



INFRASTRUCTURE VICTORIA SUBMISSION

The Geelong Chamber of Commerce welcomes the opportunity to provide this submission to Infrastructure Victoria outlining the key infrastructure projects it believes will be critical to the Geelong region over the next 30 years.

The Chamber, which has been in existence for over 160 years, is one of the oldest and largest Chambers in Australia representing almost 900 businesses and organisations in the Geelong region. Collectively, its members employ over 23,000 people, which represents nearly a third of the total workforce of Greater Geelong.

The Chamber is recognised as the 'Voice of Business' in Geelong, working to support and develop economic activity and opportunities in the region to drive business growth and key economic outcomes for the region.

The Chamber has worked closely with the City of Greater Geelong and the Committee for Geelong in developing its list of key infrastructure projects for this submission and acknowledges the efforts of G21, which provided much of the detail incorporated here (see: www.g21.com.au).

THE PROJECT LIST

1. **Avalon Airport** – Establish Avalon Airport as a full-service international air terminal incorporating customs and quarantine services, and cementing its designation as Victoria's second international airport.
2. **Geelong CBD revitalisation** – Develop the East-West link through central Geelong as a linear park and recreation route, connecting the central city's principal green spaces.
3. **Geelong Convention and Exhibition Centre** – Develop a convention and exhibition centre to boost the competitiveness of Geelong's important tourism sector.
4. **Royal Geelong Yacht Club** – Develop the Geelong Waterfront Safe Harbour Precinct, which will attract a diversity of important sport and tourism events.
5. **Land 400** – Secure Geelong as the base for design, engineering, manufacturing and maintenance of the Australian combat vehicle; LAND 400 Sentinel Military Vehicle.
6. **Road and rail infrastructure** – Deliver improvements to east-west freight movement across Geelong, allowing removal of trucks from the CBD; and funding for the Waurn Ponds rail line duplication.
7. **GROW** – The G21 Region Opportunities for Work program aims to reduce unemployment by driving job creation through social and local procurement and innovative impact investment approaches.
8. **Bay West Port** – Committing to develop Bay West as the site of Victoria's second port will enable other economic drivers such as Avalon Airport to develop strategic growth plans with confidence.



THE PROJECTS

1. AVALON AIRPORT

Avalon Airport's geographic location between Melbourne and Geelong makes it both a capital city airport and a well-equipped regional airport, servicing a large catchment in western Victoria and providing connections to significant tourism destinations such as the Great Ocean Rd.

Growth in domestic passenger numbers throughout Australia has been strong over the past decade, and Tourism Research Australia forecasts a steady increase (1 per cent annually) that will continue over the coming decade. The vast distance between major population centres and the absence of a rapid intercity rail network virtually guarantees that the domestic market will continue to grow.

International visitation forecasts also indicate a healthy outlook for the aviation industry over the coming decade, with a projected increase of 2.3 million international travellers annually by 2019.

This highlights Avalon Airport's expansion opportunities. As a major tourism destination within Australia, the Geelong region requires convenient access via a fully functioning Avalon Airport for domestic and international travellers. They, in turn, will provide a valuable boost to regional tourism and the economy.

Jetstar has committed to operate from Avalon Airport, with an agreement that will see passenger services expand over the next 10 years. This marks a strong partnership that will secure the future of Avalon Airport and its workers for the next decade.

It also lays the groundwork for future expansion that will cement Avalon Airport as Victoria's second major passenger airport, including with future international carriers.

Avalon Airport is actively seeking to expand its passenger operation capability and introduce international flights. Once an overseas carrier is confirmed, Australian Customs Service and Australian Quarantine and Inspection Service facilities will need to be established.

There are further opportunities for the expansion of Avalon Airport including:

- **Freight services** - Avalon Airport's location, accessibility and capacity can support a significant number of specialist freight operations.
- **Engineering and maintenance** – Avalon Airport can accommodate large heavy-maintenance facilities and infrastructure.
- **Retail/commercial services** - including hotel, rail link, service station, industrial activities, commercial offices and retail facilities.

2. GEELONG CBD REVITALISATION

Central Geelong is the city's primary hub of business, retail, arts, culture, education, health and institutional activity. Like many cities of its size, Geelong is experiencing challenges as it transitions from a traditional 'central business district' function to a more diverse economic, social, residential and cultural centre.

The revitalisation of Central Geelong as a strong, vibrant and thriving mixed-use centre is important for Geelong, the region and to the future growth of Victoria as the state's second city. Central Geelong needs to redefine itself, attract investment, deliver employment opportunities and provide a lifestyle that turns it into a vibrant, world-class city where people want to live and visit often.

The Central Geelong Action Plan developed by the Central Geelong Task Force, is a 15-year program of priority actions to revitalise Central Geelong. It will create a smart, vibrant, thriving, liveable and successful city centre with a strong sense of identity and community.

