

2026 ADVOCACY

ENABLING JOBS CRITICAL TRANSPORT

Illawarra, Shoalhaven & Southern Highlands

**BUSINESS
ILLAWARRA**



ACKNOWLEDGMENT OF COUNTRY

Business Illawarra acknowledges and pays respect to the Traditional Custodians of the lands on which we live and work. We pay respect to their Elders past, present and emerging. We acknowledge and respect the continuing connection to land, sea and sky and celebrate the stories, culture and traditions of all Aboriginal and Torres Strait Islander people who work and live on this land.

FOREWORD

This region is transforming + transport is a critical enabler.

The Illawarra, Shoalhaven and Southern Highlands region has a combined GDP exceeding \$13.16 billion and is home to more than 300,000 jobs, more than 700,000 working adults within a one-hour drive and close to 40,000 businesses. As a recognised growing powerhouse region, the South Coast & Highlands leads nationally in advanced manufacturing and clean energy, underpinned by a highly skilled workforce with strong education and research institutions. Each sector within the region plays a vital role in driving sustainable economic activity and regional prosperity.

Being strategically positioned between three international airports (Sydney, Canberra and forthcoming Western Sydney), a regional airport in Shellharbour and a large commercial port in Port Kembla, the region represents a powerful case for investment.

This region is not just growing, but transforming, into one of Australia's most dynamic and future-ready economies.



Coralie McCarthy

Coralie McCarthy
Director, Business Illawarra

*ABS Regional Summary Data (LGA) (jobs data last available 2021, businesses 2024 - 349545 and 37222 respectively)

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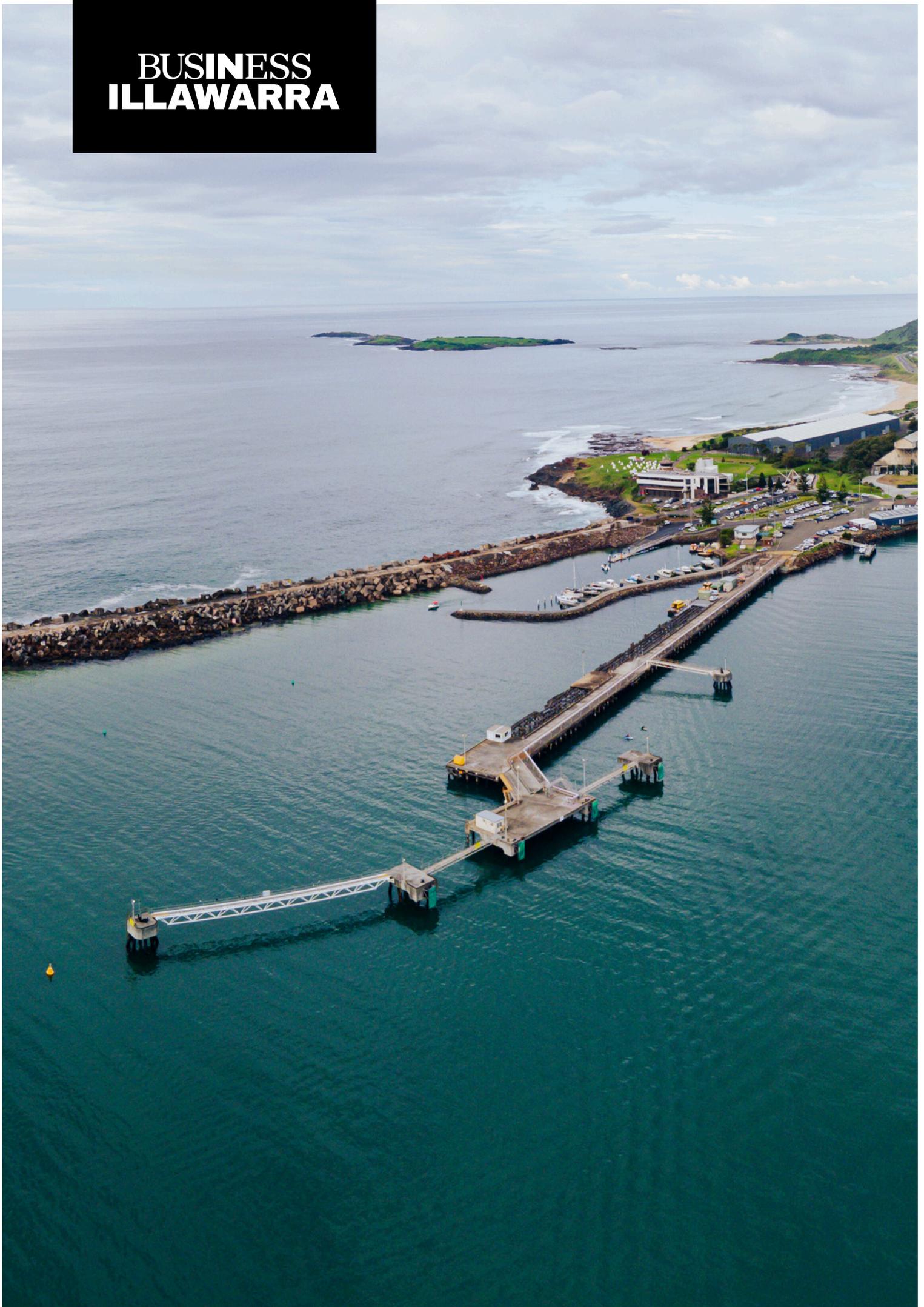
ABOUT BUSINESS ILLAWARRA

