

Destination
WOLLONGONG

Port Kembla Destination Development Plan

Prepared by Destination Wollongong
in conjunction with Cardno

July 2018



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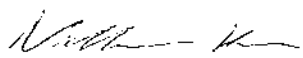

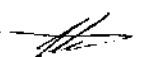
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Introduction

It gives me great pleasure to introduce our Destination Development Plan for Port Kembla, funded by the NSW State Liberal Government under the Port Kembla Community Investment Fund.

Destination Development Plans take an aspirational view of a location and suggest potential tourism uses that could be developed to create jobs and bring economic benefit to local communities.

The State and Federal Governments have set the aspirational target of doubling the overnight visitor economy by 2020, and any attempt to meet that target is going to be driven by the creation of new commercial tourist attractors.

It is well known that tourist attractions must be built on prime sites to reach their potential - inevitably highly sought after and valued real estate - so bold and strategic planning is essential to the success of these aspirations. The role of the Destination Development Plan is as a 'thought-starter' to encourage investors and Government to consider potential tourism outcomes for any available key land holdings. It is not an all-encompassing study, but identifies and priorities opportunities and encourages future collaboration.

Tourism is already a significant contributor to the Illawarra economy, with visitors spending over \$1 billion in the last financial year, and the industry employing over 7,500 people.

There is no business that does not benefit from a rise in visitor numbers. Visitors spend money in cafés, jewellers, petrol stations, newsagents, fashion outlets, hairdressers and dentists without ever being noticed. A lot of this expenditure is based around inner city and foreshore lands, but there is an excellent and growing opportunity for communities to celebrate unique strengths within their communities and attract visitation.

Port Kembla has historically been the industrial powerhouse of the region, home to the steelworks and deep water port. As automation has increased in the manufacturing sector, less employment is being generated through these traditional industries and Port Kembla is looking at new ways to regenerate the local economy.

Port Kembla has a very rich history to celebrate - from preserved Indigenous heritage, to embraced multiculturalism. It also boasts a very dynamic creative culture and has a stunning foreshore precinct, which already attracts significant visitation.

Our aim with the delivery of this Plan is to encourage all levels of Government and potential private sector investors to consider the opportunity for Port Kembla to play a significant role in the attraction of visitors to the region through the creation of new tourist attractors, delivering economic benefit to existing Port Kembla businesses and creating new jobs in the local economy.

We look forward to working with all levels of government and the private sector to continue to investigate these opportunities, with a view to tourism playing a major role in the continued rejuvenation of Port Kembla.

Mark Sleigh

General Manager, Destination Wollongong

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Document Structure

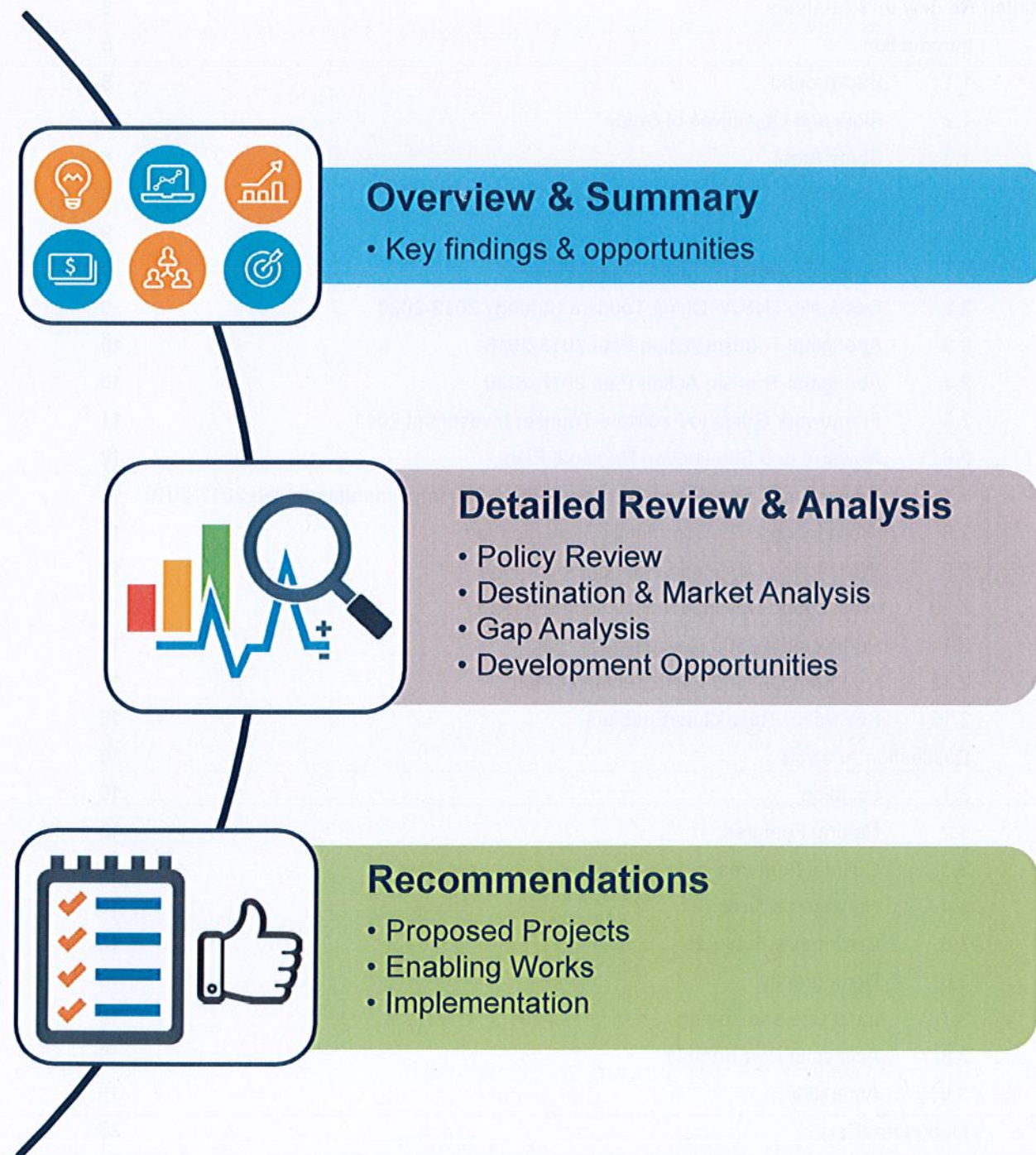


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Overview & Summary

Port Kembla is a unique tourist destination that captures the essence of the Illawarra region, comprising some of the area's most iconic natural features amidst a diverse cultural and industrial heritage. Port Kembla represents the culmination of the Illawarra's rich history of the indigenous Wodi Wodi people, early settlers, industrial development, international trade, wartime defence, post war migration, surfing and coastal living, and emerging arts and craft industries, all set against a contrasting background of a thriving industrial port and pristine natural coastline.



As a destination, Port Kembla offers three pristine beaches, MM Beach, Fisherman's Beach and Port Kembla Beach, along with the breath taking Five Islands and Hill 60.



Historically, Red Point and Hill 60 are of great significance to the Wodi Wodi people, the traditional owners and first inhabitants of the Illawarra. European settlement resulted in the establishment of a large-scale industrial precinct centred on the coal and steel industries, with a supporting international port, housing and town centre. During World War II, significant defence infrastructure was also constructed along the coastline to protect the port and region.



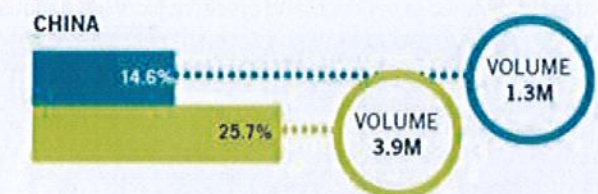
Culturally, Port Kembla is one of the most diverse areas of the Illawarra due to its Aboriginal heritage, European settlement, and post war migration bringing together people and cultures from all around the world. This culture is being preserved, showcased and developed through the efforts of local indigenous artists and a growing collective of local artists within the town centre.



Economically, Port Kembla has traditionally relied on the proceeds of heavy industry. However, modernisation of operations and downturns in local manufacturing have resulted in a significant decline in employment opportunities and trade in the local town centre. The current tourism offering is limited to an organised tour of the BlueScope steelworks, local artists in the town centre, and natural landmarks. A lack of unique landmark attractions, significant accommodation options, wayfinding and supporting infrastructure currently inhibits tourism potential for the area.

In contrast to this, the international tourism and travel industry has grown markedly in the past 15 years, exceeding the rate of global GDP, with the number of global tourism receipts doubling from 600million to 1.2billion per annum. Today, 1 in 10 jobs in the world are related to the tourism and travel industry. Growth of the sector is forecast to continue strongly over the next decade due to ongoing development of Asian nations and an aging global population.

Regionally, tourism is a significant contributor to the Illawarra economy accounting for \$2.1 billion per annum across the South Coast. It has grown at an average rate of 4.8% over the last 10yrs, and regionally 1 in 10 jobs are also related to the tourism and travel industry as per international trends. Growth of tourism in Australia is forecast to increase at a rate of 5.8% over the next 10 years for international visitors, and 1.9% for domestic visitors. The largest forecast growth sector for tourism in Australia are visitors from mainland China, which are expected to increase by over 168% in the next 10yrs, from 1.3million visitors per annum, to 3.9million.

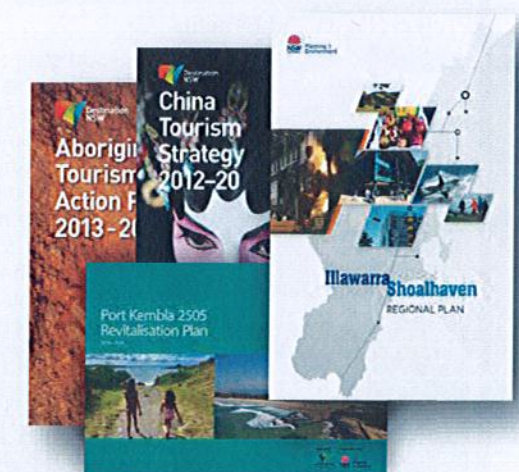


Supporting this growth in tourism is a strong policy framework across all levels of Government. The Illawarra and Shoalhaven Regional Plan identifies tourism as one of the six priority growth sectors for the region, and the recent Port Kembla 2505 Revitalisation Plan also notes the importance of tourism for the future growth of the local area, identifying a range of actions to increase the appeal and accessibility of the existing town centre and natural features.

Strategically, Destination NSW's China Tourism Strategy and Aboriginal Tourism Action Plan provide a robust framework to tap into the booming Chinese market and enhance local indigenous tourism experiences and associated employment opportunities.

For this report, a working group of tourism specialists and community representatives was established to identify a range of potential destination development opportunities that complements Port Kembla's key attributes and provide significant tourism potential, which were then evaluated via a comprehensive multi criteria analysis process.

From this work a series of three transformative projects and two major projects have been identified, as outlined on the following pages. These projects showcase the key destination themes of Port Kembla and provide a unique, high value tourism offering, unlocking the areas of greatest untapped potential. A corresponding range of projects to strengthen existing offerings and enable future opportunities were also identified, along with a proposed implementation plan and action list that are in alignment with the recent Port Kembla 2505 Revitalisation Plan.



Transformative Project 1

Coomaditchie Surf Based Eco Tourism Resort



Overview and Scope

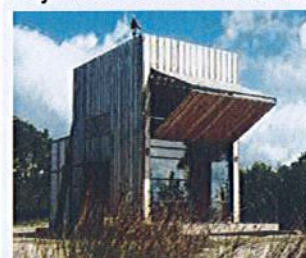
The availability of Crown and Council lands in the areas surrounding Coomaditchie lagoon could be utilised as a large scale tourism resort with a focus on eco-tourism, indigenous culture and surfing. The location behind Port Kembla beach allows scenic views of the ocean whilst providing easy access to a quality surf beach. A staged development could include a surf academy and international standard wave pool to act as a key attraction.



The opportunity also exists to revegetate the site with native plants and incorporate an indigenous education centre, exhibits, food, artworks and cultural tours to provide an authentic experience and preserve local indigenous culture.



Project Needs and Benefits



Resort style accommodation is needed in the Illawarra and this site could host boutique and budget eco-cabins. Competition-ready wave pools are in extremely short supply across the world and are now being included on the elite World Tour, offering a unique opportunity for Port Kembla to receive international recognition as a global surf destination. With expansive green space, the site could also be used for high profile festivals and music events.



Target markets: Cultural and Heritage Tourism, Nature Tourism, Surf Tourism, International Youth- Leisure, Adventure Tourism, Asian Tourism

Indicative CAPEX = \$350M+

Indicative Timing = >3yrs

Next Steps: Development of concept masterplan and vision document in conjunction with the Local Illawarra Local Aboriginal Lands Council

Transformative Project 2

Hill 60 SCREAMer (South Coast Regional Educational Arts Musuem)



Overview and Scope

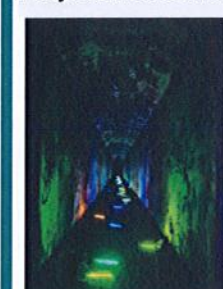
The Illowra battery tunnels and bunkers at Hill 60 present a unique opportunity to create a niche tourism experience encapsulating the rich history and arts culture of Port Kembla and the broader South Coast Region. The well-preserved structure consists of two distinct tunnels, that if refurbished could allow for the display of indigenous, industrial and wartime history in one wing, and traditional and modern arts in the second wing. The associated rooms and chambers are perfectly suited for display pieces, and there is a large central chamber joining the two wings that could be used for seminars, school groups and viewing of local films.



Views from the two bunkers are exceptional, and could be converted into an indoor/outdoor café and into a workshop space for feature artists or events.



Project Needs and Benefits



Hill 60 is one of the most historically and culturally significant sites in Port Kembla, and is the meeting grounds for indigenous, pre-war and post war heritage. It also provides breathtaking views of Port Kembla's pristine coastline. Refurbishment of The Illowra Battery tunnels would preserve this historic infrastructure and provide a unique landmark gallery to highlight the regions natural beauty, history, culture, and art, as well as providing a venue to attract world-class artists and exhibitions. The success of galleries such as MONA in Hobart highlights the tourism drawcard of such venues and the platform to promote local artists.



Target markets: Cultural and Heritage Tourism, Over 55's travel, Short breaks

Indicative CAPEX = \$5M+

Indicative Timing = >3yrs

Next Steps: Stakeholder consultation, concept masterplan and vision document, investigation of funding / grant opportunities

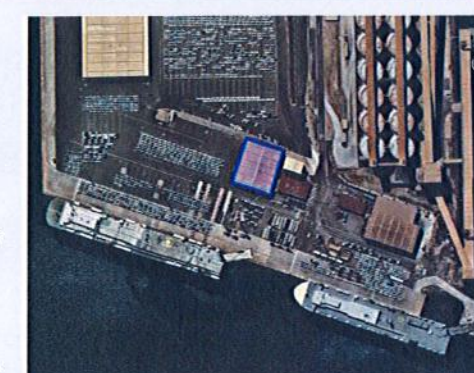
Transformative Project 3

Port Kembla Cruise Terminal



Overview and Scope

With Sydney's existing cruise terminal facilities at full capacity, Port Kembla is ideally situated to provide an alternate destination for cruise liners to embark / disembark, freeing up valuable space at Sydney's premier Overseas Passenger Terminal for international mega-liners. Port Kembla is a deep-water international port that is free of any height restrictions and is capable of catering for the largest of cruise vessels. Port Kembla has the potential for exceptional passenger accessibility, with provision for access via direct drop off at the berth, and local long term parking or express public transport from Sydney with short shuttle bus trip.



Options exist to either modify and enhance existing berthside buildings for multipurpose use, or develop a new purpose built cruise terminal.



Project Needs and Benefits



The lack of capacity at Sydney's existing cruise terminal requires industry-ready alternatives to accommodate an ever-growing cruise market. Located only 1hr south of Sydney and offering fast and easy access, a broad range of tourism experiences and thriving small bar and café scene, Wollongong is ideally situated as an alternative destination for both domestic and international cruise vessels. The positive passenger feedback and success of cruise ship arrivals to date using basic temporary facilities highlights the potential that dedicated, high quality facilities could deliver to the local region and state tourism industries.



Target markets: Cruise Tourism, Over 55's travel, Asian Tourism

Indicative CAPEX = \$2-10M*

Indicative Timing = 1-3yrs

* Depending on option of upgraded facilities vs. new purpose built facilities

Next Steps: Feedback from NSW Cruise Capacity Working Group, investigation of funding / grant opportunities, concept design

Major Project 1

MM Beach Dalfram Precinct



Overview and Scope

The 1938 Dalfram Dispute is a significant event in Port Kembla's history and relationship with China, when local steelworkers boycotted pig iron exports to Japan due to concerns of its use in weapon production against China.

To commemorate this major event, a large monument is being constructed at the northern point of MM Beach and the opportunity exists to enhance the infrastructure and tourism offerings in the vicinity to cater for regular visitation by Chinese tour groups. In particular, there is an immediate need for coach parking and bathroom facilities, which would benefit locals and tourists alike, and improve the access and use of this significant beach front.

Longer term, there is scope to enhance the existing indigenous totem walk experience with live cultural performances, as well as a pop up café and souvenir facilities.



Project Needs and Benefits



The Dalfram monument will provide a major drawcard and link with the Chinese tourism market due to its significance in both nation's history. Critical supporting infrastructure is required to accommodate the potential tourism volumes, which will in turn provide the scale for expanding the tourism offering by other local business to provide cultural experiences, food and beverage, locally manufactured souvenirs and art, and accommodation.



Target markets: Cultural and Heritage Tourism, Over 55's travel, Asian Tourism

Indicative CAPEX = \$250K

Indicative Timing = 6-12months

Next Steps: Construction of Dalfram monument (Q4 2018), improved signage and way finding, scoping and approval of supporting infrastructure requirements, community consultation for enhanced tourism offerings.

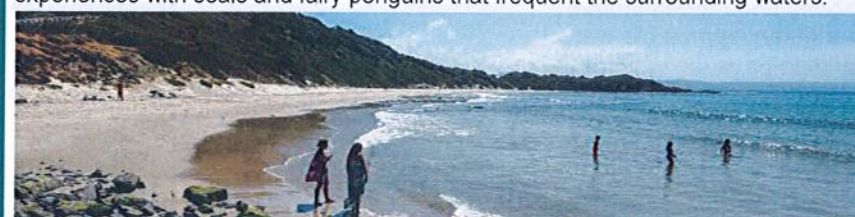
Major Project 2

Fisherman's Beach Snorkelling and Diving Hub



Overview and Scope

The development of Port Kembla as a snorkelling, diving, fishing and recreational boating hub could build on the existing natural attraction and put Port Kembla on the map. The popularity of environmentally friendly artificial reefs as a renowned attraction has increased in recent years, offering a unique opportunity for Port Kembla. The introduction of a dive park in conjunction with utilisation of the existing natural reefs and marine life could create a cluster of attractions for divers and snorkelers. A wreck dive, boat hire, glass bottom boat tours and charter activities to the Five Islands and possibly the port, along with basic on-land amenities and safety infrastructure to assist the active leisure market could build on these natural attractions. Opportunities also exist for unique diving experiences with seals and fairy penguins that frequent the surrounding waters.



Project Needs and Benefits

Currently there are no commercial marine tourism offerings within Port Kembla, and Fisherman's beach is largely unknown to tourists despite its natural beauty and picturesque views to the Five Islands. With approximately 1,000,000 newly certified divers in the world each year, and the dive industry contributing \$4.2 billion annually to the Australian economy, establishing a high quality and unique dive experience in Port Kembla would provide a lucrative tourism opportunity. The creation of a marine tourism precinct with complementary products and activities would attract divers, snorkelers, and naturalists from around the world.

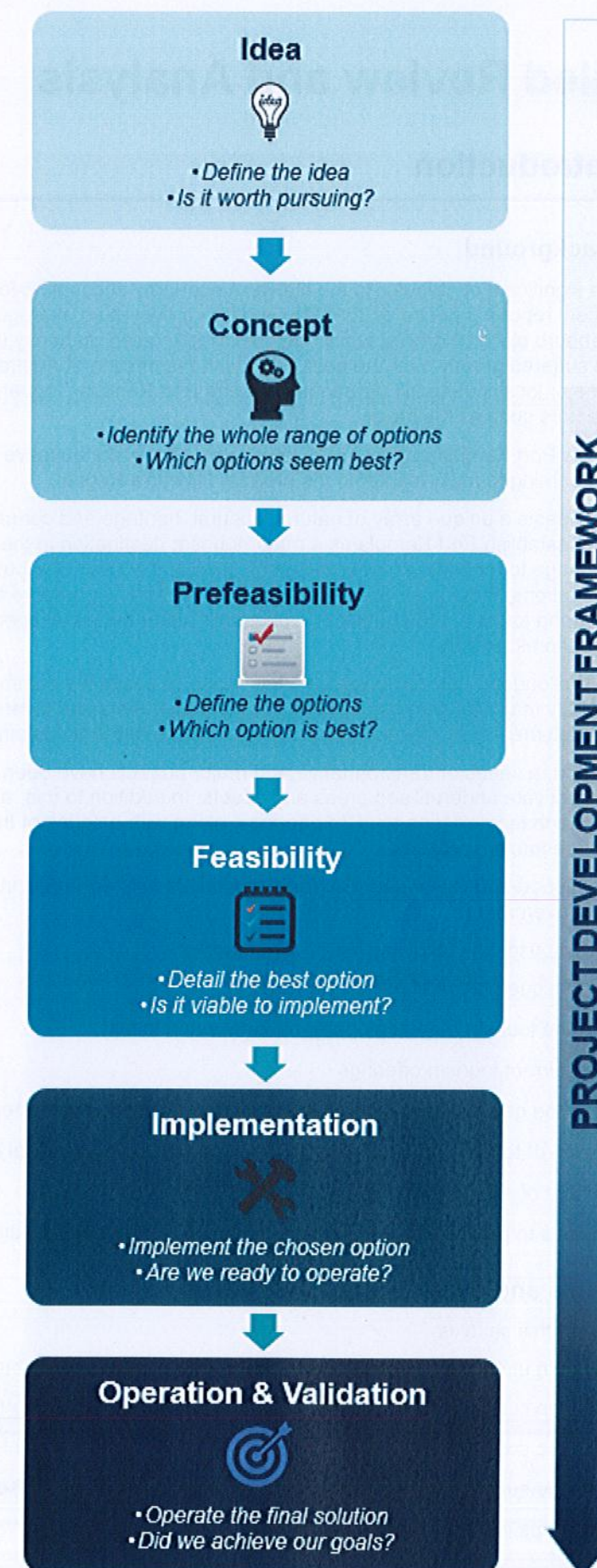


Target markets: Adventure Tourism, Nature Tourism

Indicative CAPEX = \$5-10M

Indicative Timing = >3yrs

Next Steps: Assessment of suitability of marine environment and marine tourism alternatives



Detailed Review and Analysis

1 Introduction

1.1 Background

Tourism is a significant contributor to the Illawarra economy accounting for \$2.1 billion across the South Coast over the most recent reporting period of 2015/16, and has grown at an average rate of 4.8% over the last 10yrs. In contrast to this, the suburb of Port Kembla, which has historically relied on heavy industry as its primary source of economic activity, has suffered greatly over the past 10yrs with the decline of Australian manufacturing and the closure of a number of major local industrial operations including Port Kembla Copper, BlueScope's CRM site and a number of major contractors such as Mainteck.

As a result, the Port Kembla community is looking for new and innovative ways to diversify its economic activities and tap into the booming tourism market in the broader Illawarra Region.

Port Kembla boasts a unique array of natural, cultural, heritage and community assets that presents a significant opportunity to establish Port Kembla as a major tourism destination in the region. As the local area undergoes significant change to redevelop former industrial sites and activate the outer harbour area for future significant industrial operations, there is an opportunity for Port Kembla to preserve and enhance these unique local features and establish a strong tourism offering that complements future industrial operations in the area, and increases and diversifies economic activity.

Destination Wollongong has commissioned this report to assist the community of Port Kembla to review its unique features, identify major tourism opportunities that complements and leverages off the broader regional offering, and develop an implementation plan to deliver these opportunities in a sustainable manor within an achievable time frame.

From this report, a series of transformative and major projects have been identified to highlight the areas unique features and activate underutilised areas and assets. In addition to this, a number of strengthening projects were considered to enhance existing tourism offerings, along with a series of the enabling works to pave the way for the proposed future tourism projects.

Community support and involvement in delivering this plan is essential, in conjunction with that of local business, industry and government.

This report comprises the following major components:

- > Review of unique attributes of Port Kembla
- > Review of the tourism market globally, nationally and locally
- > Review of current tourism offerings
- > Analysis of the gap between the tourism market and local tourism offerings
- > Identification of tourism opportunities for Port Kembla, including initial assessment and prioritisation
- > Development of a proposed implementation strategy
- > List of actions to progress and deliver the identified priority opportunities

1.2 Aims and Objectives of Study

The purpose of this study is:

- > To identify the unique natural, cultural, heritage and community attributes of Port Kembla
- > To identify the current global, national and local trends in issues in tourism;
- > To identify the current tourism offering in the Illawarra and Port Kembla;
- > To identify the current strengths and weaknesses of tourism in Port Kembla;
- > To identify gaps in tourism offerings in Port Kembla

- > To identify tourism opportunities in Port Kembla to fill identified gaps and leverage off it's unique attributes;
- > To understand the role of community, business, industry and government in tourism in Port Kembla;
- > To propose potential tourism opportunities for Port Kembla consisting of both infrastructure and operations;
- > To prioritise the development of these opportunities;
- > To develop actions that need to be undertaken to develop these opportunities and facilitate tourism growth in Port Kembla; and
- > To provide an implementation plan of the identified priorities and actions.

