



Picton Road Safety and Capacity

Submission from the Illawarra Business Chamber to
Infrastructure Australia

Illawarra Business Chamber
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As at 28 August 2020

Summary

The Illawarra Business Chamber (IBC) welcomes the opportunity to make a submission to the Infrastructure Priority List (IPL).¹ In doing so, the IBC requests that Infrastructure Australia (IA) review the priority 'Picton Road safety and capacity', as listed in February 2019.²

The IBC's Illawarra First membership, in partnership with the National Roads and Motorists' Association (NRMA), commissioned research to examine the economic impact of road congestion on the Illawarra's economy. Our consultants, Veitch Lister Consulting (VLC), produced the research report *Upgrading Road Connectivity Between the Illawarra and Greater Sydney* in May 2018.³

A copy of the report is attached and should be read in conjunction with this submission.

The IBC recommends a revised initiative and timeframe, underpinned by independent analysis which includes problem/opportunity costs that may contrast with information and advice that informs the current IPL listing.

Problem

As at 2017, 20,800 vehicles use Picton Road per day, comprising an exceptionally high ratio of heavy vehicle traffic at 25 percent. During the morning peak (6am to 10am) 5,200 vehicles use the road (32-40 percent heavy vehicle traffic). Average annual growth in daily traffic and heavy vehicles is growing at 7 to 8 percent each year.

On this basis, Picton Road is projected to reach peak hour congestion in 2022 and daily congestion in 2025. VLC concluded that Picton Road is of a substantially lower standard than other roads in NSW that carry similar volumes and a similar mix of cars and heavy vehicles.

The IBC recommends that the problem, as articulated in IA's IPL listing, should be revised to provide a fuller account of the near-term requirement to address capacity and safety issues on the road. Further, significant upgrades at the Wilton Interchange (intersection of Hume Motorway and Picton Road) are required in the near-term, to adequately service the Wilton Growth Area as 60,000 new homes are progressively built to 2040, placing further strain on this road corridor.

A letter of support from Wollondilly Shire Council is attached.

Proposed initiative

The current options proposed to address capacity and safety issues on Picton Road are considered inadequate and will not impact capacity constraints or contribute meaningfully to the prospective economic benefits detailed below.

Consistent with VLC's analysis and recommendation, the IBC recommends that IA adjusts the proposed initiative to upgrade Picton Road to motorway standard (four-lane divided highway), concurrently with the Wilton Interchange. Wollongong City Council and Wollondilly Shire Council consider these upgrades as near-term priorities that are not being appropriately planned for.

¹ Infrastructure Australia, *Infrastructure Priority List – call for submissions to 2021 publication*, <<https://www.infrastructureaustralia.gov.au/infrastructure-priority-list-call-submissions-2021-publication>>, accessed 29 July 2020.

² Infrastructure Australia, *Picton Road safety and capacity*, <<https://www.infrastructureaustralia.gov.au/map/picton-road-safety-and-capacity>>, accessed 29 July 2020.

³ Veitch Lister Consulting, *Upgrading Road Connectivity Between the Illawarra and Greater Sydney*, <<https://www.nswbusinesschamber.com.au/NSWBC/media/Regional/Illawarra/Illawarra-First-Road-Study-May-2018.pdf>>, accessed 29 July 2020.

They are supported by other major businesses and industry peaks that support the Picton Road Motorway Coalition, which has been formed to pursue a joint funding commitment from state and federal governments.⁴

Problem/opportunity timeframe

The current IPL listing denotes a medium term (5-10 years) timeframe. This timeframe does not accord with VLC's analysis, which recommends the project be completed by 2025, as the road is estimated to reach peak hour capacity in 2022 and daily capacity in 2025. The IBC recommends that IA adjusts the problem/opportunity timeframe to near term (0-5 years).

Problem/opportunity costs

VLC estimate that in 2021, the upgrade of Picton Road would deliver total economic benefits of around \$33.5 million per year, comprising:

- \$25 million in travel time savings.
- \$7 million in vehicle operating cost savings.
- \$1.5 million savings from crash reductions.

This will rise to \$41.7 million per year by 2031. A more detailed breakdown of these problem/opportunity costs is presented in Table 1. Further, VLC have estimated a benefit cost ratio (BCR) of 1.8 to 2.6 for duplicating the road.

Table 1 - Economic benefits for Picton Road Upgrade

	Travel time (\$m)		Vehicle operating cost (\$m)		Crashes (\$m)	
	2021	2031	2021	2031	2021	2031
Cars	14	17	3	3		
Light commercial	2	2	1	1		
Heavy commercial	9	13	3	4		
Total economic benefits	25	32	7	8	1.5	1.7

Stakeholder benefits

Picton Road is a major economic corridor for the state, linking the Illawarra and Greater Sydney, with freight travelling between Wollongong/Port Kembla to Greater Sydney and the future Western Sydney Airport and Aerotropolis. A comprehensive upgrade of the road will ensure that its freight/economic usage is sustained and that the residents of the Illawarra and Greater Sydney are safely interlinked, for their social and economic benefit.