Business Illawarra supports businesses across the Illawarra, South Coast and Highlands region. On behalf of our members, 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.

Business Illawarra is owned and supported by Business NSW, the state's leading advocacy voice for business. Of the few enduring, independent, not-for-profit organisations in Australia, Business NSW is the only one focused on the wellbeing of the business community. Our purpose has always been to provide a strong, clear voice for businesses on the issues important to their livelihood.

This guide sets out clear and coordinated advocacy priorities, articulating the strategic investment needed to enable the region's transformation into one of Australia's most dynamic and future-ready economic hubs.

BUSINESS ILLAWARRA



TRANSPORT

The region is growing, connection is now urgent + critical.

Challenge

Reliable transport infrastructure is critical for regional economic growth, freight, workforce mobility and the visitor economy. However, outdated and disconnected road, rail, and air networks limit business opportunities and regional development.

Opportunity

A coordinated, long-term pipeline for cross-government investigation and strategic investment in transformative transport infrastructure across road, rail and air to drive regional progress.

CRITICAL TRANSPORT PROJECTS

Planning for our economic future, today.

1. PICTON ROAD

Link to Western Sydney - progress stage one completion of Picton Road dual carriageway and continuing to facilitate the advancement of Picton Road upgrades, \$600mil.

2. DAPTO PRINCES HIGHWAY

Worker Travel in Illawarra - Princes Highway congestion issues at Dapto and Figtree causing delays for workers.

3. MACQUARIE PASS

Link to Western Sydney - upgrade Macquarie Pass to ensure safe and reliable connectivity between the Illawarra and Southern Highlands.

4. JAMBEROO MOUNTAIN

Support Critical Infrastructure - reclassify Jamberoo Mountain as a state road to be managed by TfNSW. Closures to Macquarie Pass are significantly impacting this critical infrastructure.

5. NOWRA ENZA + BYPASS

South Coast Critical Road - commit ongoing funding to deliver the Nowra Bypass project long term and allocate funding towards completion of East Nowra Sub Arterial (ENSA) to ease congestion in Nowra CBD caused by increasing commuter demand and reducing delays between Nowra and Sydney.

6. HAMPTON BRIDGE, KANGAROO VALLEY

Freight Critical Infrastructure - link to Illawarra Highway: Prioritise the planning and delivery of a new Kangaroo River crossing, replacing the use of Hampden Bridge for freight vehicles.

7. MAIN ROAD 92

Freight link to Canberra - a new heavy vehicle freight route to eliminate 15t weight limit on Main Road 92 'East West Freight Link'. Improving safety and enabling an alternative route across the Illawarra Escarpment, linking Nowra to the Hume Highway.

8. RAIL LINK TO WESTERN SYDNEY

Freight and Passenger - Fund a business case and progress detailed design and delivery for a rail link 'SWIRL' from Illawarra to Western Sydney. Extending the existing rail link from the highlands line connection through Wilton and Western Sydney, boosting freight capacity, passenger services, connecting the coast and industry through to the Port and International Airports.

9. ELECTRIFY KIAMA - BOMADERRY

Reliable Rail - Electrify the rail line from Kiama to Bomaderry to enhance commuter transport.

10. SOUTHERN HIGHLANDS - CITY

Connection to Sydney - Amplification of the existing rail network to integrate the Southern Highlands with the Sydney network.

