



**Submission to the
Greater Cities Commission
regarding the Six Cities Region
Discussion Paper**

November 2022

**BUSINESS
ILLAWARRA**

Background & position statement

Business Illawarra has supported the expanded remit of the former Greater Sydney Commission to include the Illawarra Shoalhaven as a combined City under the footprint of the new globally recognised Six Cities Region since its announcement in late 2021.

The approach that the Greater Cities Commission (the 'Commission') is taking with the rollout of its 20-year visioning and strategic planning for this new metropolis is welcome; and, as it has identified, the significance of the change required in respect to both planning and delivery will require a "paradigm shift" of many stakeholders.

Business Illawarra views the whole-of-government approach, including the alignment with NSW Future Transport and Infrastructure Strategies and the recognition of existing Regional Plans and Economic Development Strategies, as sensible in order to avoid overlap and duplication and to provide the necessary time for a major framework change. It is equally important to consider each of the local councils' strategic and economic planning processes and we note the Commission's recognition of this.

Business Illawarra's own footprint encompasses the geography of the new Illawarra Shoalhaven City and has been involved in many of the strategic planning and economic development initiatives for this area over many years and decades.

We now welcome the opportunity to provide feedback on this new framework for the Six Cities Region Discussion Paper and look forward to the opportunity to contribute to the development of the Illawarra Shoalhaven City Plan in 2023.

Our existing evidence base

As part of [Illawarra First](#), the region's peak business leadership forum comprising the heads of 50 leading organisations, and our [Regional Advisory Council](#), Business Illawarra has produced leading research that provides the evidence base for our successful advocacy in support of the region's economic development.

These reports have underpinned the advocacy campaigns that have delivered \$44 million in initial funding for the Picton Road motorway project, as well as \$4.5 million for the development of master planning and business case development for the Illawarra Sport and Entertainment Precinct.

Please consider the following [Reports](#) that relate strongly to the vision the Greater Cities Commission is developing for the region during your consultation processes:

- 'Upgrading Rail Connectivity Between the Illawarra and Greater Sydney' (July 2017)
- 'Upgrading Road Connectivity Between the Illawarra and Greater Sydney' (May 2018)
- 'Assessing the Economic Impacts of Better Connecting the Illawarra' (October 2020)
- 'The Decentralisation of Work and the Illawarra' (April 2021)
- 'Revitalising Wollongong's foreshore, Illawarra Sports and Entertainment Precinct' (March 2022)

Upcoming research

Following our involvement in the Illawarra Shoalhaven Housing Roundtable that emerged from the Illawarra Shoalhaven Regional Plan 2041 (NSW DPE 2021), and given the interest

local employers have in the availability of housing for key workers, Business Illawarra has partnered with Department of Regional NSW and the Illawarra Shoalhaven Joint Organisation of Councils to commission a research and strategy project to examine solutions to this critical current issue confronting the Illawarra Shoalhaven. Locally based social research and planning consultants [Judith Stubbs and Associates](#) have been commissioned to undertake this work.

We encourage the Commission to review this report, due to be released by end November 2022, as feedback for its discussion paper and later city planning - and we will ensure the Commission is briefed soon after its release.

Responses to public survey questions

The following sections provide additional feedback to the Commission in line with the public survey questions that were available through the consultation period. The discussion paper has been considered by Business Illawarra's Regional Advisory Council and survey questions discussed with some of its individual members.

What will the top 3 things the Illawarra-Shoalhaven City is known for in 2040?

We note that the Commission provided some existing and prospective identities for the Illawarra Shoalhaven City in the discussion paper including that it might be:

“Anchored on maritime defense and aerospace capabilities, freight and logistics, specialised steel manufacturing and the cultural and creative industries”.

Additionally, industry in this region benefits from a close association with the University of Wollongong (UoW) on initiatives that will advance energy transformation, manufacturing and the defence industry and the Commission recognises this.

In considering regional identities, the Commission should be alive to the challenge of creating a shared identity and vision across the very diverse and different locations of the Illawarra Shoalhaven region.

Both Wollongong to the north and Shoalhaven to the south may be best placed to maintain a level of autonomy in terms of what they are known for domestically if not internationally. While they are now well-connected by road, and close collaborators for regional-level issues and opportunities, they are still quite different in terms of identity.

In that context and following consultation with our members, the following themes should be considered regarding what the Illawarra Shoalhaven City should be known for in 2040:

- *A great place to visit – and stay.* The natural beauty of our blended coastline and mountainous countryside needs to be complimented by an understanding that in our cities, high standard accommodation, entertainment, and quality of service is always available. The visitor economy should continue to expand through developments that generate more overnight stays.
- *An employment hub for high-value, high-tech jobs.* Our industrial, manufacturing and mining heritage has transitioned into an economy that embraces carbon neutrality while providing an abundance of business, employment, housing and lifestyle opportunities for all levels of income-earning households. We are well on the journey from a commuter region to an employment powerhouse within a few decades.