1.3 Study Area

For the purpose of this report the study area is the Port Kembla Suburb, Wollongong local government area, but considered within a regional context.



Figure 1-1 Port Kembla Study Area (Refer to Regional Context Plan Appendix A)

1.4 Limitations

This document is a "desk-top" review of existing, readily available information. It relies heavily on the first-hand experiences of the community members engaged in the consultation and review process, the project team and the consultants involved in the preparation of this report. It is limited by scope, time and budget. It is a "work in progress" as this sector continues to evolve.

2 Policy Review

2.1 Visitor Economy Industry Action Plan

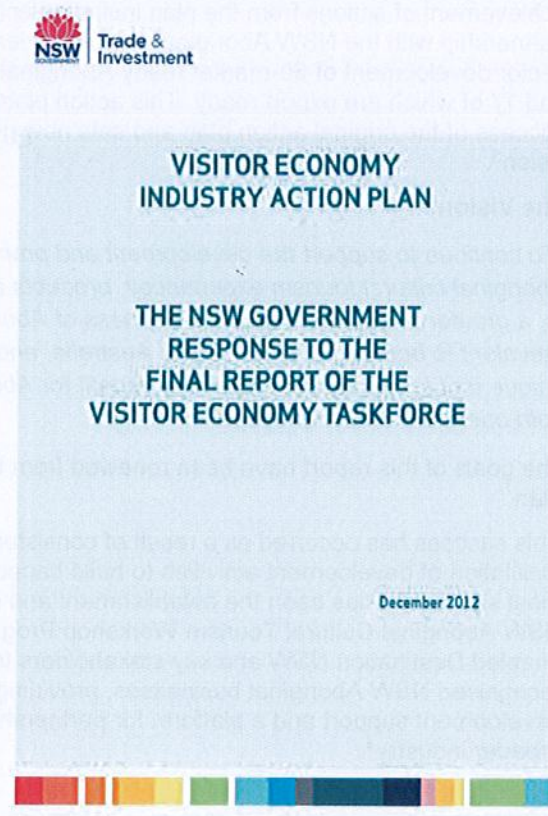
The NSW Government established the Visitor Economy Taskforce to develop a strategy to double overnight visitor expenditure in NSW by 2020. The Taskforce is one of six established to develop strategies to position key sectors of the NSW economy for growth. Five core principles guided the key actions identified by the report for the visitor economy improvement, which include:

1. **Demonstrate leadership:** Champion growth through leadership, vision and partnerships.
2. **Make it easier to do business:** Reduce costs and provide greater certainty for industry.
3. **Collaborate to drive innovation and competitiveness:** Respond to new challenges, create new products and markets, and take advantage of emerging opportunities.
4. **Invest in critical infrastructure:** Plan strategic and efficient infrastructure needed to drive the economy.
5. **Raise the global profile of Sydney and NSW:** Promote NSW in a more strategic and coordinated way, to attract businesses, entrepreneurs and talent to the State.

The report recommended actions to be taken by the NSW Government in partnership with industry to achieve the Government's target of doubling overnight visitor expenditure to NSW by 2020:

- > New Destination Management Planning (DMP) system for NSW
- > Regional conferencing strategy for NSW
- > New Annual Business Leadership Forum
- > New funding program criteria for regional tourism
- > Long-term brand campaigns for Sydney and NSW
- > Strengthened major events and festival calendar
- > Dedicated visitor servicing co-ordination for Sydney
- > New travel concessions for international students
- > \$87 million cruise infrastructure program
- > New Destination NSW China Strategy
- > Glebe Island Expo to house trade exhibitions while the Convention Centre is completed
- > New Aboriginal Tourism Action Plan

One of the key actions to be implemented in NSW was destination management planning, which requires an integrated approach to product and infrastructure development, positioning, promotion and marketing and will ensure effective delivery of Government support at all levels. Destination Wollongong has addressed this action with the development of the Port Kembla Destination Development Plan. This is further supplemented by the Wollongong Destination Development Plan which outlines development strategies for the greater Wollongong Region.



2.2 Destination NSW- China Tourism Strategy 2012-2020

Destination NSW's China Tourism Strategy will guide business development and consumer marketing activity from 2012-2020.

The strategy is directed towards ensuring that NSW keeps pace with the rapid expansion of geographic source markets within China and the changing travel preferences of maturing consumer segments.

To capitalise on opportunities presented by China over the next decade Destination NSW has identified eight strategic directions

- > Extend marketing activity into more geographic source markets
- > Support aviation and route development to keep pace with demand
- > Target high performing consumer segments
- > Improve the quality and range of visitor experiences
- > Increase consumer promotion
- > Develop trade distribution networks
- > Expand commercial and government partnerships
- > Increase resources to facilitate growth

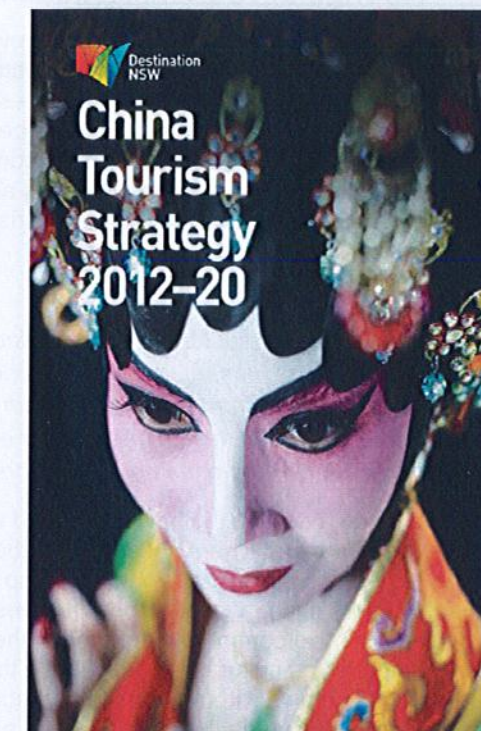
In 2012, China was Australia's second largest inbound market for visitor arrivals and the largest market for total expenditure and visitor nights.

The Vision:

"As the market matures with 47% of returning visitors, travel agents are looking for new experiences outside of the traditional Blue Mountains and Gold Coast package tours. This represents a major opportunity for the South Coast. The peak travel period of July- August represents a traditional low period for overnight visitation to the region."

Visitor Profile in 2012:

- > 47% repeat visitors
- > 68% of total arrivals are for leisure
- > 45-59 years largest demographic
- > \$7,036 average spend
- > 47 nights average stay
- > October- January and May- June is the peak booking period.
- > December- February and July – August are the peak travel periods.



Chinese Tourists (Source: Destination NSW)

2.3 Aboriginal Tourism Action Plan 2013-2016

The Aboriginal Tourism Action Plan is a framework to guide NSW tourism operators and the wider tourism industry to support the development of Aboriginal tourism experiences and businesses in NSW. Whilst the goals and actions are intended to be implemented by Destination NSW as a result of the Visitor Economy Industry Action Plan, this policy document outlines key goals and actions for the development of Aboriginal culture centric tourism experiences and businesses in NSW¹.

The Vision:

"To support the development of NSW Aboriginal Tourism experiences, products and business leading to; a greater understanding of the richness of Aboriginal culture prevalent to both regions, NSW and Australia, and to leverage this unique trait for economic and social, benefit for Aboriginal People, as both operators and employees."

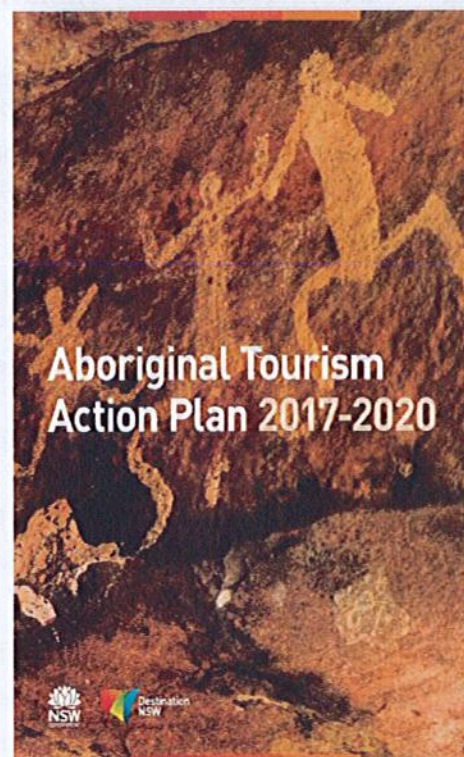
Port Kembla has a rich Aboriginal History and strong cultural presence and the Wodi Wodi and Dharawal people of the Illawarra maintain many cultural sites across the region including camp sites such as Coomaditchie. As such, a great opportunity lies in potential partnerships with local indigenous community groups. Of the 8 sites within the Illawarra identified as culturally significant by the NSW Government Department Office of Environment and Heritage, 3 are found within Port Kembla²; The Five Islands, Hill 60/Red Point and Coomaditchie/official camp site.

The key goals:

- > Goal 1: Increased market awareness of NSW as a destination where Aboriginal culture is strong, vibrant and diverse.
- > Goal 2: Sustainable market-ready and export-ready Aboriginal tourism products and experiences.
- > Goal 3: Increased awareness, understanding and appreciation of Aboriginal culture in NSW by Government, the tourism industry and visitors.

Key actions for these goals:

- > 1.2 - Develop and promote key Aboriginal events, which align with the NSW Visitor Economy Industry Action Plan and positions NSW as a place to experience Aboriginal culture, in conjunction with Aboriginal partners and other stakeholders.
- > 2.8 - Support Aboriginal tourism businesses through the provision of specialised workshops and training courses on an identified needs basis, for example, export-ready workshops. Partner with TAFE NSW, NSW National Parks & Wildlife Services (NPWS) and tourism industry bodies such as Australian Tourism Export Council (ATEC) and Tourism Industry Council (TIC-NSW).
- > 2.9 - Assist Aboriginal tourism operators, in partnership with the ATEC Indigenous Tourism Taskforce, to become export ready; Link to mainstream distribution channels; and Identify opportunities to collaborate with mainstream tourism businesses.
- > 3.1 - Work with Aboriginal organisations, government and the tourism industry to develop product and marketing content aimed at mainstream tourism operators and consumers that will:
 - Tell the Aboriginal stories of Sydney and Regional NSW;
 - Raise awareness and promote the appreciation of NSW Aboriginal culture and its diversity;
 - Enhance visitor information relating to NSW Aboriginal culture in Government-produced material; and
 - Help convert consumer awareness to booking an Aboriginal experience.



2.4 Aboriginal Tourism Action Plan 2017-2020

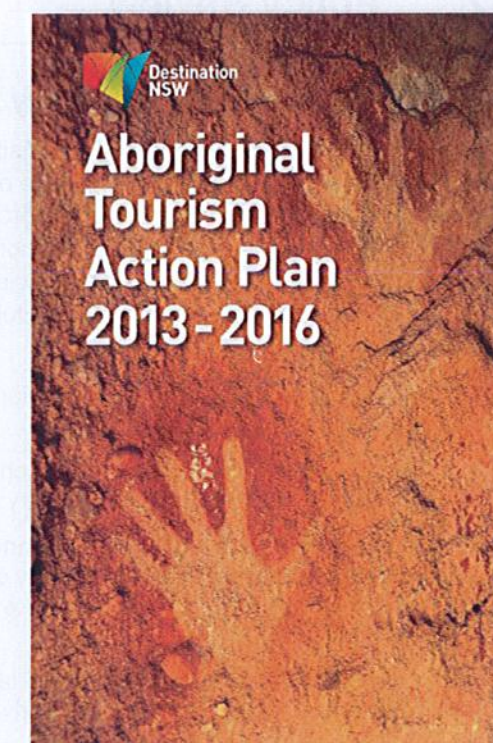
In a progress review following the initial Aboriginal Tourism Action Plan in 2016, Destination NSW reflected upon the success of the achievement of actions from the plan including achieving all 26 actions in partnership with the NSW Aboriginal Tourism operators. This included sector development of 50-market ready Aboriginal tourism experience and 17 of which are export ready. This action plans reflects upon the success of the original action plan and sets new goals to achieve the vision³.

The Vision:

"To continue to support the development and promotion of NSW Aboriginal cultural tourism experiences, products and business leading to; a greater understanding of the richness of Aboriginal culture prevalent to both regions, NSW and Australia, and to leverage this unique trait for economic and social benefit for Aboriginal People, as both operators and employees."

The goals of this report have been renewed from the previous Action Plan.

This success has occurred as a result of consistent engagement and the facilitation of development activities to build capacity and capability. The most successful has been the establishment and ongoing delivery of the NSW Aboriginal Cultural Tourism Workshop Program. This program has enabled Destination NSW and key stakeholders to work closely with recognised NSW Aboriginal businesses, providing peer to peer development support and a platform for partnership development with the broader industry⁴.



2.5 Framework Guide to Facilitate Tourism Investment 2011

The Investment and Regulatory Reform Working Group of the National Long Term Tourism Strategy commissioned the Allen Consulting Group to develop a guide to Tourism Investment in 2011. This framework targeted government departments in the successful planning and policy for the tourism market to ensure that Australian Tourism progressed on the International stage through quality tourism products and services⁵.

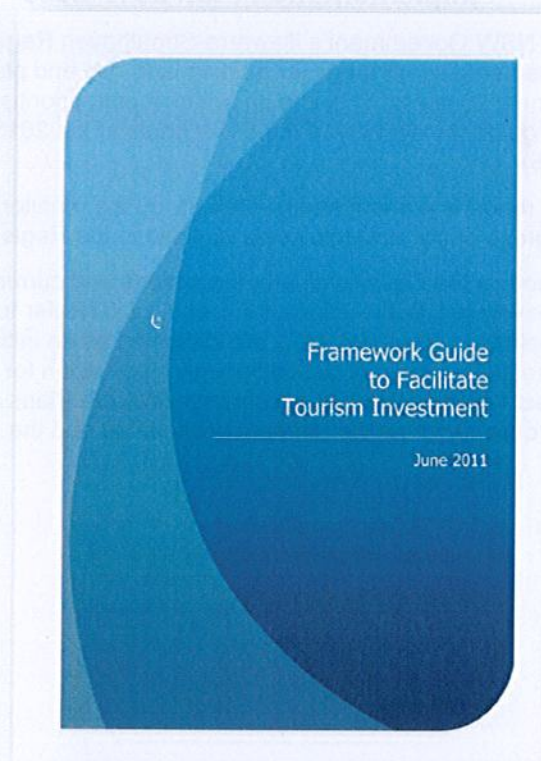
This guide was developed as a practical resource to assist government to facilitate tourism investment and build Australia's tourism offering and competitiveness on a global scale. The appeal of the Australia Tourism industry must be increased such that it drives profitability, innovation and growth in a recently dwindling sector.

- > **Generates positive spill overs to other industries** — tourism is defined by what tourists spend money on. Tourists spend money on a range of goods and services that reside in other sectors of the economy (retail, hospitality, transport, entertainment etc.). Short-term accommodation receives less than 30 per cent of visitor expenditure (TTF 2010)⁶.
- > **Stimulates visitor demand** — tourism investment has the proven ability to bring about an increase in demand for travel to a particular destination. The right types of tourism investment attract visitors who would not otherwise visit a particular location or region. When a location enhances its tourist offerings with the right investment, it will attract more visitors.
- > **Creates employment opportunities** — tourism is labour intensive, consequently, tourism investment has the potential to generate a relatively high number of jobs relative to the level of investment. On average, every 10 accommodation rooms directly generate 4.9 jobs. When jobs created indirectly are included, the total employment effect on average is 18.2 jobs per 10 hotel rooms (Urbis 2010)⁷.
- > **Diversifies the regional economic base** — tourism can broaden the economic base of regions that have traditionally been reliant on a small number of employers or industries. This makes these regions more economically self-reliant and less dependent on government support. It also softens the impact of industry decline or a particularly bad year (Destination NSW)⁸.
- > **Directly contributes to community development** — tourism investment can lead to the establishment of new activities and events. Such events can attract many visitors and provide an opportunity to raise the liveability of a region by bringing the community together and enhancing the social vibrancy of a city or town (NLTTS Steering Committee 2009)⁹. Hosting cultural and artistic events can enrich communities and generate tourist expenditure.

2.5.1 Zone sites for tourism and streamline approvals - Framework Guide to Facilitate Tourism Investment 2011

The setting aside of sites specifically for a tourism use (or a mixed-use that includes tourism) is known as preferential zoning. This approach is used mainly where a jurisdiction has determined a specific need for a significant tourism investment, which could be the result of a product gap audit. While this is a good practice, governments doing this may need to be willing to accept a lower price for such a site, compared to what could be achieved through a sale without such a condition. This approach is justified on the basis that net benefits (including social and environmental benefits) should exceed income foregone. This is because investors will generally take the view that a site earmarked for tourism will deliver a lower return on investment than could be achieved by other uses.

Taking a site through the investment process from zoning onwards will require ongoing resourcing and periodic negotiation with the developer at key points. For instance, agreement will need to be negotiated in response to an expression of interest issued by government for a specific tourist development. Governments adopting this practice should streamline the process by clearing as many approval hurdles as possible, and presenting tourism development



opportunities as 'investment ready'. This good practice covers a number of stages in the investment process. There are several relevant examples of preferential zoning in the case studies in this report.

2.5.2 Make the provision of tourism infrastructure a condition of major developments - Framework Guide to Facilitate Tourism Investment 2011

Increasingly, successful tourism development projects have a mix of uses. In some locations, such as central business district areas, a mixed-use development represents the only viable strategy to increase the supply of tourism infrastructure. Consequently, there is an opportunity to require developments to include tourism infrastructure (accommodation and attractions). This approach can provide a win-win outcome for investors and governments that are seeking to increase the supply of high quality tourism infrastructure.

Without this intervention, a developer may choose not to offer tourism infrastructure and instead direct the value of an investment to other areas, which are expected to deliver a higher return. Making accommodation or other tourism infrastructure a condition of development approval is likely to still be commercially attractive to the developer, as the project will also generate returns from other uses (residential apartments, retail, office space, casino, clubs etc.). This may require a trade-off, such as the granting of a number of gaming machine licenses in return for an agreed level of hotel accommodation.

While the accommodation component of a development might provide a lower return than other components, accommodation draws people to the development. This in turn is attractive for investors in other elements of the development — such as retailers — because they can be assured of pedestrian traffic from the adjoining hotel or attraction. This good practice is likely to be most relevant at the site selection stage.

2.5.3 Identify and make available land and buildings for tourism investment - Framework Guide to Facilitate Tourism Investment 2011

Government owned land and buildings can offer significant potential as tourism investment sites. Governments can be proactive in reviewing existing land holdings and heritage sites to identify those that offer potential for projects featuring tourism. Equally, governments should be willing to assess the merit of these proposals when prospective developers bring them forward. Key Actions include:

- > Review holdings of government land and buildings to identify sites that could be appropriate for tourism investment.
- > Assess the merit of converting identified sites to tourism use based on the costs and benefits of this strategy compared with unchanged use.

Around Australia, several former government buildings (old Treasury buildings and post offices etc.) have been converted to hotels. Existing land holdings in prime tourism locations, such as those in CBDs or near major waterways, are likely to be prime opportunities for tourism developments. Through preferential zoning and by streamlining approvals governments can ensure that these sites provide high quality tourism infrastructure, which responds to the supply shortages currently being experienced in many locations and market segments.

Similarly, in regional locations, state and local governments can use this strategy as a basis for facilitating tourism investment. Governments should be aware that extensive preparatory work and negotiation will be required to move from the identification of a site through to a successful development. As explained in Good Practice 6.1 government will also need to be willing to accept a lower price on the sale of land that has been zoned for a tourism development, in order to gain greater net benefits (including social and environment benefits) for the government and the community.

2.5.4 Government leases of land/buildings - Framework Guide to Facilitate Tourism Investment 2011

In situations where land is expensive, such as central business district, adjacent areas and state parks, crown land can be offered as an incentive to tourism investors. There are a number of variants of this model that can be used. Long term leases — of up to 99 years — provide investors with certainty about the lease component of their operating cost and demonstrate a commitment from government to ensuring that a site will be used for tourism over a very long time. Additionally, because the return from a tourism related use is likely to be less than that for an alternative use, governments need to set lease costs at a level that recognises this. This good practice is likely to be most relevant at the financial feasibility and business plan stage.

2.6 Illawarra and Shoalhaven Regional Plan

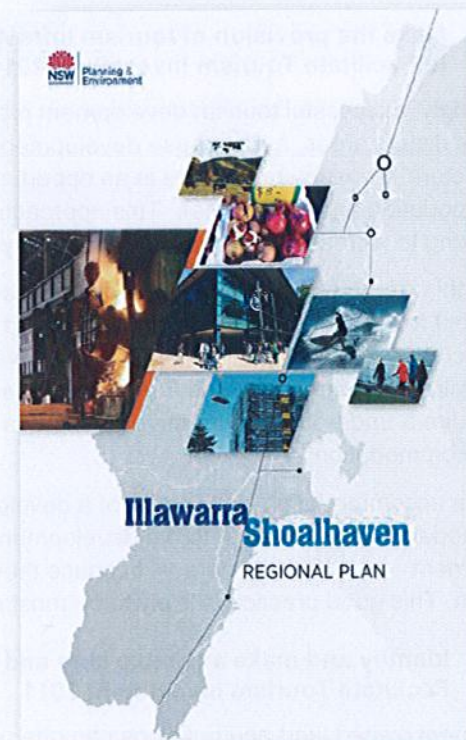
In November 2015, NSW Planning and Environment released the *Illawarra Shoalhaven Regional Plan*¹⁰.

It provides the strategic policy, planning and decision making framework to guide the region to sustainable growth over the next twenty years.

Importantly the Plan recognises that tourism is one of six priority growth sectors in our regional economy and sets the challenge for other organisations to provide strategic guidance and identify barriers to development of this sector.

Goal 1 "A Prosperous Illawarra" – Shoalhaven aims to capitalise on the regions 'knowledge – based' assets such as the University of Wollongong, Innovation Campus and the defence industries at Nowra. Further the highly skilled and qualified workforce of 34,000 jobs. The region will continue to build on tourism as a key growth sector. Several Key actions generated from this report identify key strategic actions:

- > Action 1.2.1 – Reduce land use conflicts by managing buffers around Port Kembla and its supporting freight network. The intention is to protect the port from the encroachment of residential development and ensure the greater road and rail network is not impeded.
- > Action 1.3.5 – Develop a strong marine-based tourism industry, capitalising on the region's numerous small ports and building on The Waterfront, Shell Cove marine facility. Encouraging the development of boating, tourist and lifestyle developments in conjunction with the existing or proposed marine ports and the marine network in the region.



Priority Growth Sectors

The plan will be used to drive economic growth in the region. It integrates economic, social and environmental considerations in the interests of achieving ecologically sustainable development for the region to generate a diversified economy.

2.7 Illawarra and Shoalhaven Regional Plan 2036 Implementation Plan 2017-2019

The NSW Government's Illawarra-Shoalhaven Regional Plan 2036 is an implementation strategy for guiding land use and planning decision for the next 20 years. This implementation plan prioritises ongoing actions and guide the delivery of the 5 key goals of the 2015 report (Section 2.2.5).

The report is predominantly a review by the monitoring committee on progress of the strategic goals outlined in the Regional Plan.

Of note is the classification of the actions and current status of achievement. Both Actions 1.2.1 and 1.3.5 (Refer to Illawarra and Shoalhaven Regional Plan) are classified as an initiative with an immediate priority for action sparking motivation for projects and policy to reflect implementation in accordance with the Plans and the coordination of Council and the Department of Planning and the Environment.



2.8 Wollongong 2022 Community Strategic Plan

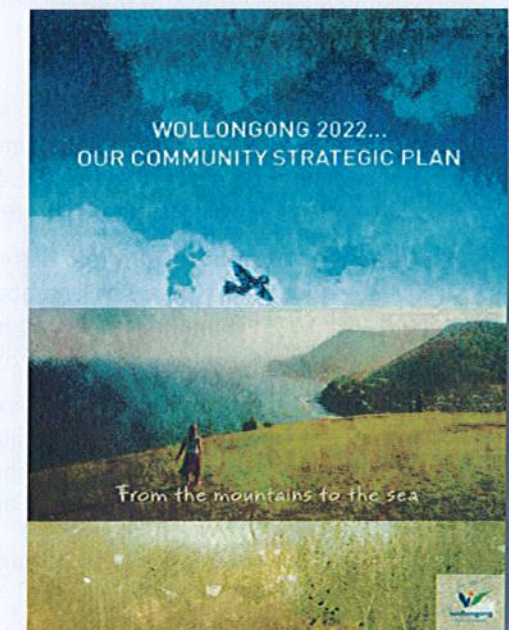
The Wollongong City Council *Wollongong 2022 Community Strategic Plan* outlines the strategic goals for development of Wollongong by 2022. Specific to this report are the following goals relating to development:

- > Goal 2: We Have an Innovative and Sustainable Economy

Key Actions for the goal include:

- > 2.2.2 – Efforts are coordinated to secure tourism infrastructure in the region and to attract new industries
- > 2.3.2 – Wollongong is promoted as the preferred conference and events destination, and the place to live, work and visit.

It is identified key stakeholders for the short to medium term implementation of these actions are The State Government, Tourism Groups, the Business Sector and Wollongong City Council.



2.9 Wollongong Destination Management Plan

The NSW Government's Visitor Economy Action Plan (VEAP) has placed Destination Marketing Plans at the centre of reform, which is taking place in regional tourism planning. The Wollongong Destination Management Plan sets out the organization's strategic focus to contribute to the State Government's aim of achieving \$36.6 billion in overnight visitor expenditure per annum by 2020.

