

17 April 2019

Ms Madeline Duncan  
Infrastructure Investment and Economics Advisor  
GHD Pty Ltd  
Level 15/133 Castlereagh St  
Sydney NSW 2000

Dear Ms Duncan

### **Princes Highway Corridor Strategy**

The South Australian Chamber of Mines and Energy (SACOME) welcomes the opportunity to make this submission in relation to the Princes Highway Corridor Strategy Issues Paper (the Paper).

SACOME is the peak industry body representing companies with interests in the South Australian minerals, energy, extractive, oil and gas sectors and associated service providers.

SACOME submits the following comments with regards to the Paper.

1. SACOME understands the aim of the Paper is to inform the Princes Highway Corridor Strategy which will then provide an evidence base to underpin a 'whole-of-corridor' perspective of the current and future role of the Princes Highway.
2. The objectives of the corridor strategy are:
  - Improving safety and providing efficient driving conditions along the length of the corridor;
  - Promoting better access and connectivity to and along the corridor;
  - Activating the corridor to drive better regional development and industry performance;
  - Promoting more efficient and environmentally sustainable use of the corridor; and
  - Supporting corridor investments which are value adding, well-informed and linked together as part of an overarching vision for the corridor.

3. The Paper indicates that no engagement has been undertaken, during the consultation period, with any resources sector stakeholders as part of developing the Discussion Paper.

The Australian resources sector is a major contributor to the national economy. From a South Australian perspective, our member companies generate the following key economic outcomes:

- \$5.6 billion in production value;
- 33% of exports from South Australia worth almost \$4 billion, making it the highest value export sector in the State;
- \$1.6 billion in Capital Expenditure investment in new mines and petroleum projects;
- Employment of 12,000 South Australians; and
- \$237 million in royalties to the South Australian Government.

Infrastructure is fundamental to enabling the further growth and productivity of the resources sector.

In South Australia, the extensive scoping works undertaken through initiatives like the *South Australian Regional Mining and Infrastructure Plan 2014*, alongside business case development for a range of projects via Infrastructure Australia mean the infrastructure requirement of the resources sector are well understood.

For Governments to make informed investment decisions in relation to the Princes Highway Corridor, these extensive scoping works and dialogue with resources sector companies need to be considered and fed into the strategy.

As such, SACOME encourages the Commonwealth to undertake further consultation with resources sector stakeholders about their existing and future use of the Princes Highway.

4. Road infrastructure is critical to enabling the efficient transport of goods along supply chains and maximising export opportunities for South Australia. This includes the development of greenfield regional resources provinces.
5. The transport corridor in and around Port Augusta is one of the most strategically important in the nation.

Port Augusta forms the interstate crossroads for the nation's east-west and central north-south National Land Transport Network and National Rail Network corridors. More than 15 million tonnes of freight are estimated to move along these corridors every year, with this expected to increase due to mining activities in the region.

Port Augusta is at the hub of South Australia's mineral-rich far north and western regions. Recent announcements by BHP and OZ Minerals in relation to expansion of their operations will place further pressure on transport infrastructure through increased movement of people and commodities.

Consideration should also be given to the road infrastructure needs of the Upper Spencer Gulf following announcements by GFG regarding their intention to expand steel production over the next decade.

SACOME member companies in the south-east of South Australia also utilise the Princes Highway and would obtain a benefit from improvements to the road network along the corridor

SACOME submits that the above factors should be given consideration in developing the Princes Highway Corridor Strategy.

6. As a general principle, SACOME supports the funding of infrastructure projects that will alleviate bottlenecks and increase the economic output of both the resources sector and the State.

SACOME welcomes the opportunity to make this submission to the Paper and has sought to provide considered feedback on issues of relevance for the preparation of the Princes Highway Corridor Strategy.

SACOME remains committed to ongoing dialogue with Government in progressing the strategy.

Kind regards



Rebecca Knol  
Chief Executive Officer