11. MOSS VALE BYPASS

Reduce delay, support freight - Fund the Moss Vale Bypass to link Argyle Street, Berrima Road and the Hume Motorway, reducing delays, improving freight flow, boosting growth, enhancing safety and strengthening investor confidence.

12. FAST RAIL

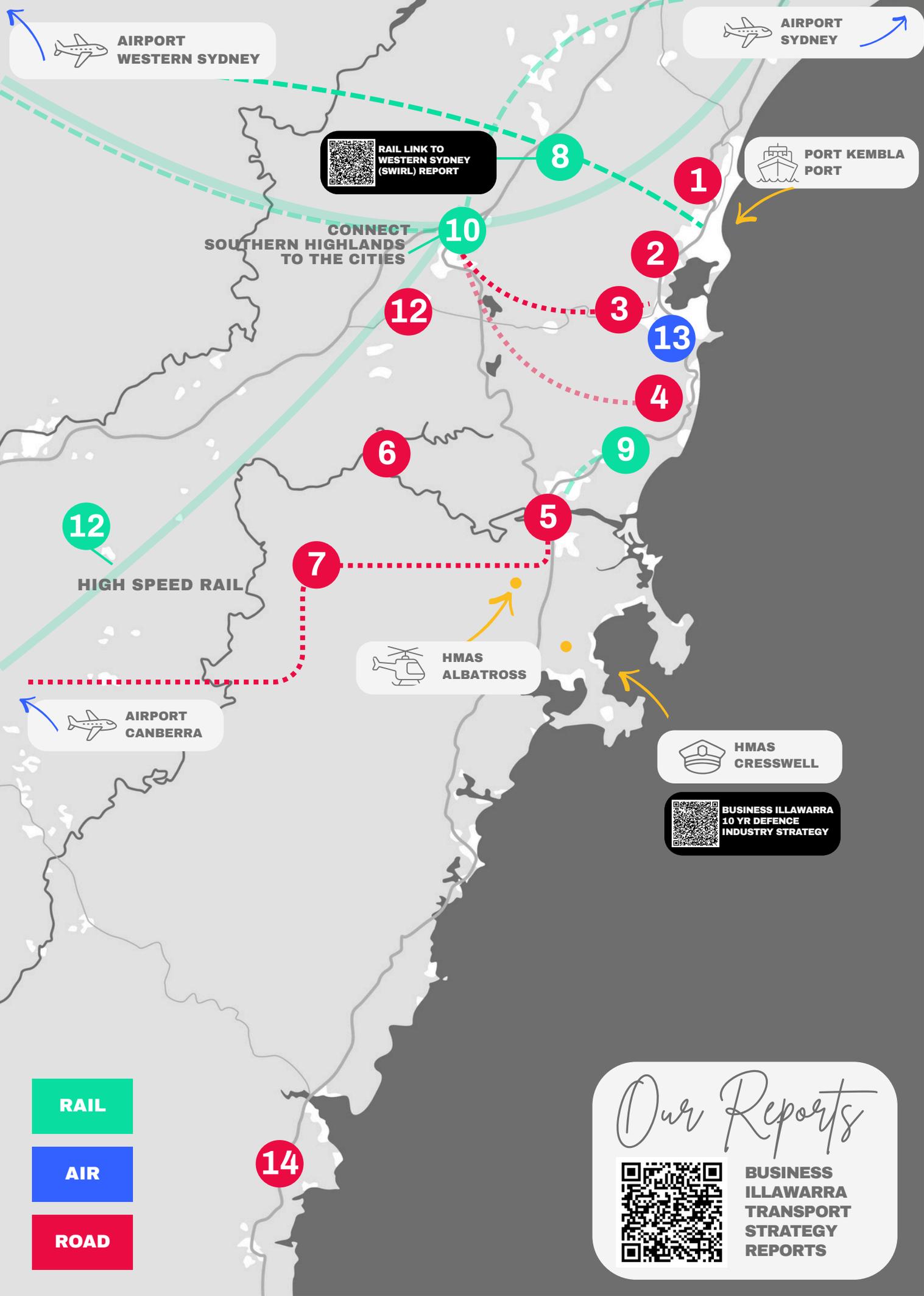
Connect the region to the world - begin work on identifying the fast rail corridor between Sydney and Canberra, with a confirmed transit stop in Moss Vale and connection to 'SWIRL' rail link.

13. SHELLHARBOUR AIRPORT

Implement the Shellharbour Airport Master Plan with a funding request of \$20 million, to support regional economic development, tourism and employment. The Master Plan outlines infrastructure upgrades including; expanded aircraft parking, security screening, enhanced runway lighting, and runway overlays.