Wollongong is a key destination to achieving these goals as it has two specific competitive advantages

1. Proximity and connectivity to Sydney, Australia's main tourist gateway. Being located only 73km from Sydney international airport, Wollongong is perfectly located to service Sydney's residential population of 5 million residents and 10 million overnight stays per year.
2. Accommodation Capacity. Unlike Sydney, Wollongong has accommodation capacity available year round, including over the traditionally busy Christmas and New Year period, where Sydney is constrained.

The accommodation occupancy rates noted in this report include hotels, motels and serviced apartments (Wollongong) – 51%, Caravan Parks – 78% and rented homes at 22.2%.

The Wollongong Destination Management Plan:

- > Assesses the current status and performance of the visitor economy of the South Coast Region identifies opportunities to grow visitation to and visitor expenditure within the Region and sets the directions and priorities for growth.
- > Identifies and assesses the products, services and facilities needed to meet visitor needs and expectations and to support and facilitate growth.
- > Sets the vision, directions and priorities for the development, management and marketing of the Illawarra Region for the period 2013-2020.
- > Provides the framework for the coordination of key stakeholders and resources needed to deliver the Plan.

The plan identifies key strengths of:

- > A unique and differing landscape comprising escarpment, beaches, lake, industrial, National Park and rural lands,
- > Our proximity and connections to Sydney, Canberra and Kingsford Smith International Airport,
- > The linear nature of our coastline which supports such activities as the Grand Pacific Drive and Way, and
- > A diverse cultural community.

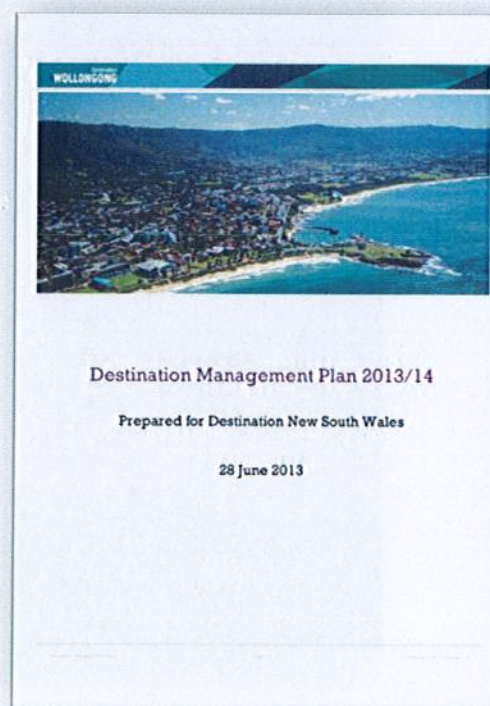


Figure 3.4 of the Destination Management Plan sets out the Strategic priorities for the organisation, which aim to assist the State Government meet their target of doubling the overnight visitor economy by 2020.

3.4 Destination Priorities 2013/14

The figure below (Figure 22) provides a summary of the seven destination management priorities for Wollongong in 2013/14. The priorities are discussed in further detail in the following pages.

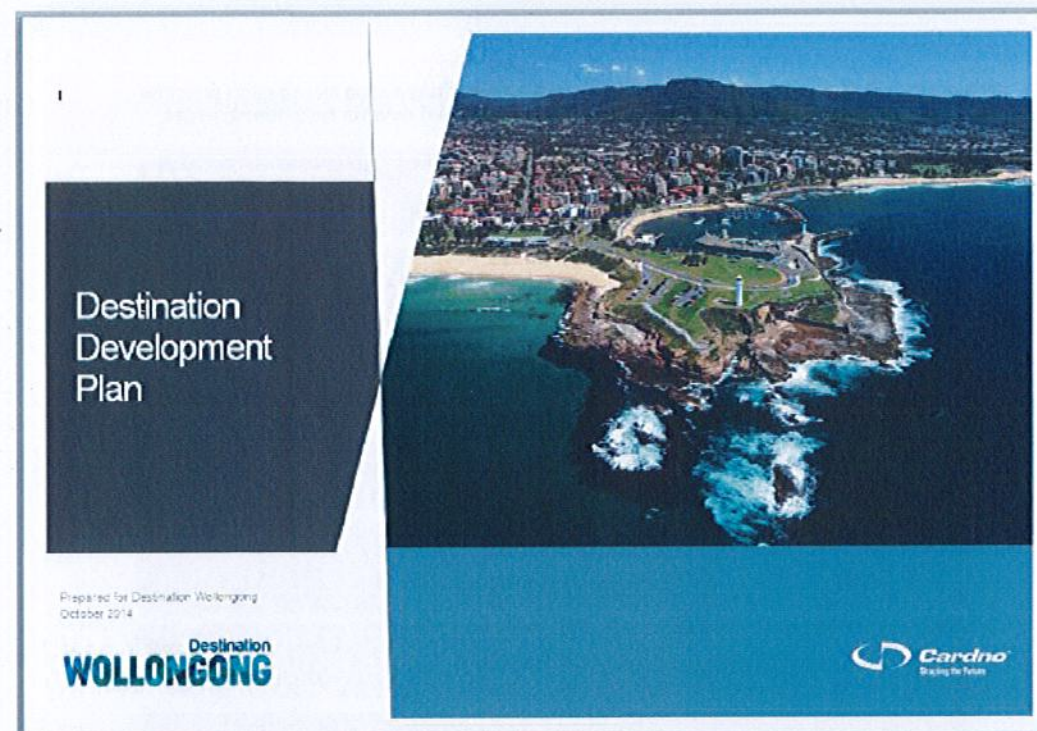
- Priority 1: Grow Asian inbound visitation to Wollongong – particularly China
- Priority 2: Focused marketing of the Grand Pacific Drive in key markets
- Priority 3: Expand scope of Visitor Information Services to increase length of stay across the South Coast region.
- Priority 4: Target growth in high yield business event markets
- Priority 5: Drive visitation through a vibrant event program
- Priority 6: Establish the foundations for a destination relaunch
- Priority 7: Identify key infrastructure and investment required for destination enhancement.

Figure 22 – Wollongong DMP Priorities 2013/14

As part of the review into the region's tourism offering, the need for a more "outward looking" or aspirational document was recognised, which appraised the region's assets and how they could be nurtured into world-class tourist facilities, identified in priority 7.

Destination Wollongong worked with Cardno to develop a "Wollongong Destination Development Plan" which complements the Destination Management Plan and sets out the key strategic development focus for the sector.

2.10 Wollongong Destination Development Plan



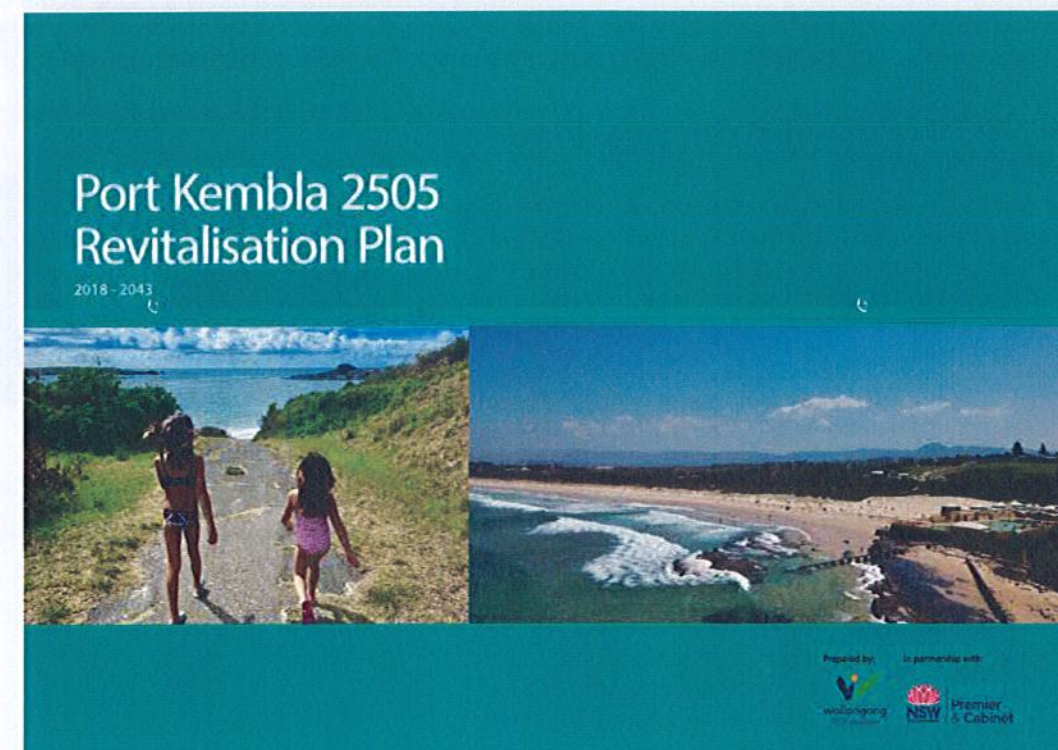
Destination Wollongong's Destination Development Plan puts the case that Wollongong is ideally placed to capture the opportunities presented by a range of global trends especially the anticipated growth of Asian visitation and adventure tourism and aligns with the State and federal Government tourism agenda.

It is well known and accepted that investment in tourism requires genuine facilitation and dedicated planning. The foreshores and crown lands must be protected and expertly planned to achieve sensible commercial outcomes.

"Tourism assets need to be built on prime (and often specific) real estate and unfortunately there are very few of these sites available. It is imperative that all levels of government join forces to protect these lands which are under the control of State Government for the long term economic benefit of the region."

It is also well recognised that "tourism precincts" play a major role in attracting large scale visitation as a variety of attractions and activities in a central location can provide entertainment for a wider demographic of visitors.

2.11 Port Kembla 2505 Revitalisation Plan



In 2018 Wollongong City Council developed a strategic development plan for the revitalisation of the suburb of Port Kembla. This report outlines the vision and strategies for the suburb to direct initiatives to revitalise the suburb. It focuses on five precincts within the suburb setting future aspirations for each and proposes location-specific strategies to achieve the vision.

"Port Kembla is a product of its unique people and exceptional natural surroundings. The rich cultural history and diverse population contribute to a lively and active place that is inclusive and attractive for residents and visitors alike."

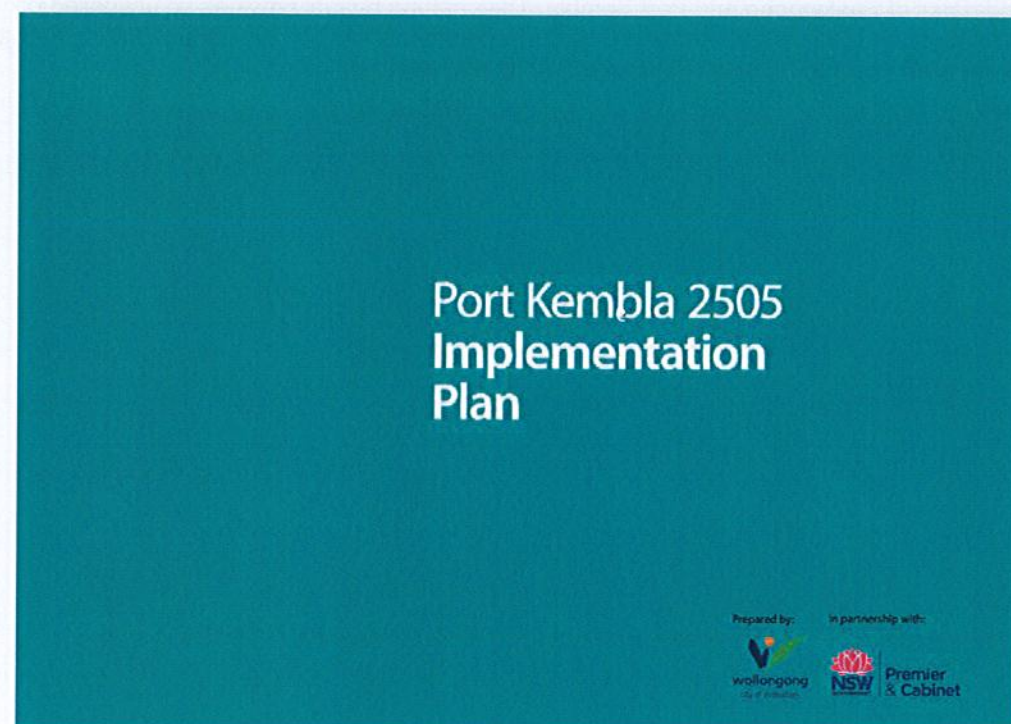
The five key precincts are:

- > Port Kembla Town Centre
- > Military Road Spine
- > Coastal Areas
- > Recreational Areas
- > Coomaditchie Lagoon

Key actions outlined in this report are:

- > Tourism Development and Marketing
- > Urban Greening
- > Amenities
- > Accessibility Connections
- > Wayfinding Signage
- > Street Furniture
- > Public Art
- > Activation and Events

2.12 Port Kembla 2505 Implementation Plan



Wollongong City Council's 2018 release of the Port Kembla 2505 Implementation Plan constitutes phase A of the strategic development implementation strategy. This implementation plan outlines actions from the development Strategy in terms of delivery priority.

This report outlines several key actions in the scope:

- > Governance and Coordination
- > Suburb Wide Actions
- > Military Road
- > Coastal Areas
- > King George V Recreation Precinct
- > Coomaditchie Lagoon; and
- > Port Kembla Town Centre

These actions are further defined by relative agency responsibility, stakeholder collaboration, indicative cost comparisons and approximate timeframes to complete.

2.13 Key Policy Restrictors/Enablers

Over the past decade a plethora of policy has emerged to drive the tourism industry in Australia, many of these are applicable to both NSW Tourism and the Illawarra, as identified in section 2.2. As policy, can both enable and restrict tourism development and actions within the industry the benefit or hindrance to development identified:

Key findings addressed in NSW Government's 2021 Tourism Industry Action Plan include:

1. Demonstrate Leadership

- > Government leadership in partnership with industry: The NSW Government recognises that in order to achieve the target set for growing the visitor economy the industry will need to focus on markets that are expected to provide a high rate of growth, such as Asian visitor markets.

- > Anticipate opportunities and challenges in the global market: The Industry Action Plan for the Visitor Economy offers opportunities for Government and industry to work in partnership to encourage development and growth. Destination management planning in particular will focus on local knowledge, entrepreneurship, innovation and industry leadership.

2. Make it easier to do business

- > The Government has embarked on a comprehensive review of the States planning system. Strategic planning under the new planning system will help provide a stronger policy framework to specifically support the tourism industry.
- > The review is designed to deliver reforms across a number of areas including the reduction of red tape and delays in the assessment of development applications.

3. Collaborate to Drive Innovation and Competitiveness

- > The Government is committed to leveraging developments in new technologies and social media to ensure communication with target markets meets consumer expectations, particularly in the Asia Pacific region, and build a strong, global digital identity for NSW and Sydney. The Industry Action Plan for the Digital Economy will offer directions for collaborations between digital industries and the tourism and events industries.

4. Invest in critical infrastructure

- > The NSW Government recognises the need to boost investor confidence and encourage investment in new and improved visitor economy infrastructure including accommodation, attraction, access, transport and general amenities.
- > The NSW Governments comprehensive review of the state's planning system includes land use for tourism related developments. The review is designed to help reduce red tape and delays in assessment of development applications. The process is expected to provide clarity for investors and assist in encouraging investment in accommodation in Sydney and NSW.
- > The government also established the Property Asset Utilisation taskforce to undertake a stocktake of government owned property assets that might be repurposed for private industry, including visitor economy initiatives.

2.13.1 Key Policy Enablers

- > Commercialising existing assets to take advantage of the Visiting Friends & Relatives (VFR) market out of Sydney and existing visitation.
- > Develop a strong marine-based tourism industry, capitalising on the region's numerous small ports and building on The Waterfront, Shell Cove marine facility. Encouraging the development of boating, tourist and lifestyle developments in conjunction with the existing or proposed marine ports and the marine network in the region.
- > Capitalising on the rich historic and cultural landmarks in the region to attract new visitation
- > Development of internationally market-ready Aboriginal cultural products and experiences.
- > Utilising the unique Natural Landscapes to integrate scenic tourism into development planning
- > The establishment of a regionally unique and significant tourism destination that provides a place for large groups to spend at least one night and can demand international attention
- > The importance of business events given our proximity to Sydney
- > Strategic planning focusing on the five Port Kembla Key Precincts for development
- > Domestic Marketing

2.13.2 Key Policy Restrictors

The Port Kembla 2505 Revitalisation Plan focuses on key actions and development precincts. Whilst these are positive enablers for those actions and precincts, this focus inherently restricts opportunities outside of this scope.

3 Destination Analysis

3.1 Location

Port Kembla is located on the South Coast of New South Wales, approximately 75 km south of Sydney. As the name suggests it is a port town on the Tasman Sea and bordered by Wollongong to the north and Lake Illawarra to the south. It can be reached from Sydney via car in under an hour and a half and is just a 10 minute drive south of the City of Wollongong. It is rich in culture and heritage with an abundance of remarkable natural features all within 1.5km of the surrounding vicinity of the town. Port Kembla Harbour is a hub of heavy industry and provides a unique backdrop to the large harbour and surrounding landscape (refer to Regional Context Plan provided in Appendix A).



Port Kembla Steelworks (Source: Destination Wollongong)

3.2 Natural Features

Port Kembla's proximity to local Beaches such as MM Beach (North Beach), Fisherman's Beach and Port Kembla Beach (Perkins Beach) make it a paradise for those wishing to visit the ocean. As can be seen in the image below, Hill 60 and Red Point provide panoramic views of the beaches and landscape as well as the Five Island Nature Reserve just off the coast. The northern promontory of Hill 60 shelters Port Kembla beach from the prevailing north easterly winds in summer, providing favourable swimming and surfing conditions throughout the summer months. The fine white sands that prevail along the South Coast also make it a highly desirable beachside location for swimming and beachside activities.



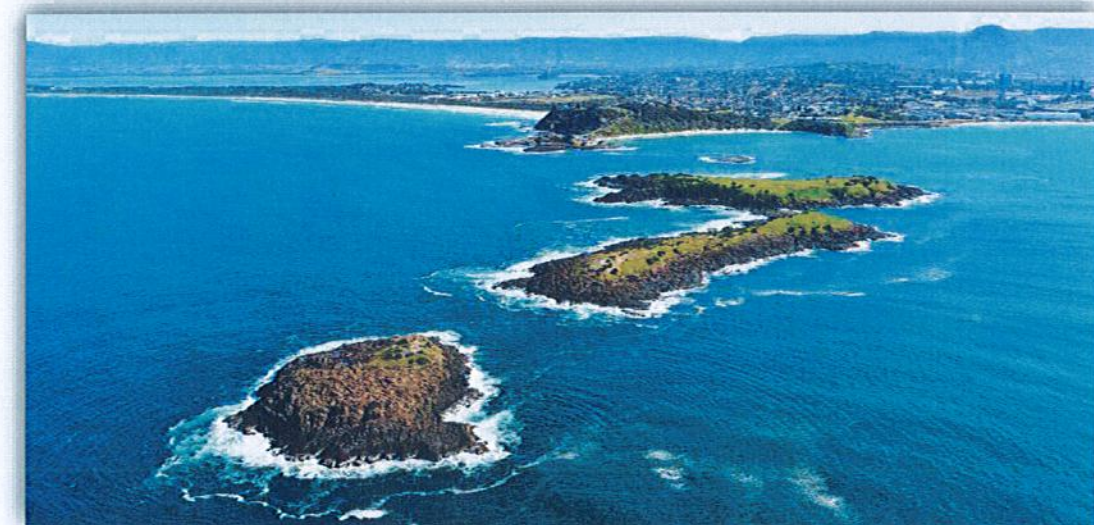
Port Kembla Hill 60 to Escarpment (Source: www.chilby.com.au)

Port Kembla is framed by Mount Kembla and the sub-tropical escarpment to the West, which characterises Port Kembla as a destination where the mountains meet the sea, as with the greater Illawarra. Mt Keira and Mt Kembla are both major local landmarks of Wollongong and Port Kembla. Their natural beauty provides an unspoiled backdrop to the port. Coomaditchie Lagoon reserve and the King George Recreation areas provide natural buffers between Port Kembla Beach and the town (refer to Natural Landscape Plan in Appendix A).



MM Beach (Source: www.open.abc.net.au, courtesy Emily Parisi)

The Five Islands Nature Reserve is located off Red Point, to the south east of Port Kembla. It is a heritage listed nature reserve protected underneath the NSW Office of Heritage and The Environment and is home to a range of wild bird and marine life including seals and dolphins. The Island is managed under a 2005 National Parks and Wildlife Service Management Plan¹¹ and whilst conservation activities are undertaken on the reserve, unlawful access does occur. A volunteer group do monitor the reserve from Port Kembla but this is informal. There is potential to develop eco-tourism, as noted in the management plan, such that native bird and marine life is not disturbed particularly during seabird breeding seasons. Activities such as marine based ecotourism and guided island tours were identified.



Illawarra Five Islands Nature Reserve (Source: www.chilby.com.au)

Fisherman's Island is a protected cove facing the Five Islands Nature Reserve and provides a unique viewing experience fronting both the ocean and the reserve. Due to its protected locality and cove formation, the beach has

limited views towards both Port Kembla and the Illawarra. This is an endearing quality for those tourists and locals who favour secluded retreats and do not favour the backdrop of the industry located at the Harbour.



Fisherman's Beach (Source: www.theland.com.au)

Port Kembla's main beach is approximately 6.6km long and is a pristine and secluded beach that spans from Port Kembla south towards Primbee and Warilla. This beach is monitored by the Port Kembla Surf Lifesaving Club and is one of the Illawarra's greatest beaches, offering unobstructed views out towards the South Pacific Ocean and the escarpment. The Port Kembla pool is located in the northern most partition of this beach, adjacent to Hill 60, offering beachgoers the comfort of enclosed recreational swimming.



Port Kembla Beach (Source: www.Redbubble.com)

3.3 Cultural Features

Port Kembla has a passionate and vibrant community with a range of projects that currently run from art instalments and live music to Aboriginal exhibitions. Murals can be seen throughout the suburb, giving a colourful insight into the wide variety of culture to be found within the town. The Illawarra's history as a region built on the manufacturing industry plays an important role in the existing culture of Port Kembla. However, a new influx of innovation, multiculturalism and a change in the region's direction is slowly changing the culture around Port Kembla. As a coastal town it has a strong surf community and welcoming attitude. It has also been the home to Australia's largest Billy Cart derby, which was a qualifying event for international stages (refer to Cultural & Heritage Landscape Plan in Appendix A).



Port Kembla Billy Cart Derby (Source: www.illawarramercury.com.au)



Local Indigenous Artwork (Source: www.coomaditchie.org.au)

3.4 Heritage features

The rich history of Port Kembla dates back to pre-settlement times and is a significant place for the Aboriginal community and rich with Aboriginal landmarks and culture. Hill 60 contains many historic sites of great significance to Aboriginal community and provided shelter for the local community until it was acquired as a key defence location during World War II. During this period many from the Aboriginal community lived in the sand dunes above Port Kembla Beach and around Coomaditchie Lagoon.

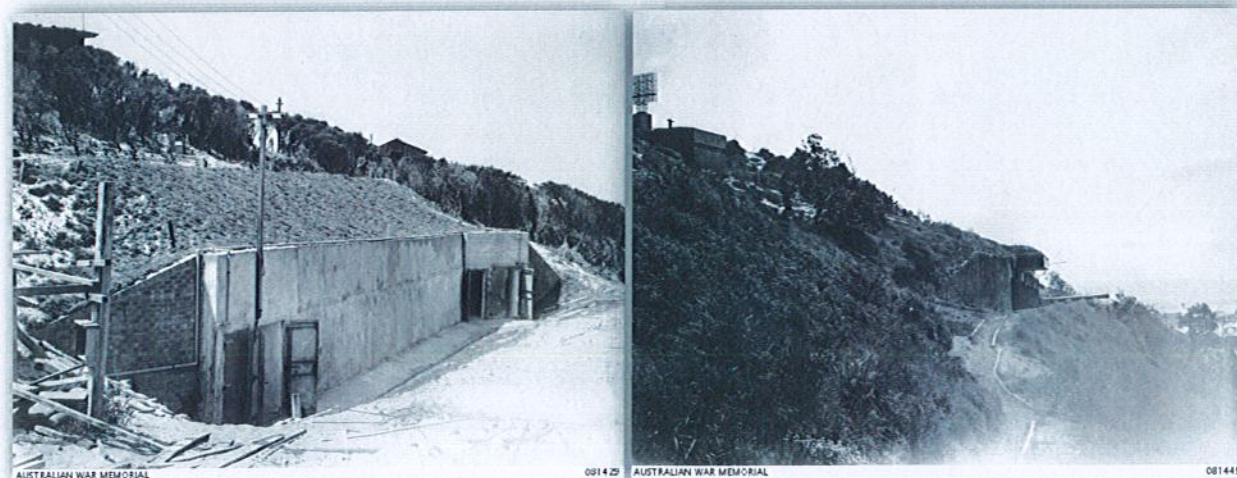


Local Indigenous Artwork (Source: www.coomaditchie.org.au)

The Coomaditchie United Aboriginal Corporation was established in 1992 to provide welfare, advocacy and support to the Aboriginal Community in Port Kembla whilst preserving the culture and heritage in the area. The Coomaditchie Mission adjacent to Coomaditchie lagoon provided homes to the displaced Aborigines from Hill 60 and is still the home to many today.