- *An attractive location for future economic expansion.* As suggested by the Commission, arguably our region's greatest opportunity to unite its diverse and distant communities is to capitalise on the likely defence sector growth opportunities occurring nationally.

In short, the Illawarra Shoalhaven City wants to be known as the 'best city in Australia to sustainably live, work and stay'. It is attractive to young people and families, career and business-builders and those wishing to retire and ultimately be cared for by leading health and aged care providers.

Importance and priority of the six proposed 'Region Shapers'

Business Illawarra has determined that the six proposed 'region shapers' are all important in their own way and that rather than ranking each priority, one through to six, we will instead comment on the importance of each to the region.

We do want to point out which region shaper we believe the new Six Cities Region framework will be most important though in terms of creating an opportunity for the delivery of long-awaited infrastructure and services required for the regional economy to reach its potential in future: **A Connected Six Cities Region**.

This is in keeping with the focus of much of the advocacy work undertaken - as well as in the aforementioned evidence base produced - by Business Illawarra. The reasons we have selected connectivity as the city's highest priority, and connectivity primarily between our city and the others in the Six Cities region, are twofold.

Firstly, rail travel between the Illawarra Shoalhaven and Greater Sydney must be faster and it must also allow travelers access to digital connectivity throughout the whole of the journey. The rail journey from Wollongong to Sydney is greater than 1.5 hours for only 85 kilometers, which is highly inefficient and comes at a significant economic cost.

A 2014 report by PwC for Business Illawarra found that:

"Accessing jobs and trading opportunities in Sydney already costs Illawarra residents and businesses around half a billion dollars a year. Without action, the time and out of pocket costs are expected to increase to at least \$690 million per annum by 2031."

Secondly, in terms of Fast Rail, Business Illawarra has been noting for some years that such a project would likely be delivered several decades following the looming network congestion point that both NSW Government estimates and our own research have identified will occur in 2036.

Business Illawarra welcomed the Commission's acknowledgement of this challenge in the discussion paper in the section on linking freight, ports and airports for economic growth:

"The development of a new rail connection to Western Sydney is a crucial link that would support additional rail freight capacity in and out of Port Kembla and the Illawarra-Shoalhaven City."

Business Illawarra has for a long time advocated for the South West Illawarra Rail Link (SWIRL) to connect the region to the economic growth zone around South Western Sydney, including the Nancy Bird Walton Airport (currently under construction) and its surrounding aerotropolis. Recently weather events and subsequent disruptions to the Southern Rail

Network have highlighted the clear need for this development to be urgently planned and delivered.

An embedded First Nations voice

The Illawarra Shoalhaven City is home to the Dharawal people, and Business Illawarra supports the embedding of a First Nations voice into city planning for the region.

Identifying and understanding the aspirations of our city's First Nations people as outlined by the Commission is a sound initiative, one that the business community wishes to engage in especially in relation to incorporating Aboriginal Partnership Plans into the pipeline of major investment and economic development projects that are coming to the region in the areas of housing, energy transformation and defence.

One of the greatest opportunities for the indigenous people of our city to advance is Aboriginal focused tourism and visitor education attractions that align with the country and coastal stories of the Dharawal people. Many of these stories emanate from the hunting, gathering, fishing and marine traditions of the custodians of the Illawarra Shoalhaven lands.

Housing supply, diversity and affordability

As mentioned, Business Illawarra is currently undertaking a research and strategy development project to provide some actionable solutions to the key worker housing affordability crisis that has engulfed the Illawarra Shoalhaven to a greater degree than other areas.

Early analysis completed as part of this work identifies that, at the time of the 2021 Census, there were around 22,700 very low-, low- and moderate-income households in housing stress in the Illawarra Shoalhaven, with around 17,750 households (78%) in rental stress and 4,950 households (22%) in purchase stress. There is a particularly disproportionate amount of housing stress amongst renters in Wollongong LGA, who made up 81% of all those in housing stress in the LGA.

Upon its release in late 2022, the report will inform the Commission's welcome initiatives to set housing targets for each LGA, including for "affordable" stock in its discussion paper. Similarly, it will inform targets for the proportion of social and affordable housing in residential developments on government land and we note that a target of up to 30% has been posed however this should not be finalised at this level at this stage.

Inclusive places linked to infrastructure

While Business Illawarra agrees with many of the Commission's visioning objectives and the importance of them for this 'city shaping' work, we seek more practical initiatives and aspirations than a relatively unlikely 15-minute walk and 30-minute trip by public transport to access strategic centers.

High levels of reliance on vehicle transport are entrenched within the community and have led to significant congestion on local roads and shortages of adjacent carparking. In part this is attributable to what has up until recently been a lack of investment in the region's transport infrastructure. Instead, we advocate for further improvements to road and rail infrastructure, and for an examination of the adequacy of current carparking arrangements.

