunter Freight Corridor. These freight corridors are one of the few existing east-west crossings of the Great Dividing Range in NSW.

PON is uniquely placed to provide international freight connections to service beyond just Greater Newcastle and the Hunter Region to much of Northern NSW and the Central West. It can achieve the NSW Government's identified regional development and economic priorities by supporting businesses through access to markets, being a direct source of employment and economic activity and supporting economic diversification in the Hunter.

In conclusion, CN believes the Port Commitment Deed has increased public works expenditure by inhibiting competition in our ports, resulting in higher freight costs. CN believes that Newcastle is well positioned to capitalise on rising global demand for goods and supports PON in its planning to increase direct links into global trade networks. An expanded role for PON in managing port freight supports the future growth potential of CN and NSW and assists the NSW government to realise its regional development and economic objectives.

Once again, thank you for the opportunity to provide this submission. If you require further information, please contact _____, Interim Manager Community and Corporate Planning on _____

Yours faithfully

Jeremy Bath
Chief Executive Officer

Lord Mayor Nuatali Nelmes
City of Newcastle