There is demonstrated cultural affiliation with the place by the Aboriginal Community, through regular occupation and community involvement with the area. The local Aboriginal community has remained relatively self-sufficient and has historically participated in the wider region's economy through the provision of labour in local industry to the sale of produce, mainly seafood, at a commercial level. There remains a culturally distinct lifestyle among the local community based on strong family connections and community sharing.¹²

More recently, Port Kembla's role as a military fort during World War II provides a look into Australia's recent past, the vulnerability of the coast line and the value of industry within the region. A string of large gun emplacements dot the coastline between Port Kembla beach and the harbour including the Breakwater Battery and the Illowra gun emplacement. There is also a tunnel complex, pillbox and supporting infrastructure. The museum at the breakwater battery delves into the military history of the area and is a great source of education and heritage.

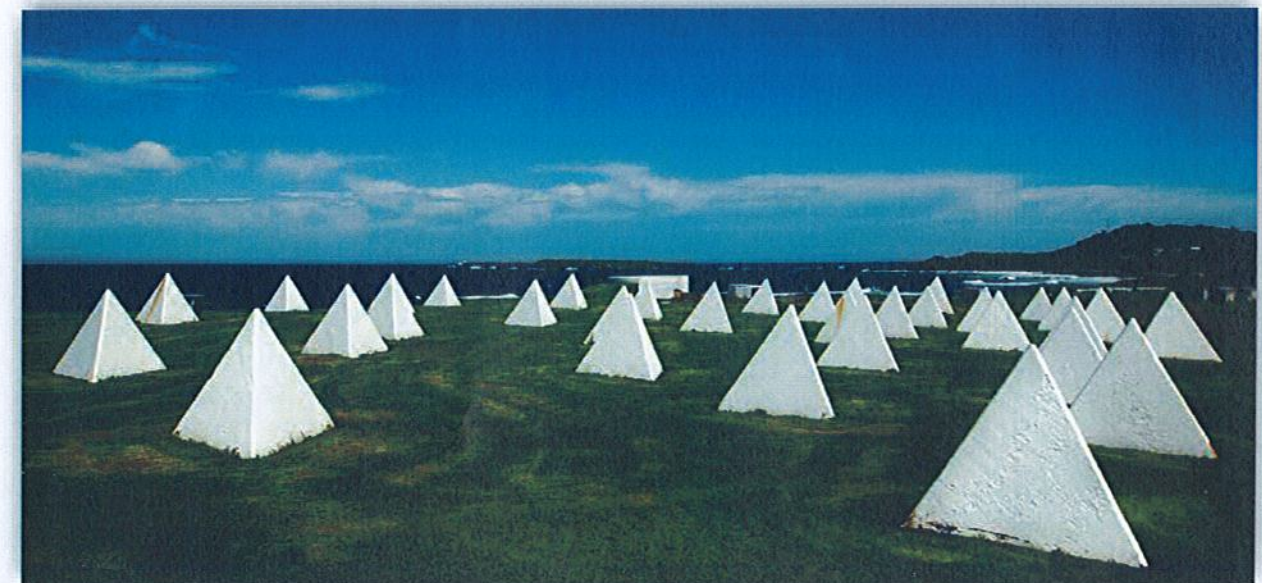


Illowra Battery, Port Kembla. Pictures taken 1944-10-12 (Source: Australian War Memorial)



Illowra Battery, Port Kembla. Pictures taken 2016 (Source: Illawarra Mercury)

The port and industrial area also creates a unique history for the area as centre of heavy industry for the entire south coast and greater NSW. Industry World offer tours of the steelworks and other port facilities in Port Kembla for both entertainment and education purposes (refer to Cultural & Heritage Landscape Plan in Appendix A).



Breakwater Battery, Port Kembla. (Source: Google Maps)

3.5 Community Features

Much of the town and community in Port Kembla centres around historic Wentworth Street, which has remained the town centre, providing a main street with old facades and a country town feel. Features present within the suburb of Port Kembla include a range of sports and recreation facilities such as Port Kembla Olympic Pool, Hangtime Trampoline Park, Revolution Laser and the Illawarra Inflatable Play Centre. There is a local cricket club and surf lifesaving club as well as a range of societies such as the Red Point Artists Association who help develop local artists and provide an exhibition gallery; and the Coomaditchie United Aboriginal Corporation who seek to build a community, care for the country, preserve culture and establish relationships through art. The community are actively involved with events such as the Billy Cart Derby as mentioned above, and the recent pop up restaurant at the old service station on Wentworth Street.

3.6 Demography

Like most of Australia, Port Kembla has a diverse variety of people from a range of backgrounds. Data from the 2016 census¹³ undertaken by the Bureau of Statistics provides insight into the current demographics of Port Kembla. A summary of that data in comparison with the rest of the Illawarra and N.S.W. is provided in **Table 3-1** below.

Table 3-1 Demographics of Port Kembla and wider NSW

	Port Kembla	Illawarra	NSW
Median Age	43	39	38
Family Composition	Couple without kids – 34.5%	Couple without kids – 36.7%	Couple without kids – 36.6%
	Couple with kids – 39.2%	Couple with kids – 44.5%	Couple with kids – 45.7%
	Single Parent – 24.5%	Single Parent – 17.4%	Single Parent – 16.0%
Born in Australia	66.6%	74.3%	65.5%
Highest level of Education	Secondary - 10.4%	Secondary - 12.9%	Secondary - 15.3%
	Tertiary – 37.5%	Tertiary – 46.5%	Tertiary – 46.6%
Unemployment rate	10.8%	6.9%	6.3%
Median Weekly Household Income	\$1016	\$1352	\$1486
Public Transport To work	5.4%	6.2%	16%
Dwellings Owned	63%	67.7%	64.5%
Dwellings Rented	33.1%	28.6%	31.8%

Further to the above table, the most common responses for religion in Port Kembla were Catholic 26.8%, No Religion 21.5%, Eastern Orthodox 14.9%, Anglican 10.4% and Not Stated 8.6%. In Port Kembla Christianity was the largest religious group reported overall (73.5%) (this figure excludes not stated responses).

This data paints a picture the typical residents in Port Kembla and is a useful tool to see where the areas strengths and weaknesses may lie.

The average age is quite high for the region and most residents appear to be second generation immigrants from a wide range of backgrounds. Most residents work in a form of trade, physical labour or service role and the median wage of \$479 is well below the national average. This could make it difficult for shops in the local area to prosper as typically more affluent areas are more likely to spend time and money on food and drink in the local area. Considering the relatively low median wage and high unemployment, this is a challenging business environment in the short term, especially in the food and beverage and entertainment sectors. However, the steady influx of families will result in opportunity and growth in these sectors.

In Port Kembla, 9.3% of all jobs are in the Retail industry and 6.4% are in accommodation and food services, both of which make up 16% of jobs in Port Kembla. Whilst not all of these jobs are directly linked with tourism, many of them are impacted by outside visitation numbers.

The lack of public transport use will make it hard for upgrades to the system as if it is not utilised it can become costly for the government to supply.

A Socio-Economic Landscape plan is provided in Appendix A outlining the employment land uses and major employers in the local area, which highlights the strong presence of industrial businesses in the area.

3.7 Land Use and Zoning

Cardno has developed a land ownership map to convey the land use, zoning and ownership of major land parcels across Port Kembla as of January 2018 (refer to Land Use and Ownership Plan provided in Appendix A). This map highlights the main land zones and uses, as well as predominate land owners of the region. The majority of the harbour area falls within the State Environmental Planning Policy - Three Ports. This SEPP hands over the majority of developmental control within the harbour to the NSW state government. Under the SEPP the harbour is zoned as a mix of IN3 - heavy industrial and SP1 - special activities. The rest of Port Kembla is a mix of R2 - low density residential, RE1 – public recreation, B2 – local centre, IN3 – heavy industrial, and E2 – environmental conservation.



Port Kembla Steelworks (Source: NSW Government)

3.8 Access to Port Kembla

Port Kembla can be reached via rail, car, bus or taxi and Albion Park Airport is a short 20 minute drive away. Vehicular access is via the B65 off Five Islands Road. There are four train stations within the suburb (Lysaghts, Cringila, Port Kembla North and Port Kembla), providing good public transport access to BlueScope's industrial site (three of the four stations) and the township of Port Kembla. Trains run hourly and are available most hours of the day, with more during peak hours. A proposed international cruise terminal would be another new feature of Port Kembla and would attract a vast number of new visitors to the south coast and Port Kembla. Most natural attractions and features of Port Kembla can also be reached within a two kilometre walk of Port Kembla Station, although the lack of defined walking trails / foot paths and signage between these major attractions and natural features makes navigation difficult for tourists. Please refer to the Transport Facilities Plan provide in Appendix A for details.

3.9 Amenities

A small amount of low budget accommodation is currently available in Port Kembla at the Port Kembla Hotel on Wentworth Street and at Toledo's Guest House just around the corner. AirBnB has successfully moved into the local area as well, with current offerings including two entire houses, one sleeping six and one sleeping four, as well as a single room for rent, all within close proximity of the beach. Lack of accommodation would need to be addressed in consideration with any tourism product development. A variety of food and beverage options are available around the town catering to most needs. Wentworth Street is dotted with eateries, cafes, take away shops and restaurants as well as a variety of small retail shops, although many facades are in need of attention and the overall impression is of a "tired" streetscape. The lack of major retail outlets within the main street adds to its small town charm however for those in need, Warrawong Plaza provides all these things just west of the suburb. Public toilets are available at all sporting grounds and most public places. Car parking is available on most streets and at major attractions.

4 Market Analysis

4.1 Global Tourism Market

Travel and tourism (T&T) directly contributed US\$2.3 trillion and 109 million jobs to the global economy in 2016. Factoring in indirect and induced contributions for the same period, T&T contributed US\$7.6 trillion to the global economy and supported 292 million jobs. This is equivalent to 10.2% of global GDP, and approximately 1 in 10 of all jobs¹⁴. Growth in the sector has exceeded the global economy for six consecutive years showcasing the industry's resilience in the face of global geopolitical uncertainty and economic volatility.

T&T is an important, growing industry for almost every country in the developed world. In addition to the direct economic impact, including job creation, the industry has significant indirect and induced impacts.

The direct contribution of T&T to GDP reflects the total spending within a country by residents and non-residents for business and leisure purposes as well as government spending on services directly linked to visitors. The indirect contribution of T&T includes the GDP and jobs supported by T&T investment spending, government collective spending which helps T&T activity and domestic purchases of goods and services by the sectors dealing directly with tourists. The induced contribution measures the GDP and jobs supported by the spending of those who are directly or indirectly employed by the T&T industry.

In 2016 there were over 1.2 billion global tourism receipts, which was slightly down but in line with the continuing growth trend over the past decade¹⁵.

4.1.1 Employment

Over 108 million jobs resulted directly from the T&T industry in 2016. This equates to 3.6% of total global employment and represents an increase of 1.8%, or 2 million jobs, from the previous year. This increases to 6 million new jobs created when factoring in indirect and induced activity and equates to almost 1 in 5 of all new jobs being linked to the industry. Forecasts estimate this to increase at an average rate of 2.2% per annum over the next decade, meaning that by 2027, T&T will directly account for over 138 million jobs¹⁴.

Research indicates that for every 30 new tourists to a destination, one new job is created. The industry plays a key role in creating opportunities for low-skilled workers, minorities, migrants, youth, the long-term unemployed, and women who prefer part-time work due to family responsibilities.

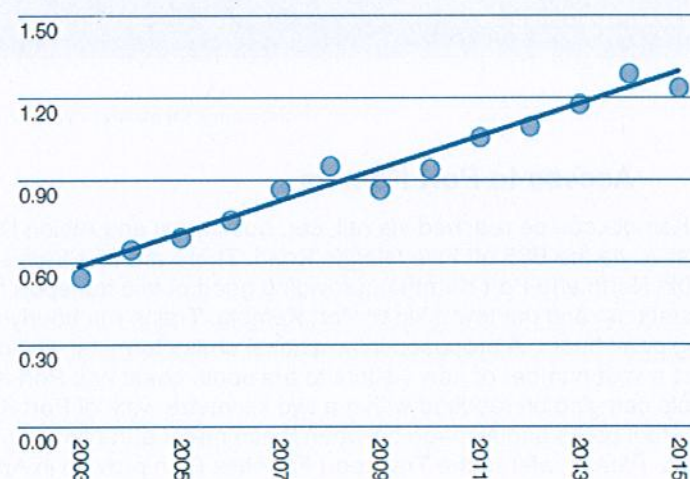


Figure 1-1 Trend in Global Tourism Receipts¹⁶

4.1.2 Global Tourism Trends

4.1.2.1 Emerging Markets

Globally, international arrivals have increased dramatically from 25 million in the 1950's to 1.2 billion in 2016. Outbound travel from developing countries across Africa, the Middle East and Asia-Pacific have been key drivers to the growth of the T&T industry in recent years and this growth is expected to continue in the coming decade. Since the global financial crisis, tourist expenditures from developing nations have grown faster compared to that of developed countries and this trend is expected to continue in the coming years and help drive the continued growth of the industry.



Figure 1-2 Convergence in International Expenditures¹⁶

4.1.2.2 Demography

Senior citizens represent the fastest growing demographic globally. Estimations indicate that by 2025 seniors will account for 11% of the world's population. This figure increases to 22% for developed countries compared to 9% in emerging markets. This trend is also apparent in Asia and South America where the percentage of over-65s will rise from 6% in 2004 to more than 10% in 2025¹⁵.

Research indicates that age is secondary to income when it comes to international travel. Those who have the financial means travel regardless of age and affluent seniors continue travelling abroad well into their seventies. As such, it is considered likely that baby boomers will remain a critical demographic for the global tourism industry for years to come, and that the global travel and tourism industry's ability to attract tech-savvy and affluent travellers over the age of 65 has the potential to emerge as a differentiator for countries and destinations.

		Annual income				
		Under \$50K	\$50-\$75K	\$75-\$100K	\$100-\$150K	\$150K+
Visa cardholder age	Under 35	10	12	13	15	18
	35-49	11	12	15	17	20
	50-54	10	11	14	17	22
	55-59	9	11	13	16	22
	60-64	9	10	13	16	21
	65-69	8	10	13	16	21
	70-74	8	10	13	16	21
	75-79	7	9	11	15	19
	80+	4	5	7	8	11

Figure 1-3 Travel Propensity¹⁶

4.1.2.4 Technology

Digital connectivity is increasingly becoming a basic requirement to be competitive across the T&T industry. In recent years all countries have significantly increased their telecommunication infrastructure. With 4.9 billion mobile phone users worldwide and an estimated 2.7 billion people on social media, digital services available via mobile platforms and social media are offering many more services and changing the way they are provided.

While the internet already transformed the sector two decades ago, today a second revolution is taking place, with the rapid increase of services provided through mobile devices. In less than two years, the share of online booking has exploded, from 9% to almost 33%¹⁵.

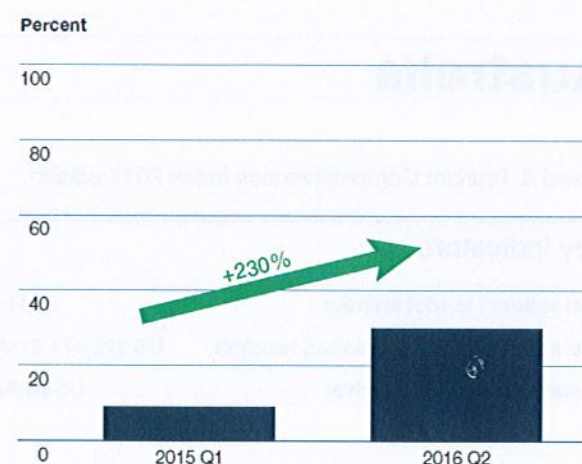


Figure 1-4 Mobile Travel Service Bookings (as a percentage of online bookings)¹⁵

The growth in digital accommodation services is creating a more discerning consumer, including increased savviness around price and location. Accommodation services like Trivago and Hotels.com allow those hunting for accommodation to compare costs at the click of a button. Online accommodation sharing services like Airbnb challenge traditional tourism accommodation such as hotels/motels, holiday houses, flats and hostels. As of November 2016, Airbnb reported having just over 3 million listings worldwide. By raw number of listings, this was almost 3 times the size of the newly combined entity of Marriott International and Starwood Hotels & Resorts Worldwide¹⁶.

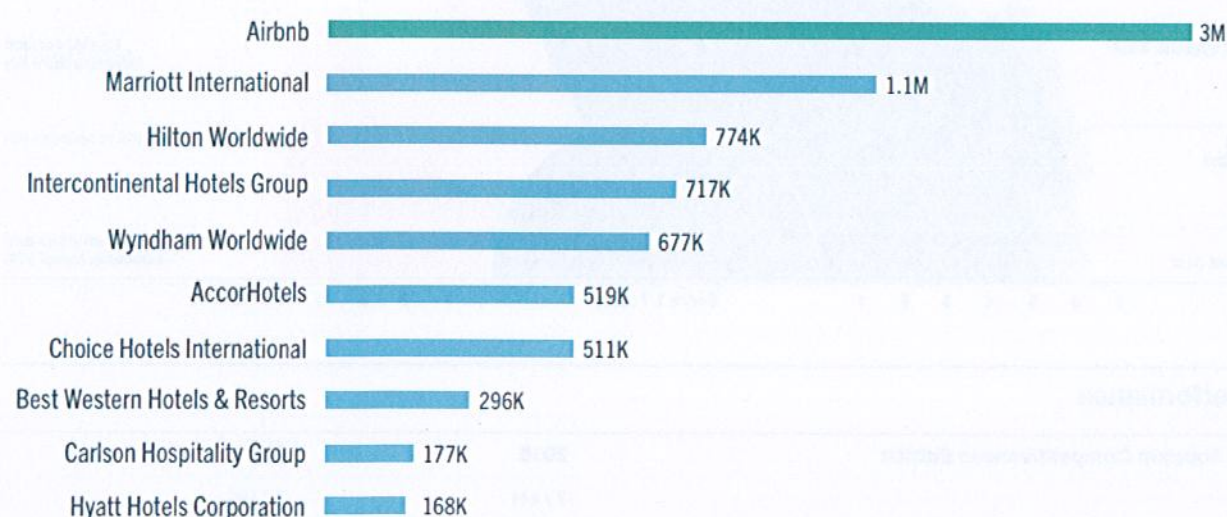


Figure 1-5 Largest Lodging Companies by Rooms/Listings¹⁶

4.1.2.5 Environment

Despite growing global awareness of the importance of sustainability, and the fact that real progress has been made on some fronts, many aspects of the natural environment continue to degrade, causing a serious and quantifiable impact on the tourism sector. Countries are generally increasingly committed to respecting international environmental standards. Environmental performance benchmarking assessments show that deforestation, overfishing, and air and water pollution continue to reduce the global natural capital.

Data reveals that the environmental strength of a country is directly related to tourism revenue¹⁵. Although this relationship is complex, and there is no evidence of direct causality, the more pristine the natural environment of a country, the more tourists are inclined to travel there, and the more they are willing to pay to access well-preserved areas. Consequently, as the natural capital depletes, destinations lose revenue.

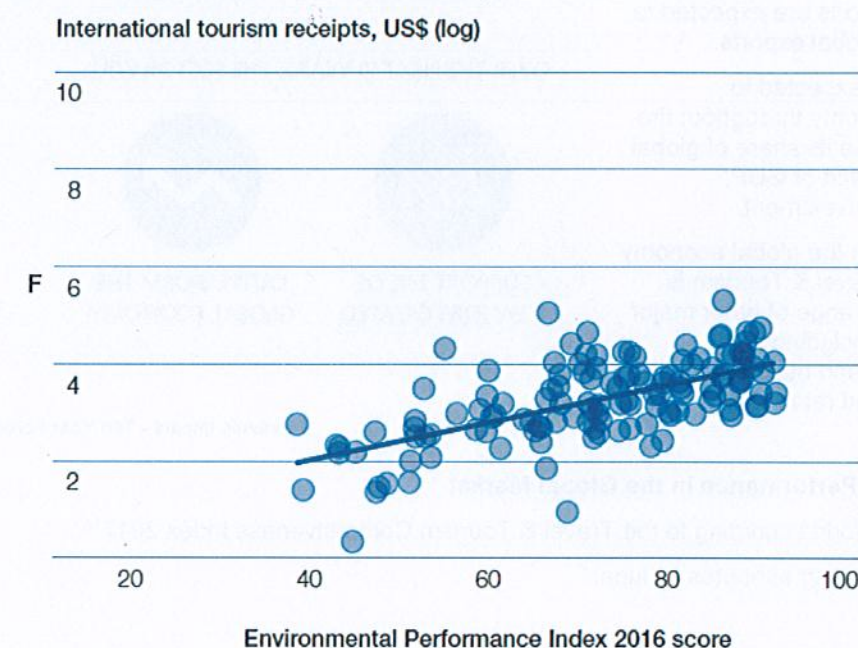


Figure 1-6 Correlation between Countries' Environmental Performance and Tourism Receipts¹⁶

4.1.3 Issues Affecting Global Tourism

The following is an indicative list of the current trends and issues in tourism on a global level:

- > Repercussions on the travel and tourism industry from the global economic slowdown
- > Concern for safety and security remains an important issue for the travel industry
- > The transformative impact tourism has on global socio-economic progress
- > Importance of maintaining a destination's social, cultural, natural and built resources
- > Effect on tourism from natural and man-made disasters and world political disruptions
- > Influence of increased use of electronic and other technologies on the travel industry
- > Changes in tourism demand resulting from increased travel by emerging nations
- > Greater interest in potential long term consequences of climate change on tourism
- > Need for increased national/local leadership in tourism policy and strategic planning

4.1.4 Forecast Global Tourism Growth

Travel & Tourism's direct contribution to GDP is expected to grow at an average of 3.9% per year over the next ten years.

By 2027, Travel & Tourism is expected to support more than 380 million jobs globally, which equates to 1 in 9 of all jobs in the world and the sector is expected to contribute around 23% of total global net job creation over the next decade. Meanwhile, total Travel & Tourism GDP is expected to account for 11.4% of global GDP and global visitor exports are expected to account for 7.1% of total global exports.

Furthermore, the sector is expected to outperform the global economy throughout the forecast period and increase its share of global economic activity across each of GDP, employment, exports and investment.

In addition to outperforming the global economy over the next ten years, Travel & Tourism is also forecast to outpace a range of other major global economic sectors, including communications, financial and business services, manufacturing and retail and distribution.

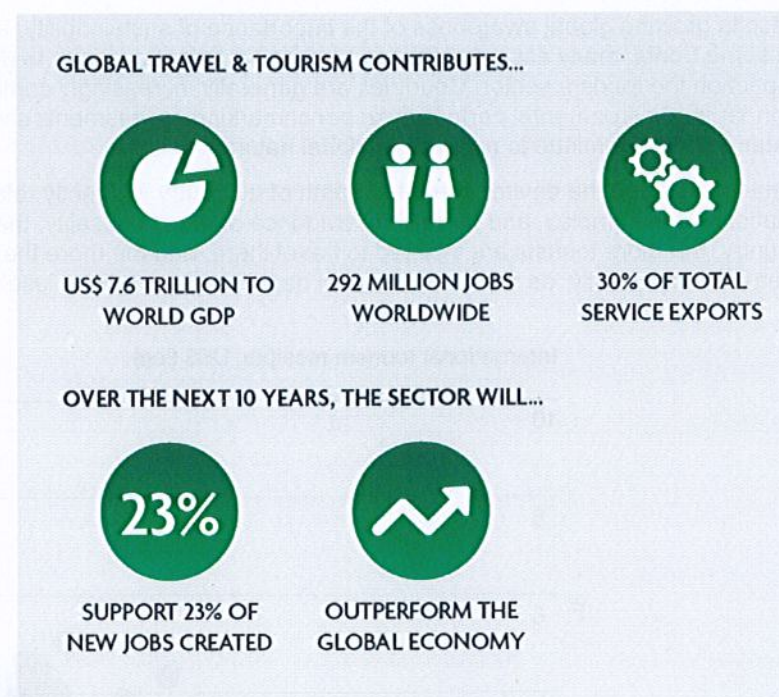


Figure 1-7 Economic Impact - Ten Year Forecast¹⁷

4.1.5 Australia's T&T Performance in the Global Market

Australia is ranked 7th in world according to the Travel & Tourism Competitiveness Index 2017¹⁵.