The Action Plan aims to get more people living, working, learning and playing in the centre of the city. To achieve this, the city intends to:

- Increase the number of people living in the city making it a safer, more vibrant and mixed-use area
- Create an integrated, attractive and well-designed pedestrian and cycling network
- Create a vibrant, lively shopping, alfresco dining and event space
- Green Central Geelong by developing a distinctive and enduring network of grand boulevards, green spines and green spaces
- Build on the annual calendar of events to attract more people and increase investment in tourism

Planning continues to progress these priority actions. For example, the 'City in a Park' vision identifies a series of projects to improve streets and key public spaces in the city centre to implement the 'Greening Geelong' initiative.

3. GEELONG CONVENTION AND EXHIBITION CENTRE

Business events in Australia are a high-yield component of the tourism industry, currently generating \$17 billion annually. Geelong is an award-winning convention destination, but a lack of suitable convention space limits its ability to capitalise on this growing national conference market.

Of the 368 events per year required in the Geelong region, 16 per cent are booked outside Geelong because it lacks suitable facilities, representing a massive missed opportunity for Victoria's Second City.

The proposed Geelong Convention and Exhibition Centre will include a conference venue with the capacity for 1,000 plenary delegates. It will provide 3,000m² of exhibition space, banqueting facilities, meeting rooms, a business centre and retail outlets.

The Geelong Convention and Exhibition Centre will position the region as a viable, well-located alternative that complements Melbourne facilities and stamps Victoria as a significant global and national competitor for business events.

The Geelong project is becoming increasingly urgent as other regional Australian centres establish their own competitive facilities in Townsville, Mackay, Cairns, Alice Springs and Hobart.

The Geelong Convention and Exhibition Centre will deliver a purpose built, private public partnership funded centre for conventions and exhibitions including:

- Multipurpose format to accommodate small to medium size events
- Seating for up to 1000 people in banquet setting
- 1000-seat auditorium with smaller theatrettes
- 3000m² pillarless exhibition / display area
- Ancillary facilities including parking, retail and associated facilities
- Provision for a 4-star hotel of at least 200 rooms as part of the complex

4. ROYAL GEELONG YACHT CLUB

The Geelong Yacht Club Safe Harbour Project has the potential to capitalise on Geelong's natural waterfront advantages as one of the few north facing bays to become the Boating Capital of Port Phillip Bay.

The Boating Industry Association of Victoria (BIAV) believes this project is critical for the development of the region and is a vital piece in establishing Corio Bay as a showcase boating hub in Victoria. According to the Safe Harbour Precinct Business Case, Stage 1 of the project will deliver \$17.6 million of economic benefit, 42 FTE jobs each year during construction and an average 21 FTE jobs per year ongoing.

The projected increase of the population in the central coast area of Victoria, including Port Phillip and Western Port Bays, from 4.6 million to nearly 8 million by 2050, will see a doubling of boating activities, according to BIAV and Tourism Greater Geelong and the Bellarine.

This provides Geelong and its community with a major opportunity to encourage private investment to create long term and stable employment opportunities in the future.

In addition, the dramatic increase in population in the western suburbs of Melbourne with a lack of local access to water makes Geelong a significantly more convenient destination to launch their boats.

The expansion of boating facilities in Geelong could provide a strong commercial argument for the establishment of a 'Marine Centre of Excellence' for both the development of new technology, product development and training, which could be seen as part of a long-term transition from manufacturing, according to the BIAV.

5. LAND 400

LAND 400 is a \$20 billion project to provide the Australian Defence Force (ADF) with world-class armoured fighting capability. Strategically, the Geelong region is the best possible location for the design, production and maintenance of this new combat vehicle for the Australian Army.

Under LAND 400, the Defence Force will replace its fleet of ageing armoured combat vehicles, which are due to retire between 2020 and 2025, with new-generation models. It will involve the design and production of armoured fighting vehicles. The vehicles will also have a substantial ongoing upgrade and sustainment program over a 30-year service life.

Identified in the ADF Defence Capability Plan, the project includes a design and manufacture program (\$10 billion) and sustainment (\$10 billion). It is the largest program of its type in the world. The program delivers 225 armoured fighting vehicles.

The program will require high-technology manufacturing, advanced composite production, software development/maintenance, vehicle system integration and logistics skills. Geelong has advanced capability in all these disciplines, and is positioning itself to become an internationally competitive, advanced manufacturing-led economy.

The Geelong region has an established innovation precinct. Organisations such as Deakin University, The Gordon, Carbon Nexus, the Centre for Intelligent Systems Research, and the Australian Automotive Research Centre are evidence Geelong can support the research, development and prototype testing necessary to deliver LAND 400.

The project would also help the transition of Geelong's existing manufacturing sector through the re-employment of trained industry workers.

In the past, manufacturing has played a major role in Geelong's economy through large employers like Ford, Alcoa, and Qantas. However, job losses at these employers mean that thousands of Geelong workers are facing an uncertain future.