14. MILTON - ULLADULLA BYPASS

South Coast Critical Road - commit ongoing funding to deliver the Nowra Bypass project.



 **AIRPORT WESTERN SYDNEY**

 **AIRPORT SYDNEY**

 **RAIL LINK TO WESTERN SYDNEY (SWIRL) REPORT**

 **PORT KEMBLA PORT**

CONNECT SOUTHERN HIGHLANDS TO THE CITIES

12 HIGH SPEED RAIL

 **HMAS ALBATROSS**

 **AIRPORT CANBERRA**

 **HMAS CRESSWELL**

 **BUSINESS ILLAWARRA 10 YR DEFENCE INDUSTRY STRATEGY**

- RAIL**
- AIR**
- ROAD**

Our Reports

 **BUSINESS ILLAWARRA TRANSPORT STRATEGY REPORTS**

CRITICAL TRANSPORT PROJECTS STATUS

Planning for our economic future, today.



PICTON ROAD

Project delivery unfunded: \$600 million

Link to Western Sydney - progress stage one completion of Picton Road dual carriage way and continuing to facilitate the advancement of Picton Road upgrades.

PROJECT STATUS

- \$120 million committed to planning staged upgrades. Stage 1 planning complete.

NSW GOV SHOULD

- Commit \$600 million to deliver stage 1 critical infrastructure at the interchange.



DAPTO OFF RAMPS

Project planning funded, due to be completed mid 2027.

Worker travel in Illawarra: Princes Highway congestion issues at Dapto and Figtree causing delays for workers.

CURRENT PROJECT STATUS

- \$10 million committed to planning new south facing ramps on the M1 Princes Motorway in the Illawarra-Shoalhaven region, including potential locations at Kanahooka, Fowlers or Emerson roads, due to be completed mid 2027.
- Funding will be needed to deliver infrastructure when planning is complete.





MACQUARIE PASS

Work underway.

Macquarie Pass is used by 4,000 vehicles every day and is a critical transport route. Dual carriage way and upgrades are required on Macquarie Pass, ensuring safe and reliable connectivity between the Illawarra and Southern Highlands.

CURRENT PROJECT STATUS

- \$9.6 million worth of major upgrades for Macquarie Pass commenced September 2025. Delivery of wider lanes and new safety barriers, improving key sections at the top and near the bottom of the busy Illawarra Highway.



JAMBEROO MOUNTAIN

Reclassify this road as NSW State Infrastructure.

Currently managed by Kiama Council, Jamberoo Mountain is the critical detour route when Macquarie Pass is closed, significantly impacting this critical infrastructure. This important link road requires ongoing safety upgrades.

CURRENT PROJECT STATUS

- This road remains a local road managed by Kiama Council, significantly impacting council budget and community resources.

NSW GOV SHOULD

- Reclassify Jamberoo Mountain Road from a local (council-managed) road to one managed by the NSW Government.





NOWRA: ENZA + BYPASS

South Coast Critical Road Infrastructure.

Commit ongoing funding towards completion of East Nowra Sub Arterial (ENSA) to ease congestion in Nowra CBD caused by increasing commuter demand and reducing delays between Nowra and Sydney. Ongoing commitment is needed to deliver the Nowra Bypass project to support visitor and freight movements in the peak holiday season.

CURRENT PROJECT STATUS

- 2024: \$12 million committed by NSW to planning ENZA
- 2023: \$65 million committed by Australian Government for Nowra Bypass.

NSW GOV SHOULD

- Ongoing funding and a schedule of works and associated timeline to ensure this project progresses to delivery.



ENZA



BYPASS



HAMPTON BRIDGE

Kangaroo Valley freight route with significant impacts.

In June 2025, Transport for NSW reduced the load limit on Hampden Bridge from 42.5 tonne to 23 tonne to reduce strain on the historic bridge and help prevent further damage. This had significant impact on the businesses that use the route for transport and freight.

CURRENT PROJECT STATUS

- Transport has been investigating options to enable the crossing to return to a 42.5 tonne load limit, however timelines are unclear and there is no funding committed to the delivery of this project.

NSW GOV SHOULD

- Fast track repair work to ensure higher weights for freight in the short term.
- Commit to delivery of a second river crossing with budget and accountable timelines.





MAIN ROAD 92

Freight link needed, Nowra to Canberra.