Next steps

The IBC recommends that IA:

- Consider the analysis and evidence-base provided by VLC regarding Picton Road, articulated in the report *Upgrading Road Connectivity Between the Illawarra and Greater Sydney*.
- Request that the proponent (NSW Government) progress to business case development (Stage 3 of IA's Assessment Framework), which should consider joint state/federal government funding.

⁴ Picton Road Motorway Coalition, <www.pictonroad.com>, accessed 27 August 2020.



About the Illawarra Business Chamber and Illawarra First

The IBC is the peak business organisation and the regional chamber that supports businesses and local chambers across the Illawarra-Shoalhaven, primarily, as well the South Coast and Capital regions, and is a division of Business NSW (formerly known as the NSW Business Chamber).

We develop policy, advocate to all levels of government on issues affecting businesses, undertake research to guide greater public and private sector investment in economic infrastructure, and support the development of workforce capacity and skills in our region.

Illawarra First is the top tier of IBC membership, harnessing best practice and thought leadership to progress key priorities including improving connectivity with Sydney, realising greater value from existing strategic infrastructure and leveraging competitive advantages to bolster economic growth. Its membership comprises a select group of leading businesses in the Illawarra, sharing a commitment to driving the development and prosperity of the Illawarra.

Our Reference: TRIM 8520

Mr Adam Zarth
Executive Director
Illawarra Business Chamber
Level 5,
6 Regent Street
WOLLONGONG NSW 2500

27 August 2020

Dear Adam

**INFRASTRUCTURE AUSTRALIA INFRASTRUCTURE PRIORITY LIST –
PICTON ROAD SAFETY AND CAPACITY**

Dear Adam

Wollondilly Shire Council welcomes the opportunity to provide this letter of support for the submission by the Illawarra Business Chamber (IBC) to the Infrastructure Priority List to review the priority Picton Road safety and capacity, as listed in February 2019.

It is noted that the upgrade of Picton Rd has previously been identified by Infrastructure Australia as a priority project with the potential to unlock significant economic potential:

<https://www.infrastructureaustralia.gov.au/map/picton-road-safety-and-capacity>.

The inclusion of Picton Road in the Infrastructure Priority List notes that the road carries more than 20,000 vehicles a day, approximately 22% of which are heavy vehicles, with these numbers expected to increase rapidly with population growth. The volume of passenger and heavy vehicles on Picton Road, including the Picton Road/Hume Highway interchange, is causing significant delays and safety issues on the route. This is resulting in longer travel times and higher crash rates on this important freight and passenger connection between the Illawarra and Greater Sydney.

My Council has been working collaboratively with the Illawarra Shoalhaven Joint Organisation on the *Western Sydney and Illawarra Shoalhaven Roadmap to Collaboration*:

<https://isjo.org.au/assets/4c28918964/Western-Sydney-and-Illawarra-Shoalhaven-Roadmap-to-Collaboration-FINAL.pdf>

This Roadmap outlines a collaborative approach to leveraging opportunities for cross-regional benefits in shared service delivery, infrastructure investment, and freight and passenger connections. Improvements in freight and passenger transport infrastructure and connections between the Illawarra/Shoalhaven and Western Sydney will be crucial to fully realising economic opportunities within both regions. These cross-regional opportunities are also noted in *Future Transport 2056*. The Picton Road interchange is a critically important strategic connection and will be a catalyst to delivering outcomes for the South West and better connections to the Illawarra and Shoalhaven into the Aerotropolis.

The accelerated upgrade of Picton Road/Hume Highway interchange would also act as a significant catalyst for the Wilton Growth Area, in addition to delivering a broader potential economic and strategic benefits:

- Acting as a catalyst for Wilton and the opportunity to drive economic recovery by accelerating development in the growth area;
- Addressing current traffic and safety issues on Picton Road;
- Supporting improved freight and other vehicular movement between Illawarra and Greater Sydney;
- Supporting the improvement of emergency evacuation routes highlighted during the recent bushfires;
- Delivering better environmental outcomes through improved design solutions, including improvements in runoff and the control of pollutants into our waterways; and
- Facilitating improved movement of products and rural resources increasing and supporting the rural economy.

The accelerated upgrade of Picton Road will not only deliver significant economic and strategic benefits for the Illawarra-Shoalhaven and Greater Macarthur regions, but will also enhance a major national freight route supporting broader State and national economic outcomes. I look forward to positive consideration of this submission by Infrastructure Australia.

Should you have any questions regarding this letter, please contact Toni Averay, Director Planning, on phone (02) 4677 9777 or alternatively by email Toni.Averay@wollondilly.nsw.gov.au.

Yours faithfully



Matthew Deeth

Mayor

WOLLONDILLY SHIRE COUNCIL

Cc:

Councillor Gordon Bradbery, AM, Mayor Wollongong City Council

Nathaniel Smith, MP, State Member for Wollondilly

Hon. Angus Taylor, MP, Federal Member for Hume and Minister for Energy and Emissions Reduction