The Geelong region is strategically placed and ready to work with the Defence Materiel Office to deliver one of Australia's largest, most expensive and complex major capability projects. There are also significant cost and other benefits to flow from Geelong becoming the location of this Centre of Excellence, including:

- Proximity to the existing Defence vehicle testing, support and training facilities located in Victoria
- Proven world-class source of innovative research in advanced materials and intelligent systems, with access to a modern supply chain
- Job-ready, skilled manufacturing workforce and a strong capacity to efficiently re-train workers through 'Skilling by the Bay' incentives and programs delivered by Deakin University and The Gordon
- Direct, competitive access to world-class logistics, including the unrestricted Avalon Airport, the National Highway network, standard and broad gauge freight rail connections, Geelong Port and the Port of Melbourne

6. ROAD AND RAIL INFRASTRUCTURE

The improvement of east-west freight movement across Geelong will allow for the removal of trucks from the CBD, which is critical to improve the amenity and flow of the city.

Central to this is improvement work on key Latrobe Terrace intersections, particularly with Ryrie, Fyans and McKillop streets, as well as the Boundary Road-Fellmongers Road intersection and the duplication of the Barwon Heads Road between Settlement Road and Breakwater.

This infrastructure work will enable more efficient west-east movement of vehicle freight, enable the removal of heavy vehicles travelling through the Geelong CBD and unlock much needed economic activity across Geelong and the CBD.

Following the development of the Regional Rail Link, regional rail upgrades and extensions across the Geelong region need to be planned and executed to maximise the value of this investment. Continued strong population growth within the region will only heighten this need.

Critical to this is the duplication of the rail line between Geelong and Waurin Ponds Railway Stations in order to overcome constraints on the Geelong-Marshall rail line during peak periods.

Duplication of the rail line between Geelong Railway Station and Waurin Ponds Railway Station will involve the installation of a crossing loop between South Geelong and Marshall to allow trains to turn and a second platform at South Geelong Railway Station.

7. GROW

Across the Geelong region there is significant disparity between advantaged and disadvantaged groups. In particular, there are areas with very high levels of socio-economic disadvantage, including these key critical indicators:

- A high proportion of work in low paid and lower skilled industries and occupations
- A lower level of year 12 completion and university qualifications
- A high rate of part time work (especially women)

Within certain parts of the region, families are experiencing significant poverty, which escalates the adverse impacts of poor mental and physical health, increased violence and crime, lower education outcomes and joblessness.

These areas include Corio, Norlane, Whittington and Colac. This affects not only the under-resourced communities, but the whole of the G21 region.

Managing this involves addressing not just the symptoms of disadvantage, but the fundamental causes. These include access to quality educational opportunities from early childhood, better access to services that will improve health and wellbeing outcomes, and issues such as public transport and affordable housing.

The G21 Region Opportunities for Work (GROW) initiative is based on significant international evidence that the best way to reduce areas of persistent disadvantage in a community is to reduce unemployment rates in those areas.

GROW brings together philanthropic, business, government and community organisations across the region with the objective of creating job opportunities in those areas with the highest levels of joblessness and persistent disadvantage.

GROW will support public and private sectors to direct their routine spend on local suppliers and products, creating new jobs which can potentially employ people from target areas.

It will also drive 'demand-led brokerage' to link jobs and jobseekers, providing incentives for the employment of suitably trained people from targeted areas.

GROW will focus on target areas in the G21 region with the highest levels of unemployment. Colac, Corio/Norlane and Whittington will be the initial focus; where unemployment is at double-digit levels, and well above regional and state averages.

Funding is also required across targeted areas in the G21 region to implement strategies that:

- Regenerate large areas currently dominated by social housing
- Restructure educational facilities to increase attendance and engagement
- Improve access to education facilities and employment by targeting inhibitors such as childcare availability and public transport access
- Revamp and expand health and wellbeing facilities and programs to target the high incidence of issues such as diabetes, mental health and dental problems

8. BAY WEST PORT

With indications the Port of Melbourne will reach capacity within 20 years, it is critical Victoria gets to work developing a second port in order to have a facility ready to start taking pressure off the existing infrastructure.

The Bay West port option, located between Geelong and Werribee, provides significant logistical infrastructure advantages over the Hastings alternative, with easy access to the national M1 motorway, standard gauge rail and Avalon Airport.

In addition, the vast majority of Melbourne's freight distribution is located in the western and northern suburbs, providing an easy link through to Bay West.

While final decisions about Victoria's future second port will not need to be made for some time, naming the site and setting aside the land will enable other economic drivers such as Avalon Airport to develop strategic growth plans with confidence.

A positive decision on Bay West would encourage bold investment around road and rail infrastructure and development of plans for a freight hub in the region.

These projects represent a series of significant opportunities for Geelong at a critical time in its transition from a manufacturing centre into a 21st century smart city. The Chamber looks forward to the opportunity to take part in a more detailed discussion about any or all of the infrastructure projects outlined in this submission.



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