Freight link to Canberra - a new heavy vehicle freight route to eliminate 15t weight limit on Main Road 92 'East West Freight Link'.

Improving safety and enabling an alternative route across the Illawarra Escarpment, linking Nowra to the Hume Highway.

CURRENT PROJECT STATUS

- Despite ongoing business advocacy, there is no commitment from government to transfer management of this road to a NSW asset or to upgrade this road infrastructure.

NSW GOV SHOULD

- Recognise the significance of this freight and passenger route.
- Reclassify the road as state or federal infrastructure given proximity to the Navy base and strategic importance as a freight route.
- Commit to long term coordinated upgrades to ensure weight limits for freight.



RAIL LINK TO WESTERN SYDNEY

Freight and passenger rail links critical.

Fund a business case and progress detailed design and delivery for a rail link 'SWIRL' from Illawarra to Western Sydney.

Boosting freight capacity, passenger services, connecting the coast and industry through to the Port and International Airports.

CURRENT PROJECT STATUS

- In March 2026, the NSW Government announced \$270mil in funding for Port Kembla roads and transport links to strengthen the Illawarra as a critical economic gateway. Whilst details of inclusion are not yet known, it is hoped this will include progressing SWIRL.

NSW GOV SHOULD

- Commit to fund investigation and business case into this critical project with accountable timelines for delivery into the future.





RAIL UPGRADES - KIAMA

Electrify Kiama to Bomaderry rail line.

Reliable Rail - Electrify the rail line from Kiama to Bomaderry to enhance commuter transport.

CURRENT PROJECT STATUS

- Despite ongoing business advocacy, there is no commitment from government to fund this critical project.

NSW GOV SHOULD

- Commit to an accountable timeline with funding to upgrade the line between Kiama and Bomaderry.



RAIL CONNECTION TO CITY

Southern Highlands to Sydney

Strengthening the region's connection to Sydney boosts industrial and regional growth, while improving efficiency along a nationally significant freight corridor. Enhanced rail capacity supports business expansion, reduces delays, and delivers more reliable freight movement across the Southern Highlands and beyond.

CURRENT PROJECT STATUS

- Despite ongoing business advocacy, there is no commitment from government to fund this critical project.

NSW GOV SHOULD

- Commit to amplification of the existing rail network, to integrate the Southern Highlands with the Sydney network.





MOSS VALE BYPASS

Recognise as a state road, deliver the critical infrastructure.

Commit long-term funding to deliver the Moss Vale Bypass, creating a direct link between Argyle Street, Berrima Road and the Hume Motorway. This will cut delays, boost freight efficiency, support economic growth, improve safety, revitalise the town centre, and strengthen investor confidence across the Southern Highlands.

CURRENT PROJECT STATUS

- Wingecarribee Shire Council has received \$14.3 million from the NSW Government to conduct preliminary investigations and detailed designs for the Moss Vale Bypass and associated costings.

NSW + FED GOV SHOULD

- Cross-government commitment of funding will be required to deliver the Moss Vale Bypass
- NSW Government: Reclassify this road as NSW State Infrastructure.



FAST RAIL

Southern Highlands to Sydney

Connect the region to the world - identifying a fast rail corridor between Sydney and Canberra, with a confirmed transit stop in Moss Vale and connection to 'SWIRL' rail link.

CURRENT PROJECT STATUS

- \$230 million has been committed for Sydney to Newcastle High-Speed Rail despite ongoing advocacy for many years, no investment has been made to connect our region.

FED GOV SHOULD

- Protect the rail corridor for a fast train from Sydney to Canberra to ensure new housing growth is appropriately planned around future rail needs.
- Commit to future planning for fast rail from Sydney to Canberra, with a stop in the Southern Highlands and a connection to the Illawarra and the South Coast via SWIRL.







SHELLHARBOUR AIRPORT

Deliver the Masterplan - \$20 million in funding.

Support regional economic development, tourism and employment. The Master Plan outlines infrastructure upgrades including; expanded aircraft parking, security screening, enhanced runway lighting, and runway overlays.

CURRENT PROJECT STATUS

Ongoing advocacy is required to progress this project.

GOV SHOULD

- Commit \$20 million to the delivery of the master plan.



MILTON ULLADULLA BYPASS

Deliver critical infrastructure.

Safer and more reliable journeys are critically needed along the Princes Highway, bypassing the Milton and Ulladulla town centres.

CURRENT PROJECT STATUS

- The Australian and NSW governments have committed \$940 million for the continued planning and delivery of this state significant project.





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