Australia's strongest performing attributes include:

- > Safety and security
- > ICT readiness
- > International Openness
- > Air transport infrastructure
- > Tourist service infrastructure
- > Natural resources
- > Cultural resources and business travel

Australia's weakest performing attributes include:

- > Effect of taxation
- > Hiring and firing practices
- > Ease of hiring foreign labour
- > Mobile network coverage
- > Comprehensiveness of annual T&T data
- > Country brand strategy rating
- > Price competitiveness
- > Threatened species
- > Oral and intangible cultural heritage¹⁵

Australia

7th / 136

Travel & Tourism Competitiveness Index 2017 edition

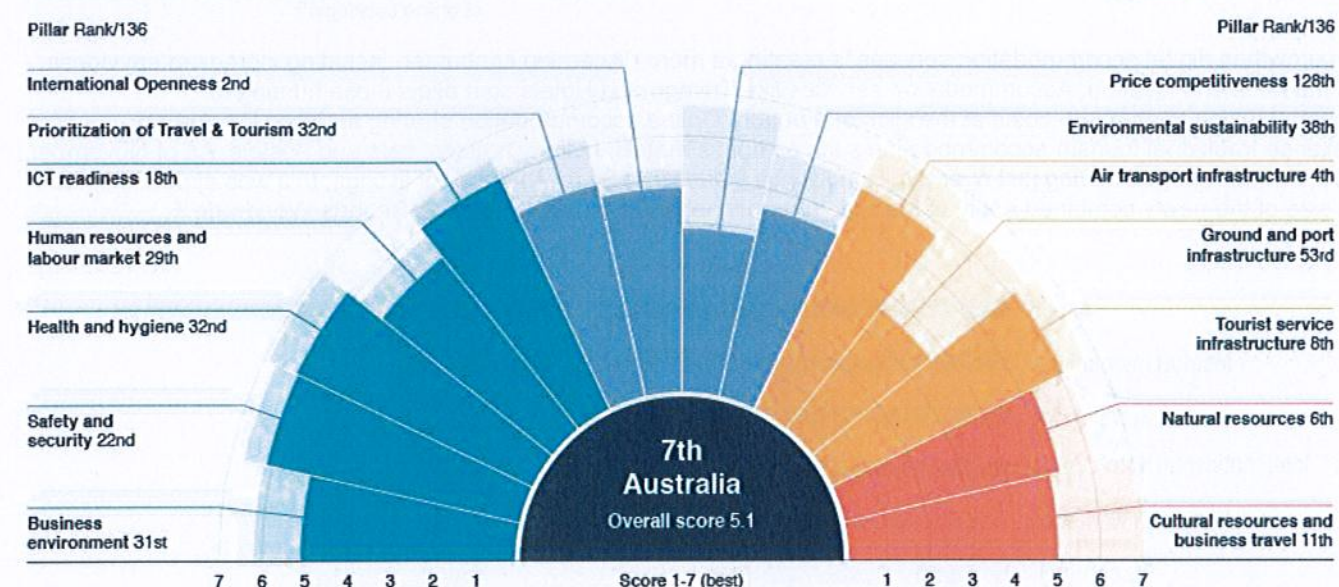


Key Indicators

Sources: World Tourism Organization (UNWTO) and World Travel and Tourism Council (WTTG)

International tourist arrivals	7,444,400	T&T Industry GDP	US \$34,571.9 million
International tourism inbound receipts	US \$28,871.8 million	% of total	2.8%
Average receipts per arrival	US \$3,878.3	T&T Industry employment	516,369 jobs
		% of total	4.4%

Performance Overview



Past performance

Travel & Tourism Competitiveness Edition	2015	2017
Rank	7 / 141	7 / 136
Score	5.0	5.1

Figure 1-8 Australia's Travel & Tourism 2017 Competitiveness Index¹⁶

4.2 National Tourism Market

T&T consumption in Australia reached \$136 billion in 2016/17 including over \$40 billion from the 7.9 million international tourists across a combined 266 million visitor nights¹⁷. Tourism is a major export earner for Australia, a source of employment for hundreds of thousands of workers and a key driver of growth in the economy. T&T has the potential to be Australia's fastest growing industry with forecasts showing that international arrivals will likely grow by 48% in 2024–25 compared to 2016–17. Domestic travel is forecast to grow by 26% for overnight visitors and 32% for day-trippers over the period 2016–17 to 2024–25¹⁸.

Australia is well placed geographically to take advantage of the growth of Asian middle-class populations, which are expected to increase five-fold over the next twenty years.

4.2.1 Economic Performance

Total tourism consumption in 2016/17 totalled \$136 billion nationally, 5.3% higher than the previous year. Domestic consumption comprised 73% of total consumption equalling \$98.3 billion for the year with the remaining 27%, over \$37 billion worth of consumption, by international visitors.

T&T continues to be a major source of employment in Australia, both directly and indirectly. In 2016/17, T&T directly employed over 590,000 people, representing 4.9% of all workers in the economy. When considering the wider impacts of the industry on employment, T&Ts share increases to 7.9% of the national market, totalling over 900,000 workers.

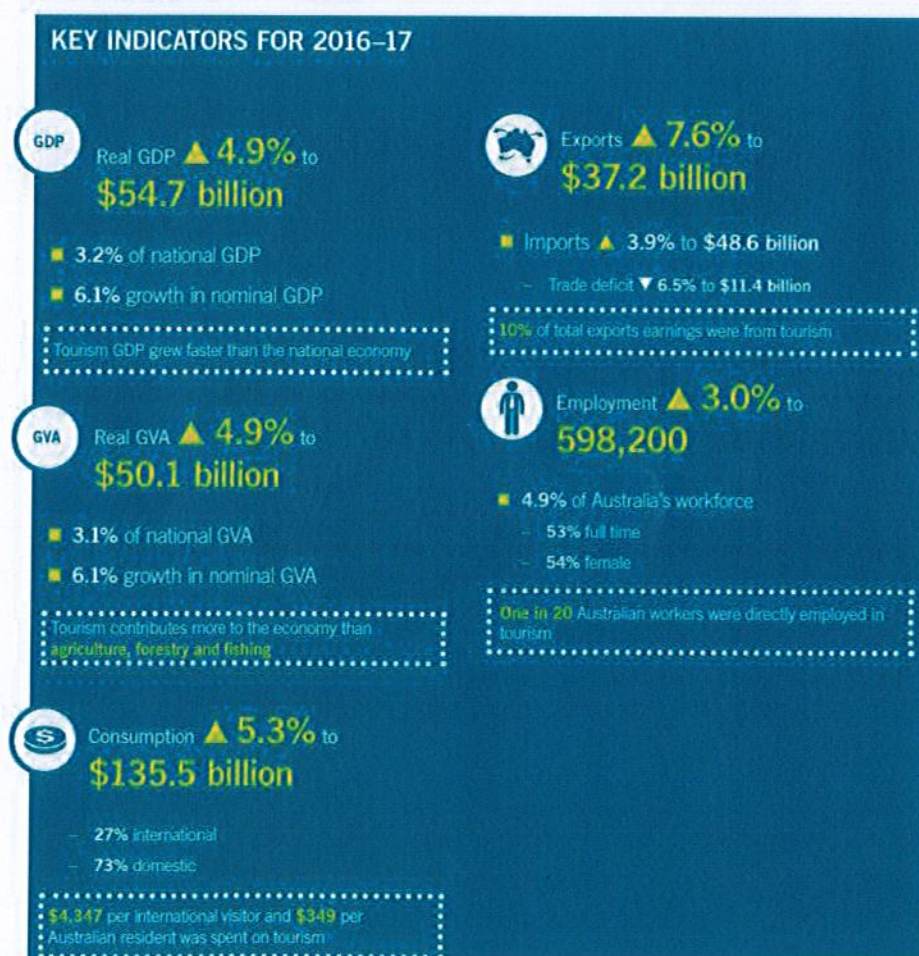


Figure 1-9 Key Tourism Results 2016/17¹⁹

4.2.2 International Travellers

A record 7.9 million people aged 15 years and over travelled to Australia during 2016/17 (an increase of 9%) spending a total of 266 million visitor nights. International visitor spending exceeded \$40 billion, representing an increase of 7%¹⁹.

4.2.3 Key Markets

Growth in arrivals occurred across most of Australia's key markets. Of the top five markets, the United States showed the strongest growth, with visitor numbers increasing 14% to reach a record 706,000, while spend increased 4% to a record \$3.8 billion. Over the last four years, this market has increased by 54% for arrivals and 53% for trip spend. This compares to 10% growth in visitors and 3% in spend between 2006 and 2013¹⁹.

Arrivals from Japan increased 13% to reach 391,000, while spend increased 15% to reach \$1.8 billion – the largest spend for Japan since 2008.

China also recorded strong growth during the year. Both visitor numbers and trip spend increased 10% to reach 1.2 million and \$9.8 billion, respectively. China remains the top market in terms of trip spend, but is second behind New Zealand in visitor arrivals.

Of the remaining top five markets, NZ and the United Kingdom returned weaker results. Arrivals from NZ were up 2% to 1.2 million, while spending was flat. Arrivals from the UK increased 3% to reach 682,000, while spending fell 8% to \$3.5 billion.

Other markets of note were:

- > India – visitors up 15% to reach 261,000, with spend up 30% to \$1.4 billion
- > Korea – visitors up 12%, while spend remained unchanged.

Among other Asian markets, Indonesia, Thailand, Hong Kong, Taiwan and Malaysia also saw strong growth, along with the European markets of Germany and the Netherlands.

		VISITORS '000	SPEND \$
	NZ	1.2m ▲ 2%	2.7b -
	CHINA	1.2m ▲ 10%	9.8b ▲ 10%
	US	706k ▲ 14%	3.8b ▲ 4%
	UK	682k ▲ 3%	3.5b ▼ 8%
	JAPAN	391k ▲ 13%	1.8b ▲ 15%
	SINGAPORE	385k ▲ 3%	1.5b ▲ 1%
	MALAYSIA	359k ▲ 12%	1.3b ▲ 11%
	KOREA	269k ▲ 12%	1.5b -
	INDIA	261k ▲ 15%	1.4b ▲ 30%
	GERMANY	202k ▲ 8%	1.2b ▲ 1%
	OTHER COUNTRIES	2.2m ▲ 11%	12.2b ▲ 10%
	TOTAL	7.9m ▲ 9%	40.6b ▲ 7%

Figure 1-10 Visitation and Spend by Market 2016/17²¹

4.2.4 Spending Patterns

Long distance transport accounted for 17% of international visitor's expenditure, while approximately 14% was each spent on accommodation, education services and shopping while 12% was spent on takeaway and restaurant meals.

It is important to note that almost half – 42% or \$17.1 billion – of all trip spend for international arrivals into Australia occurs prior to the visitor leaving home. As Australia is a long-haul destination for the majority of our markets, pre-paying travel components is an attempt by visitors to spread the costs. Pre-paid items can include airfares, other transport, accommodation, food and drink, tours and entertainment. This pre-paid component can be as high as 64% for the US, 57% for Japan, down to 28% for Taiwan and 27% for Thailand¹⁹.

Spending on food and drink has increased over the last three years. Prior to 2013, increases each year ranged between \$94 million (2.6%) and \$238 million (6.2%). Tourism Australia's 'Restaurant Australia' campaign was launched in December 2013 with the aim of increasing spend on this item by over \$500 million between December 2013 and December 2015. In dollar terms, the campaign saw an increase in each of the last three financial years of between \$443 million and \$523 million – around 10% annual growth. In fact, in the period between December 2013 and December 2015, spend on this item increased by 21% or \$886 million¹⁹.

PAID BEFORE LEAVING HOME

	\$ billion	% of total
International airfares	8.1	19.9%
Package tours	4.6	11.3%
Accommodation, food and drink	1.3	3.2%
Education fees	2.3	5.7%
Other spend	0.8	2.1%
Total	17.1	42.2%

PAID DURING TRIP

	\$ billion	% of total
Accommodation, food and drink	11.0	27.2%
Shopping to use in Australia	1.3	3.1%
Shopping to take home	2.5	6.1%
Transport costs	1.6	4.0%
Education fees	3.4	8.4%
Other spend	3.7	9.1%
Total	23.5	57.8%

Figure 1-11 Expenditure Before & During Trip²¹

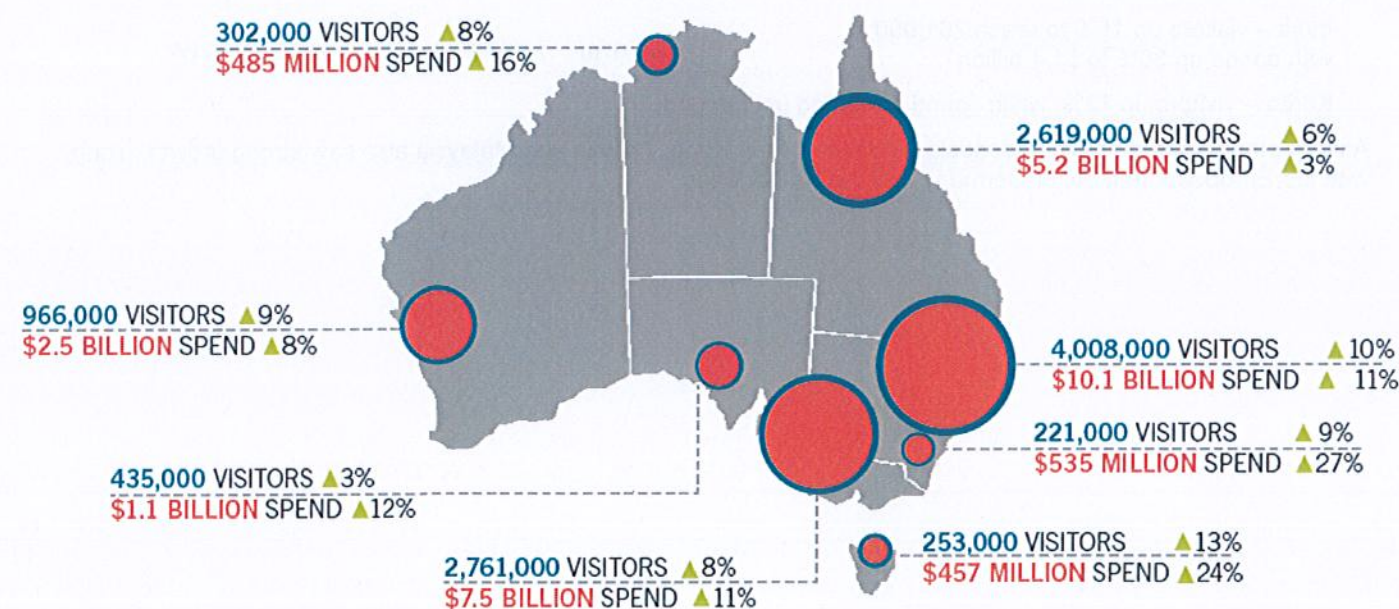


Figure 1-12 International Visitor Numbers and Spend by State, Year Ending June 2017²¹

4.2.5 Domestic Travellers

Among domestic travellers in 2015/16, 22% of expenditure was from day trips (\$21 billion) and 78% from overnight trips (\$74 billion). In terms of visitor type, 19% of domestic expenditure (\$18 billion) was by business and government travellers, and the remaining 81% (\$78 billion) came from Australian households²⁰.

Expenditure by domestic travellers varies substantially between day trips and overnight trips, due to accommodation costs. Average spend per overnight trip was \$837 in 2015/16, compared with \$114 per average day trip.

Nationally, total visitor nights in Australia are forecast to increase by 4.7% in 2017/18 from 603 million nights in 2016/17 to 631 million nights. Around 46% of nights will be from international visitors, with the remaining 54% from domestic overnight travel by Australian residents¹⁸.

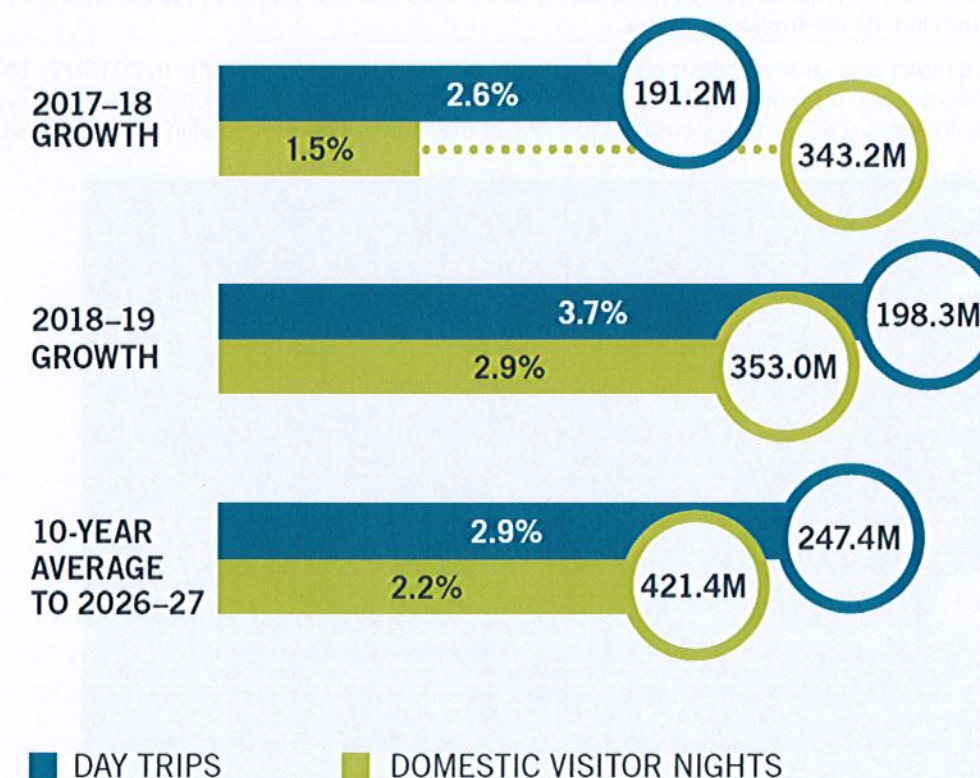


Figure 1-13 Growth in Domestic Travel, 2016/17 – 2026/27²⁰

4.2.6 National Tourism Forecast

As Australia transitions to a more diversified service-based economy, tourism is becoming increasingly important, and has the potential to be Australia's fastest growing industry.

Over the longer term, Australia will continue to have a high proportion of its visitors from the top five inbound markets – China, NZ, the US, the UK and Singapore. Collectively, these five countries are forecast to provide almost two-thirds (62%) of the additional 6.5 million arrivals expected in 2026/27. Around 2.6 million, or a 40% share of these additional arrivals, will be from China. This will see an increase in the importance of Chinese tourism, as their share of arrivals grows from 14.6% in 2016/17 to 16.3% in 2018–19, and to 25.7% in 2026/27. The growing significance of China will see the relative importance of other markets decline over this period¹⁸.

International leisure travel – comprising holiday travel and travel to visit friends and relatives (VFR) – has been a major contributor to the growth of Australian inbound tourism over the last few years, making up more than three-quarters (76%) of total traveller volumes in 2016/17. This dominance is expected to continue over the next two years, with total growth of 14.4% over 2017/18 and 2018/19.

These forecast growth rates will see leisure travel volumes increase from 6.5 million arrivals in 2016/17 to 7.5 million in 2018/19. Within the leisure category, holiday travel will grow at a slightly faster rate (up 15.2% over the period), than VFR (up 12.9%)¹⁸. This is particularly encouraging as consumption related to holiday travel is generally greater than VFR spending.

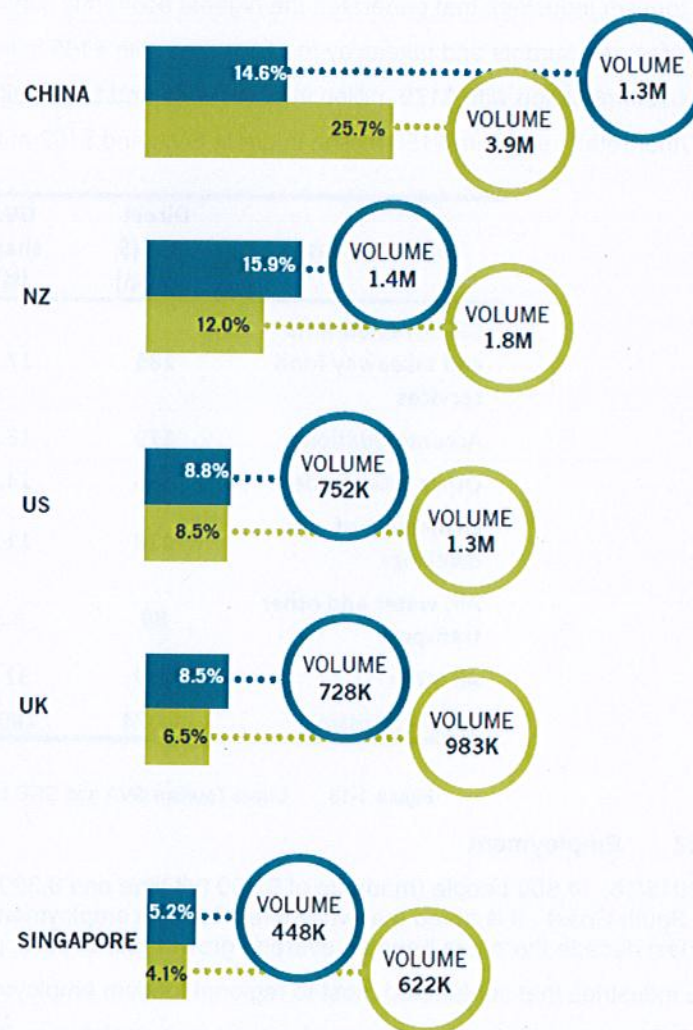


Figure 1-14 Changing Shares by Market, 2016/17 & 2026/27²⁰

Outside the leisure category, there is expected to be relatively slow growth in business travel and employment-related travel, extending a longer running trend. By contrast, education-related travel will continue to grow strongly – up 6.6% in 2017/18 and 4.9% in 2018/19. This category of travel has recorded double-digit growth rates over the last three years. Furthermore, because of interaction effects it is contributing to growth in other travel categories.

4.2.7 Domestic Visitors

Over the 10 years to 2026/27, growth in domestic tourism has been moderated from that previously forecast. Day trips are now projected to increase at an average annual rate of 2.9% for the 10 years to 2026/27 (down from the previously published 4.3%), while domestic visitor nights will grow at an average annual rate of 2.2% (down from 3.5%)¹⁸.

In real terms, total tourism spend, which includes spend by international visitors, plus overnight and day trip spend by Australian residents, is forecast to increase 4.7% to \$126.2 billion in 2017/18. Total spend will then increase a further 4.6% to \$131.9 billion in 2018/19. Over this period, the most rapidly growing spend segment will be international travel.

These spend trends are expected to persist over the longer term, with the 10-year average growth rate of 3.7% being the net effect of:

- > 6.7% average annual growth in international spend, from \$39.8 billion in 2016/17 to \$75.8 billion in 2026/27
- > 2.1% average annual growth in domestic overnight spend, from \$61.4 billion in 2016/17 to \$75.5 billion in 2026/27
- > 1.3% average annual growth in day trip spend, from \$19.3 billion in 2016/17 to \$21.9 billion in 2026/27.

Due to these differing growth rates, there will be substantial changes in shares for each type of travel. Therefore, by 2026/27, the forecast total visitor spend of \$173.3 billion (in real terms) is expected to comprise:

- > a 44% share of spend from international visitors, up from 33% in 2016–17
- > a 44% share of spend from domestic overnight travel, down from 51% in 2016–17
- > a 13% share of spend from day trips, down from 16% in 2016/17.

By 2026/27, the five largest inbound markets in terms of visitor spend will be China, the US, the UK, NZ and India, which collectively will contribute over 58% of inbound visitor spend. China's dominance is set to continue, and is expected to account for 46% of the increase in spend between 2016/17 and 2026/27.

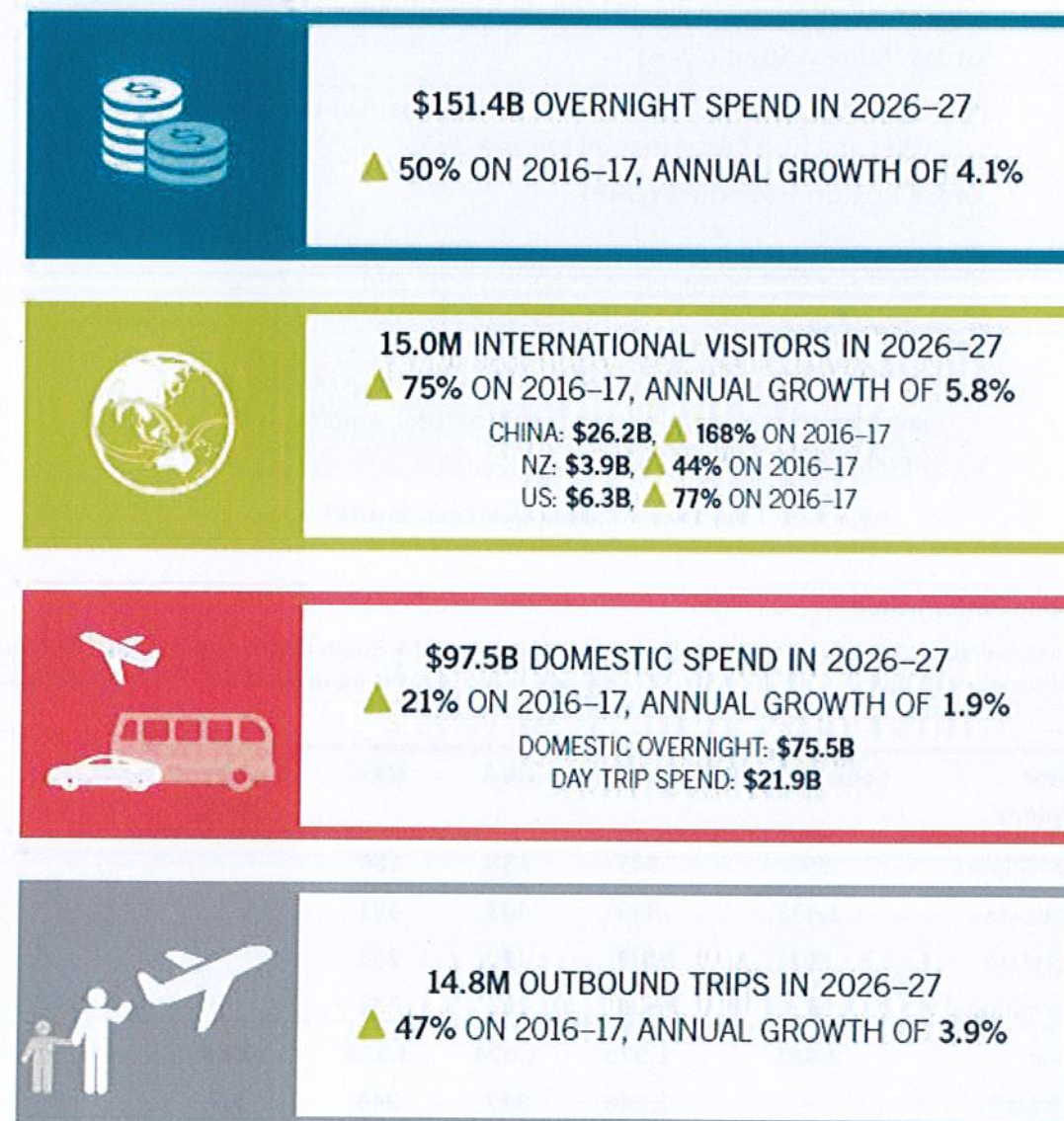


Figure 1-15 Tourism Forecast for 2026/27

4.3 Regional Tourism Market

The South Coast encompasses the coastline that stretches from south of Sydney to the Victorian border. This is a region known for its natural beauty and is a popular destination for many tourists, both domestic and international. An estimated \$2.1 billion was contributed to the South Coast regional economy (9.8% of South Coast's gross regional product) from the T&T industry in 2015/16. The impact for local employment was also significant with the industry directly responsible for over 14,600 jobs, equalling 7.4% of South Coast's regional employment. When considering the wider effects of the industry, the total employment impact was over 20,000 people²¹.