There is no doubt however that the challenges of distance across our large city region will be addressed by adopting a precinct-led approach to planning and delivery of inclusive places for everyone in the city and beyond to enjoy.

Business Illawarra outlined such an approach in significant detail recently upon release of its 'Revitalising Wollongong's foreshore – Illawarra Sport and Entertainment Precinct (ISEP)' report early in 2022. This report highlighted that to maximise the benefits of precinct development the public and private sectors should invest together to ensure that the best economic use of precincts is realised. In the case of ISEP, the redevelopment of this regionally significant site would deliver significant visitor economy and livability benefits. However, legislative and other government barriers are preventing the best economic use of available lands in its precinct being advanced. The new Six Cities framework must identify and propose the removal of barriers like these if it is to be successful.

In addition to the precinct planning undertaken for ISEP, we have a range of views on other significant precinct opportunities across industry, education, health and innovation sectors that will be put forward during later city planning. Precinct planning is critical for the following city shaper also and we note that is identified by the Commission.

Powering local jobs and economies

Business Illawarra's vision for the region is that it is open for business, whether that be through employment or self-enterprise.

The Illawarra Shoalhaven is uniquely placed to expand heavy industry, energy, technology, education, social service, defence and visitor economy sectors due to its proximity to Sydney, Port Kembla and other assets, depth of capabilities and an expanding international profile.

Recently the UCI Cycling World Championships held in Wollongong showed our coastal and bushland beauty to the world, now we need to demonstrate how visitors can come and enjoy it with ease, staying in high quality accommodation and being able to visit world class leisure, sporting and commercial attractions and events.

Climate-resilient green cities

'Climate-proofing' the Illawarra Shoalhaven City must be embedded into the whole of the Commission's planning and delivery work in coming years. The unique natural environment and ecosystems of the of the city's oceans, waterways and lands must be sustained throughout all that we do in our economy.

The discussion paper rightfully speaks to the need for the Six Cities region accelerating the shift to renewable energy and thanks to many initiatives of government and private investors already a good start towards this outcome has been made. The Illawarra Renewable Energy Zone is expected to be declared by the NSW Government by the end of the year and soon after the Federal Government is expected make the prospect of offshore wind farms for our city a reality by declaring the coastal waters off our city an offshore wind farm area.

Similarly, the discussion paper rightfully points to the need for circular economy and sustainable housing and buildings being the norm in future to combat climate risk and the Illawarra Shoalhaven has embraced this paradigm as well.

It is important to note however that the transition to these ends may be more challenging and require different approaches in the Illawarra Shoalhaven considering emissions starting

points and our economic profile. Our city for example will be home to Australia's primary steel making plant for the next 100 years prospectively and the reduction of emissions to produce steel is complex, expensive and requiring of some transition concessions that differ from other industry sectors. The same approach will be required for some of the other manufacturing and mining operations that are located in our city also.

Other priorities for the ongoing development of the Six Cities region

Overall, the Commission has made an excellent start to the Six Cities region planning with its discussion paper and other engagement efforts to date. The priorities, proposed visions, plans and actions to progress the six region shapers are very complete and encompassing of all the key matters for this level of conversation with stakeholders.

While early days, and we did not expect the Commission to go into full detail for each city in this discussion paper we do feel it important to point out that specific solutions and opportunities in health, community, education and technology that did not feature as prominently as some other areas for the Illawarra Shoalhaven by the Commission at this stage, will require the same significant investigation and consideration.

Finally, we request that the Commission ensures that it makes every effort to engage with small and medium-sized enterprises (SMEs), including through Business Illawarra and its parent organisation Business NSW, in its later stages of planning. The views of SMEs are often lost throughout planning processes like that pursued by the Greater Cities Commission, and if a true paradigm shift is to happen a deeper small and medium business dialogue will have to occur.

We look forward to continued work with the Commission as the Six Cities region vision comes to life and if you have any questions on our response to the discussion paper, please contact Business Illawarra Policy Manager Ken Whitton via email to kenneth.whitton@businessillawarra.com or by calling 0409 229 724.

About Business Illawarra & Illawarra First

Business Illawarra is the peak business organisation and the regional chamber that supports businesses and local chambers across the Illawarra, Shoalhaven, Southeast and Capital regions. Business Illawarra is a Division of Business NSW (formerly the NSW Business Chamber) – a founding member of the Australian Chamber of Commerce and Industry.

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.

Illawarra First is the peak leadership forum in the region, championing the interests of the local economy to unlock the region's enormous potential by harnessing best practice and thought leadership to progress key priorities. Its membership comprises a select group of leading businesses in the Illawarra, sharing a commitment to bolster economic growth and prosperity. The leadership and direction of Illawarra First drives the commissioning of research to support the policy and advocacy priorities of Business Illawarra.