Tourism output

- \$2.0 billion and \$1.9 billion in direct and indirect tourism output, and \$3.9 billion in total tourism output.

Gross Value Added (GVA)

- \$1.1 billion and \$0.8 billion in direct and indirect tourism GVA, and \$1.9 billion in total tourism GVA.

Gross Regional Product (GRP)

- \$1.2 billion and \$0.9 billion in direct and indirect tourism GRP, and \$2.1 billion in total tourism GRP; and

Employment

- 14,600 jobs for people employed directly by the tourism industry, 5,700 indirect jobs and a total employment impact of 20,300 people.

Figure 1-16 Key Tourism Statistics, South Coast, 2015/16²³

4.3.1 Economic Performance

In 2015-16, it is estimated that tourism directly represented 5.4% of the total South Coast economy (in GRP terms) and was above the state average of 4.0% for regional New South Wales. This equates to the South Coast region representing about 7.2% of the state-wide direct contribution of tourism to GRP.

Visitor segment	Consumption	Output	GVA	GRP	Employed ('000)
Day-trippers	698	345	183	186	
Intrastate	1,438	833	443	491	
Interstate	521	401	219	258	
International	323	391	230	238	
Direct	2,981	1,970	1,074	1,173	14.6
Indirect*		1,946	827	948	5.7
Total impact		3,916	1,901	2,120	20.3
Total South Coast economy			19,894	21,529	194.3

Figure 1-17 Key Tourism Aggregates, South Coast, 2015/16 (\$ million)²³

The direct tourism GVA (gross value added) in the South Coast was \$1.1 billion in 2015/16 and since 2006/07 this has increased at an average rate of 4.8% per annum²¹.

The tourism industries that generated the highest economic contribution to the South Coast in 2015/16 were:

- > Cafes, restaurants and takeaway food services with \$185 million in direct GVA and \$204 million in direct GRP;
- > Accommodation with \$179 million in direct GVA and \$202 million in direct GRP; and
- > Other retail trade with \$156 million in direct GVA and \$162 million in direct GRP.

Tourism industry	Direct GVA (\$ million)	GVA share (%)	Direct GRP (\$ million)	GRP share (%)
Cafes, restaurants and takeaway food services	185	17.2	204	17.4
Accommodation	179	16.7	202	17.2
Other retail trade	156	14.5	162	13.8
Ownership of dwellings	118	11.0	129	11.0
Air, water and other transport	89	8.3	100	8.5
All other	347	32.3	376	32.1
Total - tourism	1,074	100.0	1,173	100.0

Figure 1-18 Direct Tourism GVA and GRP by Industry, South Coast, 2015/16²³

4.3.2 Employment

In 2015/16, 14,600 people (made up of 6,300 full-time and 8,300 part-time) were directly employed in tourism across the South Coast. It is noted that while direct tourism employment in the South Coast did fall by 7.7% for the year, over the last decade there has been an average growth rate of 0.3% per annum²¹.

The industries that contributed most to regional tourism employment in the South Coast in 2015/16 were:

- > Cafes, restaurants and takeaway food services contributing 33.5% (1,460 full time and 3,420 part time employed persons);
- > Retail trade contributing 20.6% (1,380 full time and 1,630 part time employed persons); and
- > Accommodation contributing 13.8% (870 full time and 1,140 part time employed persons).

In 2015/16, tourism's direct contribution to South Coast's employment (14,600 jobs) accounted for 72% of total tourism employment in the region, and 1 in 13 jobs in the South Coast economy. 5,700 jobs were further added when considering tourism's indirect contribution to employment. Overall, this equated to 1 in 10 jobs in the region stemming from the tourism industry – a trend that has also been observed on the global scale.

Job type	Jobs ('000)	Share (%)	Job ratio
Direct	14.6	72.0	1 in 13 jobs
Indirect	5.7	28.0	1 in 34 jobs
Total	20.3	100.0	1 in 10 jobs

Figure 1-19 Tourism Employment and Job Ratio, South Coast, 2015/16²³

4.3.3 Spending Patterns

The tourism products that contributed most to tourism consumption in the South Coast in 2015/16 were:

- > \$544 million on takeaway and restaurant meals;
- > \$399 million on long distance passenger transportation; and

> \$352 million on shopping.

Total consumption of these products equates to \$1.3 billion or 43% of the total South Coast tourism consumption.

Tourism product	Consumption (\$ million)	Share of total (%)
Takeaway and restaurant meals	544	18.2
Long distance passenger transportation	399	13.4
Shopping (including gifts and souvenirs)	352	11.8
Fuel (petrol, diesel)	316	10.6
Accommodation services	300	10.1
All other	1,070	35.9
Total - tourism	2,981	100.0

Figure 1-20 Tourism Consumption by Product, South Coast, 2015/16²³

The majority (48%) of visitor consumption in the South Coast was contributed by intrastate overnight visitors (\$1.4 billion). These visitors also spent the most per night, spending \$198 on average.

Visitor segment	Nights ('000)	Nights (%)	Consumption (\$ million)	Consumption (%)	\$ per night
Day-trippers	7,066*	34.3	698	23.4	99**
Intrastate	7,265	35.3	1,438	48.2	198
Interstate	3,953	19.2	521	17.5	132
International	2,305	11.2	323	10.9	140

Figure 1-21 Tourism Activity Summary, South Coast, 2015/16

4.4 Key Tourism Market Trends and Opportunities

The key tourism market trends and opportunities that are presenting themselves globally, nationally and locally are as follows:

4.4.1 Asian Market

Over the next two years, international visitor numbers to Australia are expected to increase 13.1%, from 8.6 million in 2016/17 to 9.2 million in 2017/18 and 9.7 million in 2018/19.

It is anticipated that Asia will continue to outperform other overseas markets over this period, brought about by increasing prosperity and the continuing transition of millions of people into consumer oriented, middle-class populations. In this environment, the volume of Asian visitors is expected to increase 17.4% in the two years to 2018–19, from 4.2 million in 2016/17 to 4.5 million in 2017/18 and 4.9 million in 2018/19. Countries making the largest contributions to growth from Asia will be:

- > **China** – up 26.4%, from 1.3 million visitors in 2016/17 to 1.6 million in 2018/19
- > **India** – up 21.1%, from 278,000 visitors in 2016/17 to 337,000 in 2018/19
- > **Japan** – up 15.1%, from 427,000 visitors in 2016/17 to 492,000 in 2018/19.

The result of this above-average growth is that Asia will account for over half of all visitors to Australia during 2018/19, compared with 48% in 2016/17. Asia will also account for 64% of all visitor growth between these two time points, with China alone making a 29% contribution, followed by Japan (5.7%) and India (5.2%).

4.4.2 The Seniors Market

Senior citizens represent the fastest growing demographic globally. Estimations indicate that by 2025 seniors will account for 22% of the population for developed countries and reach 9% in emerging markets. Significant opportunity lies within this market as many older people want to enjoy the same activities and entertainment that they enjoyed in their youth, and they have more disposable income to spend on them. Coupled with better health, they will demand products and services that cater to their ageing needs. Typical interests include lower impact adventure tourism such as sea cruising, nomad travel, walking and cycling, as well as cultural /heritage tourism, and health / well-being tourism

4.4.3 Food, Beverage & Shopping

Since the start of the Restaurant Australia campaign in December 2013, food and wine spend has grown over \$1 billion (\$1.03 billion or 24.6 per cent). Food and wine now accounts for one in five dollars spent by international tourists in Australia. Tourism Australia's research conducted across 15 of Australia's key tourism markets showed that food, wine, and local cuisine is a major factor influencing holiday decision making (at 38 per cent), ranking third ahead of world class beauty and natural environments (37 per cent). For visitors from China, USA, France, India, Indonesia, Malaysia the UK and South Korea, Australia is ranked as the number one destination for food and wine.

For domestic travellers, eating out is the number one item of spending accounting for 18% of consumption. As interest continues to grow in Australia's vibrant culinary scene, creative businesses around the country are finding new ways to tap into this exciting opportunity.

In 2016/17, 13% of international and 12% of domestic tourist's consumption was spent on shopping. Local shopping that ties into the unique features of the area present another opportunity to local businesses.

4.4.4 Nature-Based Tourism and Ecotourism

Rainforests, wilderness areas, the ocean and other unpolluted areas provide a unique and necessary chance to escape from stressful work environments and day-to-day life. The demand for ecotourism and nature based holidays is expected to triple in the next 20 years. Natural resources need to be managed effectively in order for the potential to be realised and especially due to the implications of climate change.

4.4.5 Surf Tourism

Surf tourism is a growing market in Australia and NSW. In 2008, more than 1.6 million international and domestic visitors took overnight trips to coastal locations in Australia to participate in surfing activities. Surf tourism has the potential to deliver social, economic and environmental benefits to coastal destinations in NSW and the industry has strong State political support. In addition to this, the introduction of surfing as an Olympic sport will further increase the profile of surfing and create tourism opportunities for international training events in high quality surf destinations.

4.4.6 Cultural and Heritage Tourism

Cultural tourism showcases the unique historical & cultural facilities, local arts, and living cultural experience of an area. Tourism Research Australia (TRA) considers Australia's natural and cultural assets as a major drawcard for international and domestic visitors. TRA identifies that more than 60% of international visitors seek out cultural attractions such as museums, art galleries, and theatres, as well as places that are of heritage value.

4.4.7 Health and Wellness Tourism

Health and fitness is an increasingly important aspect of lives and as such is also an important aspect of travel. Health and wellness tourism is expected to be a huge niche market by 2020²². People will combine treatments and travel and there are substantial opportunities to develop health tourism products and services.

4.4.8 Business Events Tourism

The business events tourism (BET) sector is one of the world's fastest growing tourism markets, which comprises corporate meetings, incentives, conventions and exhibitions. BET is typically one of the highest yielding tourism segments. There are opportunities for regional destinations to position themselves as unique locations to attract BET. Products that focus on the ease of accessibility to the destination, sound infrastructure that supports the product, quality facilities and services, including food and beverage, safety, and creative experiences will be attractive in the business market. With its close proximity to Sydney, the Illawarra presents an opportunity as an alternate major business event destination, although Port Kembla lacks suitable venues of scale for this sector.

4.4.9 Event Tourism

Special event tourism has the capacity to create income and jobs in the short term, and increased visitation and related investment in the longer term.

Event Tourism can be significant, especially in sport and culture. It also needs to recognize that Local Government assets play an important role in attracting such events. Events also attract larger numbers so the benefit can be across several Local Governments areas

With its large number of beaches and open green spaces, picturesque escarpment back-drop, established public transport infrastructure and close proximity to Sydney, the Illawarra is well positioned to tap further into the event tourism market.

4.4.10 Adventure Travel

Adventure travel is a special kind of tourism that comprises activities or experiences that allows its participants to step outside their comfort zone. This may include activities such as mountaineering, trekking, bungee jumping, mountain biking, rafting, zip-lining, paragliding, and rock climbing.

Adventure tourism is a key focus for the Illawarra, with 'Adventure' being one of six priority sectors in Destination Wollongong's Major Events Strategy 2016-2020. Wollongong's proximity to Sydney and natural assets are key drivers for adventure tourism.

Established operators, such as Sky Dive the Beach have built excellent businesses reliant on the Sydney population and overnight visitation.

The opportunity exists for other adventure operators to commence operations and develop clusters of activity that can be packaged together for the commercial benefit of the region.

4.4.11 Drive Tourism

Drive tourism is important as it encourages visitors to:

- > Travel beyond the major tourism destinations
- > Stopover in small towns
- > Spend money at local businesses.

Drive tourism presents valuable opportunities for businesses, and contributes financially to many rural and regional communities.

Destination Wollongong has partnered with its South Coast Tourism partners to create the Grand Pacific Drive. Grand Pacific Drive is packaged in seventeen countries and has developed considerable brand equity both internationally and domestically. It is intended to continue to grow the Grand Pacific Drive product to include the Snowy Mountains and Canberra regions, as well as extending over the border to eventually create a Sydney to Melbourne tourist drive.

Currently Grand Pacific Drive bypasses the traditional township of Port Kembla, but does pass through the area via Five Islands Road. Consideration could be given to amending the current route to include Port Kembla's township and key natural features, particularly Wentworth St, Hill 60 Port Kembla beach Coomaditchie Lagoon, however, this should only be done if facilities can be upgraded and attractions and interpretive signage added.

4.4.12 Cruise Tourism

Cruise shipping plays an important role in the Australian tourism industry. All of the world's leading cruise lines include Australia in their programs and the industry continues to grow. In 2015/16 there was a 15.9% increase in the number of cruise ship visits with over 1000 reaching Australia's shores and passengers spending a combined 2.76 million days at port. Direct expenditure reached over \$1.7 billion²³. With appropriate infrastructure and tourism offerings, there is opportunity to tap into this market. Pending industry and political decisions relating to Port Kembla's suitability as a turnaround port, this represents a huge opportunity of scale and profile for the broader region and, specifically, for the suburb.

5 Tourism Offering Review

5.1 Current Tourism Offering

The current tourism offerings for both the Illawarra region and local Port Kembla areas were reviewed to understand how Port Kembla is placed relative to broader regional offerings. Five key areas of tourism were considered, including accommodation, access, amenities, attractions/activities and employment potential. As the following review shows, the Illawarra region is placed predominately well in its tourism offering, scoring "good" overall. In contrast to this, Port Kembla's current offering was found to be currently poor to average. Details on each of these areas for both the region and Port Kembla are provided, along with the summary rating tables.

5.1.1 Regional – Illawarra

5.1.1.1 Accommodation

There's a diverse mix of accommodation regionally, ranging from the Novotel to tourist parks and camping grounds. There are 1800+ beds across the region, but pressure is bearing for more, given growing visitor and contractor demands as development continues. As a short stay destination, Friday and Saturday nights are at a premium. UOW's preference for 12-month contracts for on-campus accommodation robs the city of a further 1000+ potential beds over the summer break period.

5.1.1.2 Access

Proximity to Sydney is Wollongong's obvious strength (73km to Sydney's airports), with self-drive (via the M6) short stays dominating; although traffic and parking pressures are building along the northern coastal suburbs. Uncertainty now surrounds regional flights, given Jetgo's recent demise. The South Coast train line services the coastal areas well linearly and the 'Gong Shuttle' provides a point of difference for Wollongong's CBD.

5.1.1.3 Amenities

The region is generally well serviced in regard to public amenities, with the northern suburbs and city leading the way. Community halls, libraries, surf clubs (17 patrolled beaches in the Wollongong LGA), rock pools, substantial parklands and sporting infrastructure are scattered within the area. The 'Blue Mile' in Wollongong, upgrades to Bald Hill, and ongoing additions to Grand Pacific Walk are leading projects of recent years.

5.1.1.4 Attractions & Activities

Leading regional attractions include Sea Cliff Bridge, Nan Tien temple, Jamberoo Action Park, WEC and WIN Stadium, IPAC, Illawarra Fly, Minnamurra Rainforest Walk and Kiama Blowhole. The region's beaches and escarpment attract active leisure tourists and the small bar and live music scenes are growing strongly. A portfolio of major events, adventure pursuits (skydiving, hang gliding), and the GPT and Shellharbour Square retail precincts, all add to the mix.

5.1.1.5 Employment Potential

The tourism sector is now recognised as the fifth largest employer in the region, with 7,500 employed. This represents one of the fastest growing sectors over the last two decades, as Wollongong transitions from being industrially reliant. Low-skilled jobs in a university city contribute to a healthy local economy; however, if no new hotels or large-scale tourism product enters the pipeline, employment growth will stagnate.



Novotel Wollongong
(Source: www.accorhotels.com)



Belmore Basin Walkway
(Source: www.illawarramercury.com.au)



Jamberoo Action Park
(Source: www.mollymooktouristpark.com.au)

Table 1 - Review of the Illawarra region's current tourism offering

Attribute	Rating			
Accommodation	Poor	Average	Good	Excellent
Access	Poor	Average	Good	Excellent
Amenities	Poor	Average	Good	Excellent
Attractions/Activities	Poor	Average	Good	Excellent
Employment Potential	Poor	Average	Good	Excellent

5.1.2 Local – Port Kembla

5.1.2.1 Accommodation

There is a dearth of accommodation in Port Kembla. The most notable properties include Comfort Inn Fairways and Port Kembla Hotel. There are a growing number of guest houses and private properties coming online (Airbnb, Stayz), which mirrors industry trends; however, the suburb lacks modern accommodation of any significant scale. Quality city properties in close proximity (Best Western and Sage are 2km from the steelworks) tend to cover demand.

5.1.2.2 Access

Port Kembla train station obviously services the area; however it is located in an unattractive area and is disconnected from the business district. Arterial roads service residents and heavy industry, with a high volume of trucks and various rail crossings. Non-linear road networks and large tracts of industrial land provide poor sight lines and linkages to Wentworth and Military streets. The bus network and beach access seems serviceable.

5.1.2.3 Amenities

Locals suggest amenities reach only minimum standards. Coomaditchie community hall, the surf club and pool are among the small scale local institutions and there are a number of fair sporting facilities, headed by King George's Oval. However, public toilets, parking, public paths, way finding signage (both road and walking paths) and Hill 60's amenities are generally viewed as mediocre to sub standard.

5.1.2.4 Attractions & Activities

Raw natural assets such as beaches and Coomaditchie Reserve are popular attractions. Hill 60 and the port's break wall and surrounds attract a steady flow, including hang gliders and fishermen, though delivering little to the visitor economy. Industry World services industrial tourism and education, while kids' entertainment businesses (Revolution Laser, Illawarra Inflatable Play Centre and Hangtime) are within the local district. Some clubs and pubs (including Collegians, The Port Kembla & Commercial Hotels, the Surf Life Saving Club and the 'Servo'), have appeal but primarily service locals.

5.1.2.5 Employment Potential

Current tourism industry employment is minimal, with small numbers employed by the entities mentioned above and a smattering of food and beverage outlets. The only chances for employment of significant scale rest with potential projects such as a boutique hotel, development of a key site with multi-layered tourism offerings, or the advent of a cruise terminal if Port Kembla became a 'turnaround' port.



Port Kembla Hotel
(Source: www.aidanmichaelsimmons1.wordpress.com)



Wentworth Street
(Source: Port Kembla 2505 Revitalisation Plan)



Industry World Tour
(Source: www.sydney.com)

Table 2 - Review of the Port Kembla's current tourism offering

Attribute	Rating			
Accommodation	Poor	Average	Good	Excellent
Access	Poor	Average	Good	Excellent
Amenities	Poor	Average	Good	Excellent
Attractions/Activities	Poor	Average	Good	Excellent
Employment Potential	Poor	Average	Good	Excellent

5.2 Planned Future Tourism Offering

The planned future tourism offering for the Illawarra was also reviewed to provide guidance on the region's pending tourism developments and to understand the future benchmarks that Port Kembla will need to meet in order to provide a compelling offering within the broader region. This review found that the planned tourism offering for the region will strengthen with regards to both attractions/activities, and employment potential, with accommodation, access and amenities remaining at current levels.

The opening of Shellharbour Marina promises significant marine and hotel product for the region, while ongoing efforts to have Port Kembla act as a turnaround port, where cruise passengers embark and disembark, would also be a boon for tourism. Efforts to establish a world class network of mountain biking trails on Mt Keira and the Illawarra Escarpment should bear fruit over coming years.

The WIN Entrainment Centre precinct is currently undergoing a master planning process to assess the best long term use of the land and facilities. This is a significant regional project, which will have a positive flow on affect for businesses throughout the region.

Table 3 - Review of the Illawarra region's planned future tourism offering

Attribute	Rating			
Accommodation	Poor	Average	Good	Excellent
Access	Poor	Average	Good	Excellent
Amenities	Poor	Average	Good	Excellent
Attractions/Activities	Poor	Average	Good	Excellent
Employment Potential	Poor	Average	Good	Excellent

6 Gap Analysis

6.1 Introduction and Methodology

A gap analysis was undertaken to compare individual components of the current market against their potential as a tourism item. Key destination themes, policy items and market trends have all been assessed for their potential beneficial impact on tourism in the region. Gap Analysis Methodology adopted is as follows:

- > The status column provides a ranking from 1 to 10 of Port Kembla's **existing achievement** or offering against the relevant destination theme / policy / market trend.
- > The potential column provides a ranking from 1 to 10 of what this asset **could become in the future** with effective facilitation.
- > The difference between the two rankings is tabulated in the impact column. The score provides an indication of the **beneficial impact that could be achieved** on the respective tourism element, should that component be strategically targeted for growth and development.
- > Key pros and cons considered in the decision process are also provided as well as basic actions required in order to achieve the potential for the items.

6.2 Gap Analysis of Key Destination Themes

Item	Key Destination Theme	Description	Current Status	Pros	Cons	Future Potential	Actions	Impact
1.1	Landscape	Pristine beaches, lookouts and reserves that are spacious and naturally attractive	7	Spectacular landscape, pristine beaches, excellent vantage points & views	Poorly presented, difficult to access	10	Improve accessibility, way finding, marketing, improve presentation and facilities	3
1.2	Port	Working port area (inner and outer harbour and approaches)	3	Large Port Facility with wide range of possible uses	Limited public access / poorly signposted	5	Improve signage and public access ways, assess tourism product options given restraints	2
1.3	Cultural	Indigenous, migrant, industrial culture	5	Strong local culture and local interest groups	Lack of broader recognition and limited tourist experience offering	8	Integrate local culture in tourism activities, food and products, consider iconic attraction	3
1.4	Heritage	Historic key port on the East Coast, WW2 Battery and war artefacts.	3	Interesting history and remaining infrastructure	Derelict condition, no commercial offering, land owners' motivation may not match ideals	7	Restore and develop existing assets and create immersive tourist experience, explore street art options	4
1.5	Arts	Strong collective of arts-based entities providing creative community bent	4	Constructive community, local attraction, captures local culture	Currently small scale	8	Leverage of existing art culture and develop marketable products	4
1.6	Marine	Natural assets, ocean-based activity, several access points, ingrained culture	2	Ready access from PK harbour, good fishing, whale watching	No existing commercial utilisation, viability concerns for small business operators	8	Establish marine based tourism activities, enhance infrastructure for commercial vessels, consider incentives	6
1.7	Industry	Largest Steelworks and associated industry in Australia	2	Massive Industry with eye catching facilities and interesting processes, potential cruise product	Restricted access and poorly marketed, industry reluctance to shift from core focus	7	Get industry involved and establish an integrated industrial tourism experience	5
1.8	Recreation	Recreation facilities including pools, sporting fields, adventure play centres, and associated clubs.	4	Historic ocean pool, large sporting fields adjacent to ocean	Limited tourist offering for current sporting assets, poor access / signage for adventure play centres	6	Improve marketing and access to existing adventure play centres, host events at existing assets, develop additional recreation activities & assets	2
1.9	Food & Beverage	Main street dotted with restaurants, cafes and eateries as well as local pub and club	3	Layout of Wentworth St, increasing craft producers/artisans local highlights (e.g. Tonitto's, the Galley)	Spread out, limited opening hours, limited offering, does not cater for international tourists	7	Enhance craft and artisan businesses, establish offering for international market, establish Wentworth St as a food and beverage precinct	4
1.10	Retail	Main street with small business retail shops and large shopping plaza on western border with Warrawong	3	Layout of Wentworth St, increasing craft producers/artisans	Spread out, limited opening hours, limited offering, does not cater for international tourists	5	Enhance of cluster craft and artisan businesses, create export ready locally produced items that capture unique culture, explore potential zoning/planning incentives	2
1.11	Accommodation	Commercial facilities that provide overnight accommodation	2	Proximity to main street and pristine beaches	Very limited offering, appeals to a narrow market, no tourism product to support it.	6	Align future accommodation options with compelling product offering as part of integrated model. Target eco-product.	4

6.3 Gap Analysis of Key Policy Items

Item	Key Policy Items	Description	Current Status	Pros	Cons	Future Potential	Actions	Impact
2.1	NSW Tourism Visitor Economy Taskforce Report	The key policy vision of this report is that of doubling overnight visitor economy in NSW by 2020.	2	Limited Air B&B properties	No accommodation to facilitate overnight tourism, long-lead needed for results	4	Plan and incentivise accommodation options	2
2.2	Destination NSW Aboriginal Tourism Action Plan 2013-2016	Developing and promoting export and market-ready aboriginal tourism products, services and businesses. Established NATOC to govern Aboriginal Tourism experiences and ensure operators deliver Aboriginal Culture in a respectful and culturally acceptable manner.	2	Rich presence of cultural assets.	Limited to no market or export ready products or experiences.	9	Develop and promote market and export ready Aboriginal products and experiences through bodies such as NATOC.	7
2.3	Destination NSW Aboriginal Tourism Action Plan 2017-2020	Continue to support the development of and promotion of export and market-ready aboriginal tourism products, services and businesses.	2	Rich presence of cultural assets.	Limited to no market or export ready products or experiences.	9	Develop and promote market and export ready Aboriginal Culture products and experiences through bodies such as NATOC.	7
2.4	Framework Guide to Facilitate Tourism Investment	Make the provision of tourism infrastructure a condition of major developments, identify and make available land and buildings for tourism investment, Government leases of land and buildings for tourism investment.	2	Land and buildings available for investment.	Commercial competition with developers, key sites not yet identified/prioritised	7	Identify key sites, promote tourism investment into PK. Establish partnerships for Government leases for tourism investment.	5
2.5	Illawarra and Shoalhaven Regional Plan and Implementation Plan (2036)	Tourism is one of six priority growth sectors in our regional economy, provide strategic guidance and identify barriers to development of this sector. Reduce land use conflicts by managing buffers. Develop a strong marine based tourism industry.	1	Assets available for tourism development, particularly in Marine tourism.	Limited investment in Marine Tourism in PK, limited buffer conflict management and industry traffic and tourism traffic is not delineated.	9	Promote and fast track approvals for marine tourism development. Improve accessibility to PK. Clearly prioritise projects	8
2.6	Wollongong 2022 Community Strategic Plan	Innovative and sustainable economy with coordinated efforts to secure tourism infrastructure in the region, attracts new industries, promoted as a destination for events, conferences, and is the destination to work and live.	3	Assets to facilitate goals and actions of policy.	Limited partnership for the achievement of goals, no marketing of PK as a destination of choice.	7	Secure partnerships for new business and innovation in PK. Prioritise product development that align with goals and have market viability	4
2.7	Wollongong Destination Management Plan 2013	Grow Asian market visitation, market Grand Pacific Drive, increase length of stay through the provision of further visitor information, target high yield business event markets, vibrant event program, establish destination brand relaunch, identify key infrastructure and investment required for destination enhancement.	3	Assets available for Asian Tourism Market growth, Grand Pacific Drive in PK, key infrastructure identified for development / enhancement.	Limited assets market ready for Asia Market. Limited to no Marine Tourism. No High yield business events targeted. No accommodation, limited product, substantial investment needed	8	Identify 'quick wins' needing limited investment, consider key large-scale project as part of integrated model, service cruise and self-drive sectors	5
2.8	Wollongong Destination Development Plan (DDP)	Conversion of day trippers to overnights, improve tourism offerings, commercialisation of existing assets	3	Assets available for commercialisation for Tourism.	Limited to no infrastructure to facilitate overnight stays.	7	Commercialise assets for tourism and facilitate accommodation infrastructure to increase visitor nights.	4
2.9	Port Kembla 2505 Revitalisation Plan and Implementation Plan	Suburb Specific revitalisation plan focusing on key precincts and strategies. Focus on the redevelopment of the Town Centre, Military Road Spine, Coastal Areas, Recreational Areas, and Coomaditchie Lagoon.	2	Key assets identified for development, assets available.	Accessibility and Wayfinding not developed, marketing low, public art limited, poor out-of-region perception	8	Tourism Development and Marketing, Urban Greening, Amenities, Accessibility, Wayfinding, Street Furniture and Public Art.	6

6.4 Key Market Trends

Item	Key Market Trends	Description	Current Status	Pros	Cons	Future Potential	Actions	Impact
3.1	Asian Market	Tapping into tourism growth of Asia	1	pristine natural assets, wide open spaces, unique landscape, proximity to Sydney	Lack of international standard services and infrastructure, poor awareness/perception	8	High standard infrastructure, focus on unique offering/experience, culturally relevant food & retail, package attractively for cruise sector	7
3.2	The Seniors Market	Global trend of growing senior demographic	2	Strong historical & cultural potential and low impact activities	Not currently available as a tourist experience / readily accessible	8	Develop commercial tourism offering tapping into history and culture focussing on seniors market, establish defined walking trails, services/offering for RV market	6
3.3	Food and Beverage	Unique offering that appeals to international market and domestic visitors	3	Increasing amount of craft producers/artisans	Spread out, limited opening hours, limited offering, does not cater for international tourists, not near accommodation	7	Enhance craft and artisan businesses, establish offering for international market, establish Wentworth St as a recognised food and beverage precinct	4
3.4	Nature Based Tourism	Increasing demand for ecotourism and nature based holidays	2	Spectacular landscape, pristine beaches, excellent vantage points & views	Poorly presented, difficult to access, no commercial offering	7	Establish nature based commercial eco tourism, identify priority projects	5
3.5	Surf Tourism	Growing global interest in surfing and associated tourism	2	Pristine protected surf beach, PK Surf Life Saving Club infrastructure, low incident of sharks	Lack of commercial surf school and facilities, lack of accommodation	8	Market PK as a safe surf tourism destination, eco-accommodation close to beach, link with stakeholders, create an international standard surf precinct	6
3.6	Cultural and Heritage Tourism	Historical & cultural facilities, local arts, and living cultural experience of the area.	2	Strong local culture and heritage, interesting history.	Lack of broader recognition, limited tourism offering and deteriorating condition of historical attractions	8	Integrate local culture and heritage into commercial and marketable tourism offering	6
3.7	Health and Wellbeing	Activities and experiences that increase health and wellbeing as a component of tourism	1	Pristine natural environment and large open spaces to leverage off, spiritual connection with local Indigenous culture	No current commercial offering, poor awareness/perception of area in target market	5	Incorporate health and well being activities in broader tourism and accommodation developments, investigate opportunities for unique experiences	4
3.8	Business Events	Tourism markets which comprise corporate meetings, incentives, conventions and exhibitions	0	Nearby connection with industry and global port	Lack of services and infrastructure	4	Investigate opportunities for trade shows, integrate facilities for business events with broader accommodation developments.	4
3.9	Event Tourism	Tourism related to a particular major event	1	Nearby connection with industry and global port, attractive beaches/green space	Lack of international standard services and infrastructure, not near accommodation	7	Investigate potential partnerships with major events, industry, and local community groups, consider facilities required as part of future developments	6
3.10	Adventure Travel	High adrenaline activity generally comprising physical exertion	1	Natural environment conducive to adventure activities e.g. surf beach, marine environment.	Lack of tourism offering, lack of services and infrastructure, challenges regarding viability and scale	7	Identify infrastructure needs, provide commercial incentives, prioritise projects, employ marketing strategy, develop low impact tourism offerings that provide education and fund preservation of sensitive ecological areas	6
3.11	Cruise Tourism	Leisure travel following specific itinerary in which cruise ship calls at several ports or cities.	3	Limited but existing connection with cruise lines, huge market need, high entry barrier, support within government and industry	Limited tourism offerings, lack of international standard services and infrastructure, public access to port	8	Invest in infrastructure and develop affiliation with other major cruise lines, build support for passenger terminal, parking for turnaround model	5

6.5 Summary of Findings from Gap Analysis

From this detailed gap analysis, it was found that currently, Port Kembla rates highly with its natural features and moderately for cultural features, arts and recreation, but poorly for all other key destination themes. Furthermore, it was found that the current offerings of Port Kembla is poorly aligned with supporting policies and key market trends. This is due primarily to the lack of any substantial tourism offering, the poor state of existing infrastructure and features (excluding natural landscape), limited connectivity to other areas and between local features, and a distinct lack of wayfinding and public amenities.

However, it was also determined that there is the potential for Port Kembla to achieve high alignment with the key destination themes, supporting policies and market trends, provided that significant action is taken to drive tourism opportunities in the area. These actions were touched on during this initial gap analysis, evaluated in the subsequent Section 7 on Destination Development Opportunities, and are outlined in detail in Section 9 on Recommendations.

7 Destination Development Opportunities

7.1 Introduction

A detailed review of a range of potential destination development opportunities was undertaken. These were developed via a focussed tourism projects workshop consisting of representatives from Destination Wollongong, the Port Kembla community, and Cardno. Each of the potential tourism project were assessed against their alignment with key destination themes, policy and market trends, along with consideration of CAPEX, delivery time frame, approvals & stakeholders, uniqueness, reach & market impact and economic impact. The Consultation process (following in Section 8) informed and adjusted these findings.

For each project, a relative qualitative score ranging from 1-3 was given for each key assessment criteria. The scores were based on the relative alignment/impact of the criteria for that particular project versus the full suite of projects being considered, such that the total score represents the overall relative score of each project. The following scoring system was applied:

- > High relative score (green) = 3 points,
- > Mid relative score (orange) = 2 points,
- > Low relative score (red) = 1 point.

To complement this assessment, a plan overlaying each these potential development opportunities over the Port Kembla area was prepared and is provided in Appendix A to demonstrate the broad range of areas and ideas considered in this assessment.

7.2 Assessment of Potential Destination Development Opportunities

No.	Development Opportunity	Description	Alignment with Key Destination Themes	Alignment With Policy	Alignment with Market Trends	CAPEX	Delivery Time frame	Approvals / Stakeholders	Uniqueness	Reach / Main Market Impact	Economic Impact	Total Score
1	Enhance recreational boating facilities	Facilities catering to private boat users to encourage port use – e.g. Additional slipways, refuelling, boat repair	Port Marine Recreation	NSW Tourism Wollongong DDP	Adventure Travel Seniors Market Nature Based	Construction of additional / new marine facilities	24 months	Will require additional approvals with multiple high impact stakeholders	Plenty of other boat ramps in the region	Local	Yield – High Visitation – Medium Scalability – Medium	15
2	Fishing	Provide infrastructure and minor amenities to establish a national standard fishing hub to attract international visitation for on-shore (rock and beach) and offshore fishing activity. Promote the location for recreational use.	Marine Recreation	Regional Plan Wollongong DDP	Adventure Travel Nature Based	Purchase of offshore fishing vessel Infrastructure for safe rock fishing Fish attracting devices along beach fishing zones.	12 months	Local Government Will require licences and permits	Plenty of other fishing locations and charters locally	Local	Yield – Low Visitation – low Scalability – low	16
3	Billy Kart Derby	Upscaling of the largest billy cart race in Australia on historical Wentworth Street	Recreation Culture Heritage	Wollongong DDP Strategic Plan	Event Tourism Cultural Tourism	Needs financial viability and key stakeholders Broaden range of events and attractions	12 months	Local Community Sponsorship bodies	Little else like it in NSW, but only a one day event per year	Local	Yield – Low Visitation – Low Scalability – Medium	16
4	Port Side Tourism Attraction	Waterfront restaurant / café and potential museum (port / marine based)	Port Food & Beverage	Regional Plan Wollongong DDP	Food & Beverage Seniors Market	Construction of new commercial F&B facilities	24 months	Likely to be complying development Will require licences and permits	Plenty of high quality offerings in Wollongong tied in with picturesque board walks	Local	Yield – Medium Visitation – Medium Scalability – Medium	16

No.	Development Opportunity	Description	Alignment with Key Destination Themes	Alignment With Policy	Alignment with Market Trends	CAPEX	Delivery Time frame	Approvals / Stakeholders	Uniqueness	Reach / Main Market Impact	Economic Impact	Total Score
5	Guided Walking Tours	Walking based tours of key beaches, heritage areas and cultural highlights	Heritage Landscape Culture Industry	Aboriginal Tourism Action Plan Illawarra & Shoalhaven Regional Plan Wollongong DDP	Heritage tourism Health and Wellbeing Cultural Industry	Establish / partner with walking tour companies, footpath infrastructure, landscaping, Commercialisation of existing assets and securing of grants/funding	24 months	Local Government Port and industry Illawarra Local Aboriginal Land Council	No other guided walks in the Illawarra, but plenty of other areas to walk around coastal frontage	Regional	Yield – Low Visitation – Medium Scalability – Low	17
6	Digital Film Studio	Utilisation of available warehouse space and industry backdrop to develop a unique local film industry	Arts Cultural	Wollongong Community Strategic Plan Regional Plan Wollongong DDP	Cultural & Heritage	Major renovation / conversion of existing industrial warehouses	24-36 months	Will require approval from current industrial land owners/operators	Other film studios in Sydney and the Gold Coast but growing market	Regional	Yield – Low/medium Visitation – Medium Scalability – Low	17
7	Outdoor Cinema	Establish an outdoor Cinema site; construct infrastructure and amenities including parking, toilets, and accessibility. Provide mixture of pop-culture and art driven cultural and historical Australian films.	Recreation Cultural Arts Heritage	Wollongong DDP Aboriginal Tourism Action Plan	Cultural & Heritage Tourism Recreational Tourism	Construction of amenities and accessibility	6 months	Local Government Port Kembla Arts Society Aboriginal Tourism Council	Other seasonal offerings locally (e.g. UOW, Jamberoo, Wollongong Botanic Garden), and permanent offering in Sydney	Local	Yield – Low Visitation – Medium Scalability – Low	17
8	Steelworks Tours	Enhance and expand tour of BlueScope's facilities	Port Heritage Industry	Wollongong DDP Regional Plan PK Revitalisation	Seniors Market Cultural & Heritage Business Events	Upgrade existing visitors centre, upgrade accessibility	12 months	Requires alignment and approval from BlueScope	Largest industrial site tour in Australia	Regional	Yield – Low/medium Visitation – Low Scalability – Low	17
9	Indoor Adventure Sports Centre	Create hub of indoor adventure sports at abandoned industrial warehouse on MM beach including activities such as CrossFit, Ninja Warrior Course, Indoor Electric Go-Karting, Skatepark, Rock Climbing, Laser Tag	Recreation	Regional Plan Wollongong DDP	Adventure Tourism Business Events Event Tourism	Construction of facilities, refurb of existing building, purchase of required equipment	18-24 months	Local Government Will require community stakeholder engagement Will require licences and permits	Numerous other offerings locally, but nothing that ties it together in one location.	Local	Yield – Medium/High Visitation – Medium Scalability – Low	18
10	Whale / Dolphin Watching	Commercial tour boat operating out of PK	Marine	NSW Tourism Wollongong DDP	Asian Market Seniors Market Nature Based	Commercial tour boat Upgrade port berth facilities	3 months	Will require licences and permits	Offered in nearly every coastal town in Australia. No more whales than anywhere else	Local	Yield – Medium Visitation – Low Scalability – Low	18

No.	Development Opportunity	Description	Alignment with Key Destination Themes	Alignment With Policy	Alignment with Market Trends	CAPEX	Delivery Time frame	Approvals / Stakeholders	Uniqueness	Reach / Main Market Impact	Economic Impact	Total Score
11	Hang Gliding	Establish an outdoor-based sports adventure tourism site for commercial hang gliding off Hill 60.	Recreation	Regional Plan Wollongong DDP NSW Tourism	Adventure Travel	Minor capex for licensing, facilities and amenities to commercial hang gliding.	12 months	Local Government Will require licences and permits	Other locations available locally (Bald Hill)	Regional	Yield – Medium Visitation – Low Scalability – Low	18
12	Port Kembla Arts Workspace / Craft Industry Market Space	Utilisation of warehouse space on Wentworth St and industrial backdrop to develop a unique local arts workshop and sale gallery, and location for regular craft industry markets for local artisans	Art Culture	Regional Plan Wollongong DDP	Cultural and Heritage Tourism Asian Market Seniors Market	Identify a key site (refurbish an existing vacant warehouse or storefront along Wentworth Street) that can house a creative collective and act as a singular attraction.	24-36 months	Local Government Local Arts and Indigenous community Local community and business engagement	Not unique (Berry, Southern Highlands have arts presence) but a creative collective would appeal	Regional	Yield – Low Visitation – Low Scalability – Medium	18
13	3801 Train Loop	Tourist train ride through the inner harbour of the port precinct linked with tours of key industrial sites	Port Heritage Industry	Wollongong DDP Regional Plan PK Revitalisation	Seniors Market Cultural & Heritage Business Events	Purchase/lease of train and carriages and passenger disembark at inner harbour	12-24 months	May require additional rail approvals Will require alignment of multiple high impact stakeholders	Nothing else like this in Australia. No known international equivalent overseas	Regional	Yield – Medium Visitation - Medium Scalability - Low	19
14	Fisherman's Beach Snorkelling & Diving Hub	Construct artificial reef and establish dive wreck within Fisherman's beach, diving tours with seals and fairy penguins, set up commercial dive school, glass bottom boat tour	Port Marine Recreation	NSW Tourism Regional Plan Wollongong DDP	Nature Based Adventure Tourism Cruise Tourism	Construction of artificial reef and dive wreck Establishment of dive school and associated equipment	>36 months	Local Government RMS EPA Will require licences and permits	Limited other commercial offerings locally (only Shellharbour), but other examples overseas	International	Yield – High Visitation – Low/Medium Scalability – Medium	20
15	MM Beach Dalfram Precinct	Monument of "Pig Iron Bob" commemorating the 1938 Dalfram Dispute along with local indigenous experience and supporting infrastructure for large scale Chinese Tourism	Heritage Culture Landscape Industry	NSW Tourism Aboriginal Tourism Action Plan Illawarra & Shoalhaven Regional Plan Wollongong DDP	Cultural and Heritage Tourism Asian Market Seniors Market	Construction of Dalfram Monument, coach parking facilities, improved beach front walkways, toilets and other supporting infrastructure	6-12 months	NSW Ports Local Government Local Arts and Indigenous community Local community and business engagement	Unique monument, but untested target market appeal.	International	Yield – Low Visitation – High Scalability – Low	20

No.	Development Opportunity	Description	Alignment with Key Destination Themes	Alignment With Policy	Alignment with Market Trends	CAPEX	Delivery Time frame	Approvals / Stakeholders	Uniqueness	Reach / Main Market Impact	Economic Impact	Total Score
16	Port Kembla Cruise Terminal	Dedicated turnaround cruise terminal (increase number of cruise ships and overnight visits in region)	Port Marine	NSW Tourism Wollongong DDP Regional Plan	Asian Market Seniors Market Cruise Tourism	Design and construct of international standard cruise facilities	12-36 months	NSW Ports AAT Terminal Likely to be complying development Will require alignment of multiple high impact stakeholders	Unique opportunity to facilitate growth in a sector of the visitor economy otherwise constrained due to capacity in Sydney Harbour. Deep water port with no height restrictions, demonstrated nautical capacity to handle mega liners with existing infrastructure	International	Yield – High Visitation – Medium Scalability – High	20
17	Hill 60 SCREAMer (South Coast Regional Educational Arts Museum)	Refurbishment of existing historical site for the showcase of arts and cultural heritage. Underground nature of structure with small rooms suits art gallery format. Former gun turrets well suited for Café / restaurant viewing decks and a working space for visiting artists / educational classes. Could also become the main visitors centre for Port Kembla, starting point for tourist groups to PK.	Heritage Arts Cultural Food & Beverage	Aboriginal Tourism Action Plan Regional Plan Wollongong DDP NSW Tourism	Heritage Tourism Seniors Market Asian Market	Extensive refurbishment and development of historical site including safety and accessibility.	>36 months	Local Government Will require licences and permits Illawarra Local Aboriginal Land Council Crown Lands Department of Defence Office of Environment and Heritage	Only one other similar offering in Australia (Northern Territory) and one of the last remaining accessible bunker in Australia. Unique blend of indigenous, military history and local art	International	Yield – Medium Visitation – Medium Scalability – Low	20
18	Coomaditchie Surf Based Eco Tourism Resort	Mixed used development on Coomaditchie site that incorporates eco-tourism and a range of accommodation options, acultural centre, international surf academy & training facilities, commercial wave pool, revised SLSC.	Landscape Culture Heritage Recreation Accommodation Food & Beverage	NSW Tourism Regional Plan Wollongong DDP Aboriginal Tourism Plan	Surf Tourism Nature Based Adventure Travel Asian Market Seniors Market Cultural and Heritage Tourism Health & Wellbeing Event Tourism	Major capital investment for required infrastructure and assets	>36 months	Local Government Crown Lands Illawarra Local Aboriginal Land Council Aboriginal Tourism Council	Plenty of other beachside eco tourism resorts, but no other offering with international grade surf wave pool and training facilities, promises unique product mix	International	Yield – High Visitation – High Scalability – High	22

8 Consultation

8.1 Introduction

Community consultation was undertaken by as part of this Destination Development Plan. Given time and resources constraints, this consultation process was designed to be selective and representative, rather than exhaustive. A balanced cross-section of the community and influential industry leaders was sought for comment.

Participants were given a brief overview of policy items, market trends, and the gap analysis undertaken to provide context. They were then asked to provide feedback on the 'Development Opportunities' featured in Section 7, along with any other thoughts.

8.2 Participants

The individuals and the organisations represented as part of this consultation were:

Paul Scully (Member for Wollongong), Dom Figliomeni, Bridget Jarvis, Jerah Fox (Wollongong City Council), Paul Knight (Illawarra Local Aboriginal Land Council), Michael Ray, Craig Nealon (Bluescope), Arthur Rorris (South Coast Labour Council), Melinda Shobrook, David North (Port Kembla Chamber of Commerce), John Kollaras (Kollaras & Co), Craig Osborne (RMB Lawyers), Ann Martin (Artist/Planner/Our Community Project), Dulcie Dal Molin (Red Point Artists), Tom Goulder (Duck Print Fine Art), Phillip Crawford (Filmmaker/Beyond Empathy).

Additional consultation has been scheduled to be undertaken with the Coomaditchie United Aboriginal Corporation and NSW Ports.

8.3 Consultation Categories

While a diverse range of topics were discussed, these were later grouped into seven broad categories based on discussion trends and what priorities were identified. The subsequent quotes featured provide a snapshot of feedback and the general consensus derived. It is not considered conclusive and it is anticipated that this plan will generate further feedback from other prominent community and industry members.

The seven categories were:

- > Development Sites & Business
- > Steelworks & Port
- > Hill 60
- > Policy, Signage & Linkages
- > Creative Sector
- > Coastal & Marine
- > Events & Adventure

8.4 Consultation Feedback

The following feedback was received for each of the seven categories

8.4.1 Development Sites & Businesses

8.4.1.1 Context

With an array of under-utilised sites, some in prime locations, there is no shortage of suggestions as to what could be developed. The warehouse at M and M Beach and Coomaditchie attracted the most attention. With land prices rising, a range of vacant industrial sites and much public land undeveloped, collaborative planning and bold decision-making by key private and public sector stakeholders could secure a path for preferred long-term usage.

8.4.1.2 Quotes

"We should ring-fence the warehouse site at M and M Beach for tourism. It's a prime spot and could be integrated into the Delfram project. We need to identify and protect some of these sites before it's too late."

"Plotting the strategic intent of a few key sites would be an interesting exercise."

"The dilapidated housing owned by Housing NSW next to King George's Oval is a site for potential development."

"The old CRM headquarters is a great building with art deco features and a huge car park."

"What if an architect and town planner created a shared vision for Wentworth Street and we collectively worked towards that, with incentives provided for businesses? Plain & Simple, a national business that fronts Wentworth St, currently hardly has a shopfront – they ignore the street because there's no foot traffic."

"I'd like to see a holistic approach to Coomaditchie; there's so much potential for that sight if you get the mix right. Any residential component could be challenging. There are legislative processes involved in any transfer from Crown Lands to the Aboriginal Land Council and there's a Native Title claim sitting over the top of it."

"Developing Coomaditchie is certainly an interesting one. It's zoned SP1 for special uses, but it's underpinned by environmental zoning, so the position of the Office of Environment and Heritage would need to be established."

"A surf academy in Port Kembla to service the South Coast makes sense. It could be a tourism drawcard, but also service schools and act as a pathway for talent and coaches."

8.4.2 Steelworks & Port

8.4.2.1 Context

In recent years, Wollongong has stepped away from identifying itself as a traditional manufacturing hub. While this is understandable from a broader image sense, it robs Port Kembla of its identity and endangers its marketplace point of difference. Industrial tourism product will require significant capital expenditure and collaboration, but it appears a cornerstone of the visitor economy puzzle if Port Kembla is to offer something unique.

8.4.2.2 Quotes

"If you mention Port Kembla, people invariably think of industry – the steelworks and port are iconic. We can't pretend it's not here; we should embrace it. The key thing is the positioning; it's modern and automated and clean. The technology is cutting edge."

"Industry World has great potential. It's had a facility upgrade and is moving into a growth phase. The seniors market, especially, love the tours and it could become cruise market product."

"I do see a place for industrial tourism; it's part of the fabric of the place. You can watch Discovery Channel, or you can see the real thing. Seeing a blast furnace in action as a school kid is pretty memorable."

"A train loop would tap into industry and could develop into cruise product, however, it would need significant capital expenditure. There is no platform and public access restrictions means it would probably have to be packaged product."

"A train loop is difficult but not implausible. You could highlight industry and offer dinner on the train, like they do with the trams in Melbourne. That would be unique."

"I like the train loop idea. Byron Bay now has a train from the town centre out to a resort. If a loop is too hard you can even just park a train out there. How many have been converted into cafés, bars, or accommodation elsewhere? Embrace our point of difference."

"Bluescope has an empty office building on Christie Drive that's a prime viewing site for the ships arriving. Is there any chance to get on board the ships or tugs? It's really quite spectacular up close."

"Christie Drive is a hidden gem. It provides an amazing perspective of the port."

"The steelworks has an image problem and there's some re-positioning required, but once people become aware of its modern story, their thinking shifts. The more people exposed to it in a positive way, the better it is for the region."

8.4.3 Hill 60

8.4.3.1 Context

Some of the key ingredients for a tourist site to achieve market cut-through include outstanding views, an interesting history and a unique offering. It could be argued that Hill 60 potentially offers all three. This site attracted the most enthusiastic and unanimous feedback that something must be done to develop the tunnels and surrounding natural assets into a key attraction. Hill 60's potential – and complexities – ensure it will remain a hot topic.

8.4.3.2 Quotes

"With a cafe, amenities, opening up of the tunnels and way-finding signage, this could be a key destination as part of a revised Grand Pacific Drive route."

"There's one sign to Hill 60 in the whole of Port Kembla. We need projects that enable infrastructure. Turn it into a gallery and a place that celebrates the heritage and indigenous stories of the region."

"A Hill 60 master plan has been doing the rounds in Council for years. As long as the local communities are on-side, making it an attraction should be a priority – they've done it in Darwin (with the WWII tunnels)."

"The challenge is you have both Indigenous and European heritage listings that overlap. This effectively extinguishes the exemptions, so it becomes complicated. Council is working through the Indigenous listings, but quite a few studies need to be done before you can move on it."

"Hill 60 is so complicated. A lot of work has already been done on a Master Plan and another Conservation Management Plan is about to do undertaken. It will take years yet, before anything can be started."

"It's such an asset with such a rich history. Run tours through the tunnels and develop a track around them telling the story of pre-European settlement by using headsets."

"The free orientation walks of European cities are outstanding. They're usually conducted by University students and people slip them a note at the end. This could work at Hill 60 if developed."

"Walking tours work in urban areas because you can delve into a mix of material and experiences. Is there enough variety in Port Kembla? It would need to be immersive and experiential. It needs a feeling of randomness and personal insight, with volunteers putting their own spin on it."

"It's an amazing spot and something needs to be done. You could tell the indigenous, military and heritage stories of the region in the one spot."

8.4.4 Policy, Signage & Linkages

8.4.4.1 Context

There's an underlying grudge that Port Kembla is a 'forgotten' suburb. This comes on the back of basic amenities such as public toilets and parking being perceived as unsatisfactory. Way-finding is also an issue, with a lack of signage creating a 'chicken and egg' debate about the need to develop key sites. Encouraging day-trippers to spend dollars in the region is a challenge, with a lack of linkages to the retail sector identified.

8.4.4.2 Quotes

"You wouldn't blame the people of Port Kembla for showing a degree of cynicism because this is about the fourth plan we've seen. There needs to be some practical recommendations and short-term wins to grow confidence."

"They come down from western Sydney and go to our beaches and use the outdoor gym equipment, but they don't come to the streets. It doesn't convert to business turnover."

"A guy came into Duckprint recently looking for land because there are federal funding incentives for decentralising from Sydney and Port Kembla qualifies."

"Bringing forward some money from the Port Kembla Community Investment Fund, so some larger scale projects can be supported sooner rather than later, would provide a boost."

"There are no linkages to key spots and this creates a disconnect. They come to the beach, but not Wentworth Street."

"Signage, public toilets and parking needs to be addressed at a number of sites. A lack of basic, clean amenities contributes to our image problem."

"We should be showing off our reserves and public lands. The United States utilise and celebrate their lands; visitors are welcomed. We seem to hide ours and not encourage anyone to use them."

8.4.5 Creative Sector

8.4.5.1 Context

Port Kembla has long boasted a vibrant and eclectic creative arts scene, with industry leaders willing to collaborate. Tapping into this by providing platforms to showcase talent and help commercialise ventures would further enhance the profile and sustainability of this sector. Two key challenges seem to have been identified: securing a long-term site that could house a creative collective, and establishing a sustainable model that could drive out-of-region appeal.

8.4.5.2 Quotes

"There's a melting pot of creative professionals here: artists, printers, writers and film industry experts. Creating a collective studio or workshop that can be used for art-form practice would showcase their talents."

"Certainly one of the main things to fall out of (Council's) Revitalisation Plan was the focus and talent in arts and culture. That, along with the acknowledgement and interest in the industrial sector."

"Approaches have been made to Bluescope in the past regarding a film studio site and access and security were often issues. But we'd consider a site outside the boundary of the steelworks, as the zoning recently changed to give us greater flexibility over what industries are permissible."

"There could be some site options for a digital film studio and I don't think it's a huge financial outlay. They usually want to bring their own equipment anyway; it's a matter of space and support."

"Red Point Artists have over 150 members and lease 12 premises, but the land is privately owned, so there's no guarantee how long it will be available. Exploring options to provide security as to where they reside would be good for both them and the region."

"There's a long-term plan for a significant cultural institution, which would transform Port Kembla if it came off. We're working through a land ownership issue now."

"At Duck Print (on Wentworth St) we have a large space we're contemplating as either a high-end gallery, or a print research centre that would host fine art, print-making and indigenous workshops."

"The Hunter and Northern Rivers have regional screen organisations. Encouraging post-production, sound mixing, or even something edgy like the experiential cinema they have in London, could all be explored."

"What about moving the Creative Arts faculty of UOW to Port Kembla? It could become a mini-Newtown. It taps into the inherent arts culture and students would want to live in that environment. I'd love to see a melding of education and enterprise – it would be a game-changer for Port Kembla."

8.4.6 Coastal & Marine Product

8.4.6.1 Context

The beauty of Port Kembla's striking coastline is a resounding message – and the under-utilisation of these raw assets is an equally common lament. A multi-tiered tourism offering at the Fisherman's Beach/Hill 60 precinct should be considered as a key attraction and, whilst acknowledging approval challenges, Five Islands should not be discounted as part of this mix. An artificial reef, or dive wreck, would strengthen the inherent marine-based DNA of the region.

8.4.6.2 Quotes

"We don't use our waterfront areas well – they're it's taken up by storage and industrial sites. We need to tap into some of these areas and showcase the beauty."

"There's potential for Five Islands, Fisherman's and Hill 60 tunnels to be developed into a key attraction, similar to Northern Island's Gibbons Cliff Path, by creating a unique experience that combines natural beauty and heritage."

"Fisherman's Beach is such an under-utilised site. Put some shark mesh there, like they've done at Narooma Bar Beach. Renovate the tunnels and conduct tours, introduce food trucks, show films, even a zip-line from Hill 60 down to Fisherman's."

"Bass Point is phenomenal for SCUBA diving, so a dive wreck would add to the existing experience in the region. It's certainly worth consideration."

"Two dive wrecks in WA – the sinking of a de-commissioned fishing boat off Bunbury and the HMAS Swan in Geographe Bay – are worth using as case studies."

"An artificial reef would complement what's already in the area. Sinking something that is relevant to, or part of the history of, Port Kembla would be even more meaningful."

"A non-commercial, eco-warrior activity could be explored for Five Islands, where people help with environmental work or research. You might be able to align it with other experiences to come up with a sustainable model."

8.4.7 Events & Adventure

8.4.7.1 Context

While Wollongong's major events portfolio has grown markedly in recent years, Port Kembla has not featured prominently in this sector. The iconic Billy Cart Derby seemingly has myriad challenges, and the 'City Slider' came and went amidst a suite of local markets and smaller community events. The introduction of industry enablers was seen as a catalyst for future events. There is also some appetite for adventure-based activity, mirroring the broader region's product options.

8.4.7.2 Quotes

"Council has six pre-approved major events sites, but none are in Port Kembla. Wentworth Street and the Port Kembla Pool precinct should be considered."

"Criteria for the Port Kembla Community Investment Fund should be changed so that event s can be eligible for funding."

"There are no resources and not enough volunteers for the Billy Cart Derby. Unfortunately, it's not sustainable."

"The Chamber tried running the Billy Cart Derby, but money, volunteers and insurance killed it. It was a year's work for one day."

"Having a zip-line somewhere would showcase the uniqueness of the area."

"A collective of indoor adventure operators would be a great idea if you can find the right site. You could plug into Zest Fitness's following too."

"What about a floating cinema at Port Kembla Pool, where the crowd can utilise the hill and you bring in food trucks?"

Recommendations

9 Introduction

From the detailed review of the range of potential destination development opportunities, the following transformative projects were identified as having the greatest potential to provide a unique, high value tourism offering for Port Kembla, complementing the natural features, heritage and culture of the region.

- (1) Coomaditchie Surf Based Eco Tourism Resort
- (2) Hill 60 SCREAMer (South Coast Regional Educational Arts Museum)
- (3) Port Kembla Cruise Terminal

In addition to this, the following major projects were identified as also offering the potential to provide further unique tourism offerings, albeit at a reduced scale and target markets.

- (1) MM Beach Dalfram Precinct
- (2) Fisherman's Beach Snorkelling & Diving Hub

Collectively, these five projects showcase the key destination themes of Port Kembla to provide unique, high value tourism offerings that unlock the areas of greatest potential. This suite of potential projects effectively acts as a menu of aspirational ideas. Further work is required to establish which of these projects should be prioritised, based on desired outcomes, market needs, feasibility and sustainability.

10 Transformative Projects

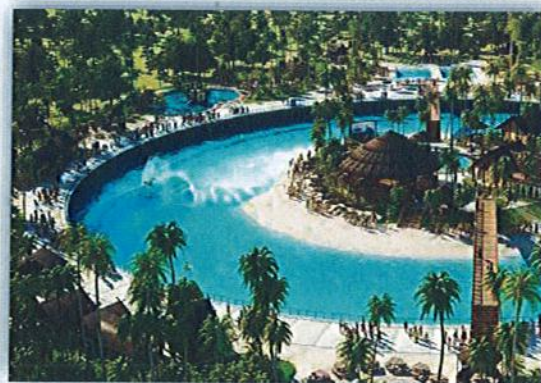
The following projects have been identified within the analysis as the best opportunities to establish Port Kembla as a tourism destination. These projects have the capacity to put Port Kembla on the map for both local, regional and international tourists. They target multiple demographics and markets and provide a substantial offering capable of completely changing the perception of the suburb of Port Kembla and the wider area. All of these projects should be considered as initiatives for both local and state governments with long term goals, change in economic markets, and the need for developments that will service the future of Australia in mind.

10.1 Transformative Project 1 – Coomaditchie Surf Based Eco Tourism Resort

10.1.1 Overview

Coomaditchie is an ideal location for a large scale eco-tourism resort within Port Kembla with key focuses on sustainability, surfing, ocean side lifestyle and local Aboriginal culture and heritage. The development could include an international standard, competition ready wave pool to act as a key attraction of the resort and area, as well as facilities for the education and exposure of tourists to Aboriginal culture and heritage within the Illawarra.

The location behind Port Kembla beach allows scenic views of the ocean and surrounds whilst providing easy access to quality surf beaches. The resort would have strong interaction and ties with the surrounding landscape and natural features, utilising both the existing beach and wave pool for a comprehensive offering for everyone within the surf community from elite surfers, to coaches, junior development squads, school groups, cruise ship visitors and regular holiday goers. The close proximity to the beach would allow for a unique ocean fed wave pool, providing surfers with a "real" surfing experience, unlike other such wave pools, which rely on fresh water due to their distance from the ocean.



Kelly Slater Water Park Resort Concept
(Source: www.mymodernmet.com)

The availability of Crown and Council lands in the areas surrounding Coomaditchie lagoon make this location ideal for a large scale development with a relatively large footprint such as a wave pool with resort accommodation. Resort style accommodation is in high demand in the Illawarra and is not offered on the current market within the region. Competition ready wave pools are in extremely short supply across the world and are now being included as part of elite competitions, offering a unique opportunity for Port Kembla to receive international recognition as a global surf destination. With expansive green space, the site could also be used for high profile festivals and music events.

The opportunity also exists to revegetate the site with native plants and incorporate an Aboriginal education centre, exhibits, food, artworks and cultural tours to provide an authentic experience and preserve local Aboriginal culture.

10.1.2 Associated Uses

The facility would offer extensive accommodation options for tourists from a variety of markets. The wave pool and water park could be open for paying public similar to existing council pool facilities with access for resort guests and utilisation for surf competitions both local and on the international stage. The resort could also work in conjunction with the Port Kembla surf lifesaving club to offer surf schooling and community integration. As a large resort development, it would also act as a hub for other tours around the local area and wider region. Budget accommodation can service the surf academy for development camps and school excursions.

10.1.3 Project Scope

The scope for a project of this scale is extensive and multifaceted. This could be implemented in a staged approach, with initial projects, such as the advent of a surf academy, being developed in the short term. A complete site scope would involve development of an international standard eco resort, as well as the development of a world leading wave pool.

The opportunity also exists to redevelop and enhance the existing Port Kembla Surf Life Saving Club as part of this development to better serve the community's and club's ongoing needs, and incorporate a regional surf academy and associated training facilities.

10.1.4 Indicative Capital Cost and Timing

\$350M+ in CAPEX costs to establish the facilities with an expected delivery time of over 3 years.

10.1.5 Market Analysis

10.1.5.1 Competitors

Wave pools with the technology to consistently simulate a true ocean wave that can be surfed are a recent occurrence and are expected to completely revolutionise surfing as an international sport and recreational activity. There are currently only three commercial surf pools in the world in operation that offer this, with approximately 15 more in construction, two of which are planned for Australia (Melbourne and Sydney).

Well known wave pools include Snowdonia, in Wales, and Kelly Slater's Surf Ranch, California, which will be the first to host a World Surf League event next year. There does not appear to be a wave pool incorporated into an eco-resort, or near a quality surf break.



Byron Bay Music Festival
(Source: www.themusic.com.au)



Fairhaven Surf Life Saving Club
(Source: www.ibconstructions.com.au)



Urbsurf Park Melbourne
(Source: http://www.abc.net.au)

10.1.5.2 Market Trends

Despite this new wave of development around the world, the demand is expected to further increase with current offerings already at capacity.

10.1.5.3 Target Markets

Cultural and heritage tourism, Nature Tourism, Surf Tourism, International Youth- Leisure, Adventure Tourism, Asian Tourism

10.1.6 Precedents

Kelly Slatters Surf Ranch in Lemoore, California is the first facility of its kind to be included as a stage in the World Surf League. The Ranch is a comprehensive offering and is already one of the most in demand surfing activities in the world with its facilities completely booked well into the future.

Australian company Urbnsurf are developing three social surfing wave pools in Australia, one in Melbourne near Tullamarine Airport, one in Sydney at Homebush Bay and one in Perth (location still being determined). The company uses the latest Wavegarden technology from Spain, called "The Cove".

With regards to eco surf resorts, Bukubaki resort in Portugal is the most recent precedent, offering a range of accommodation from premium tree house and bungalow accommodation, to "glamping" tents with a range of sizes from one to four bedrooms. It is set amongst the coastal fringe of a premium surf beach and the resort offers a range of activities including surfing lessons, skating, yoga, wellness clinic, e-bike tours and bushwalking.



Bukubaki Eco Surf Resort
(Source: www.surfholidays.com)

10.1.7 Next Steps

A masterplan and vision document will be required for a clear concept of the development. This should be created in conjunction with the Illawarra Local Aboriginal Lands Council (ILALC) to ensure the significant Aboriginal heritage of the area is preserved. Stakeholder engagement is essential from the early stages to ensure all levels of government and the community are on board and incorporated into the development of this project.

10.1.8 Enabling Works

- > Wayfinding, signage and signposting to Coomaditchie within both the Illawarra and Port Kembla will be required to ensure visitors can locate and are aware of the site.
- > Determination of required approval processes and timelines.
- > Case studies on best use, costs and economic impact are required, outside of environmental, structural and indigenous concerns.

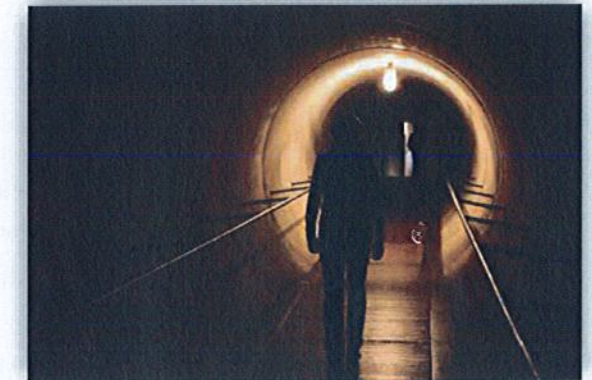
10.2 Transformative Project 2 – Hill 60 SCREAMer (South Coast Regional Educational Arts Museum)

10.2.1 Overview

The Illowra battery tunnels and bunkers at Hill 60 present a unique opportunity to create a niche tourism experience encapsulating the rich history and arts culture of Port Kembla and the broader South Coast region. The well-preserved structure consists of two distinct tunnels, that if refurbished could allow for the display of indigenous, industrial and wartime history in one wing, and traditional and modern arts in the second wing. The associated rooms and chambers are perfectly suited for display pieces, and there is a large central chamber joining the two wings that could be used for seminars, school groups and viewing of local films.

The small rooms and tunnels are perfectly suited for display pieces and offer a variety of unique ways to present artworks. The natural atmosphere of the tunnels cannot be replicated and if utilised effectively could enhance the attraction and art within the gallery.

Views from the bunker are exceptional and the experience of emerging from a dark tunnel into a breathtaking vantage point over some of the best scenery in Australia would undoubtedly become a must-do for local and international tourists alike. One bunker position could be converted into an indoor/outdoor café and souvenir shop as part of the gallery, whilst the other bunker could be developed into one of the most sought after workshop spaces for feature artists to interact with the public and display their work in a unique manner.



MONA Tunnel
(Source: www.tailoredtasmania.com)



View from Illowra Battery Bunker
(Source: Cardno)

Hill 60 is one of the most historically and culturally significant sites in Port Kembla, and is the meeting grounds for indigenous, pre-war and post war heritage. Refurbishment of The Illowra Battery tunnels would preserve this historic infrastructure and provide a unique landmark gallery to attract world-class artists and exhibitions. The success of other unique galleries such as the MONA in Hobart highlights the tourism drawcard of such venues and the platform to promote local artists.



Indigenous History Display
(Source: www.melbournefreewifi.com.au)



Wartime History Display
(Source: www.dva.gov.au)



MONA Art Display
(Source: http://www.greatexpeditions.com.au)

10.2.2 Associated Uses

There is potential for a formal walking track around the tunnels with interpretive signage. Small scale special events could be held inside the tunnels, along with art exhibitions.

10.2.3 Project Scope

Restoration of the bunker and tunnels and construction of additional facilities to make it suitable for operation i.e. toilets and parking. Bunkers may need to be extended/converted into usable space it to make it suitable for a new use i.e. large glass windows for protection from the elements whilst maintaining bunker like amenity and views. Basic utilities such as electricity and water are required.

10.2.4 Indicative Capital Cost and Timing

\$5M+ in CAPEX costs to establish the facility including gallery and café with an expected development timeframe of 2 – 3 years.

10.2.5 Market Analysis

10.2.5.1 Competitors

Small to medium sized art galleries, both privately and publicly owned, are a common occurrence in NSW and Australia. There is already over 10 galleries between Stanwell Park in the north of the Illawarra and Nowra in the south with a wide variety of offerings, although nothing in such a unique site. The Wollongong Art Gallery in Wollongong is only a short distance from Port Kembla and is one of the largest regional art galleries in Australia. Stories of regional heritage utilising culturally relevant sites include whaling stations, ships, timber mills and prisons.

There are currently no art galleries that have been retrofitted into WWII bunkers in NSW.

10.2.5.2 Market Trends

Small to medium art galleries in NSW attracted over 5 million visits in the previous financial year. Despite the strong offering already present in the region, the demand for more galleries is evident and when done well have a strong contribution to surrounding areas. Edgy, modern art is gaining greater mainstream appeal. Immersive experiences have replaced static displays as popular story-telling tools.

10.2.5.3 Target Market

Cultural and heritage tourism, Over 55's travel, Short breaks

10.2.6 Precedents

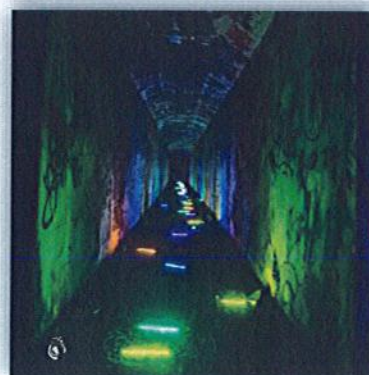
10.2.6.1 Darwin Oil Storage Tunnels

As part of its World War II defences, Darwin had a large underground oil storage facility beneath the cliffs of Darwin City. In 1992, the tunnels were open up as tourist destination to commemorate the 50th Anniversary of the Bombing of Darwin.

The tunnels have been refurbished to contain an exhibition of World War II memorabilia and displays, focussing on the attack on Darwin city. Marketed as the "World War II secret Oil Storage Tunnels", this tourism conversion project has been very successful in creating a unique tourist attraction and event location beside the Darwin Wharf Precinct

10.2.6.2 Bunjilaka Aboriginal Cultural Centre, Melbourne Museum

Located at the Melbourne Museum, Bunjilaka Aboriginal Cultural Centre celebrates the history, culture, achievements and survival of Victoria's Aboriginal people. The centre's major exhibition is a multimedia display titled "First Peoples", which tells the story of Aboriginal Victoria from the time of Creation to today, through the voices and languages of the Koorie community. At the centre, more than 600 historic and contemporary artworks and objects made by Aboriginal and Torres Strait Islander peoples are on display, depicting the extraordinary diversity and sophistication of Australia's



Illowra Battery Tunnel
(Source: www.reddit.com)



Darwin Military Museum
(Source: www.darwinmilitarymuseum.com.au)

cultures. In addition to this, there is the Milarri garden trail, which is an experiential indigenous garden that incorporates a cave art display and live indigenous animals.

The centre is funded by a combination of Government grants, private trusts, and major corporations.

10.2.6.3 Darwin Military Museum

The Darwin Military Museum is a key tourism destination in the Northern Territory and utilises the gun emplacements constructed during WWII as facilities and displays as part of the offering of the museum. The museum operates seven days a week and includes interactive displays and artefacts from Australia's involvement in WWII.

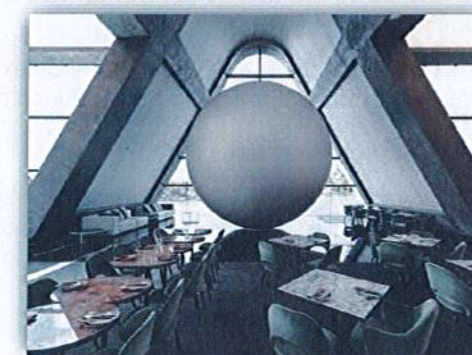
The facility includes guided tours and permanent and temporary exhibitions including *Australia at War* exhibition and the plant and equipment exhibitions including mobile and fixed gun emplacements and Jeeps or 'G-Wagon'.



Bunjilaka Aboriginal Cultural Centre
(Source: www.museumsvictoria.com.au)

10.2.6.4 MONA (Museum of Old and New Art), Tasmania

The Hobart based Museum of Old and New Art is a transformative facility showcasing world class art and museum exhibitions in a global standard architectural masterpiece. The facility boasts subterranean and above-ground exhibitions that transform the experience for the consumer which houses a winery, \$110M private art and antiques collection and a diverse exhibition program. The site hosts two annual festivals, contains restaurant, bars and café and accommodation pavilions.



Museum of Old and New Art (MONA), Hobart
(Source: www.discovertasmania.com.au)

10.2.7 Next Steps

Stakeholder consultation with key groups including the local community, Wollongong City Council, the Illawarra Local Aboriginal Land Council (ILALC), the Environmental Protection Authority and other approval authorities will highlight initial issues, constraints and opportunities for the development of the site. These requirements will inform the design, construction and operation of the sight. Following initial stakeholder consultation (which will be an ongoing process) concept master planning of the sight will further develop initial site opportunities and constraints including EPA requirements, planning constraints, functionality and fit for purpose requirements. Encapsulated within a vision document, the opportunity of the sight will be detailed to present to planning and approval authorities. Initial cost estimates can be developed at this stage to inform feasibility stage approvals. During this initial master planning period, federal, state and local government funding grant applications can be investigated and feasibility determined.

10.2.8 Enabling Works

- > Wayfinding, signage and signposting to Hill 60 within both the Illawarra and Port Kembla.
- > Enhancement of existing parking and toilet facilities at the top of Hill 60.
- > Determination of required approval processes and timelines.
- > Case studies on best use, costs and economic impact are required, outside of environmental, structural and indigenous concerns.

10.3 Transformative Project 3 – Port Kembla International Cruise Terminal

10.3.1 Overview

With Sydney's existing cruise terminal facilities at full capacity, Port Kembla is ideally situated to provide an alternate destination for cruise liners to embark / disembark, freeing up valuable space at Sydney's premier Overseas Passenger Terminal for international mega-liners. Port Kembla is a deep-water international port that is free of any height restrictions and is capable of catering for the largest of cruise vessels. Port Kembla has the potential for exceptional passenger accessibility, with provision for access via direct drop off at the cruise ship berth, and local long term parking or express public transport from Sydney with short shuttle bus trip.

The Port Kembla Cruise Terminal currently provides access to small cruises and visitors to the area as well as occasional large cruise vessel anchorages. The further improvement of this asset and its connectivity to the suburb of Port Kembla and the wider Illawarra will enable it to act as a gateway to the South Coast for tourists arriving via cruise, offering an alternative to Sydney harbour for visitors wishing to get closer to nature, and outer Sydney attractions. With Port Kembla's proximity to Sydney, Port Kembla is ideally situated to provide an alternative destination for cruise liners for the currently at capacity Sydney terminal.

Options exist to either modify and enhance existing berthside buildings for multipurpose use, or develop a new purpose built cruise terminal to cater for incoming and outgoing passengers.

10.3.2 Associated Uses

The Terminal would provide a berth for international cruise vessels to dock and for tourists to embark and disembark for commercial tours and self-guided exploration of the Illawarra. The facility would provide permanent facilities to receive tourists including an entrance building, amenities, parking for shuttle buses, tour guides, public transport, taxi and Uber services.

10.3.3 Project Scope

There is scope for either the repurpose of existing berth side structures, or the construction of a new purpose built facilities to cater for arriving tourists. The repurposing of existing structures would include structural assessment, refurbishment and the construction of new amenities. The development of new facilities would require either an additional location on the berth or the demolition of existing buildings, and associated civil, structural and general building works to establish the new facilities and supporting infrastructure.

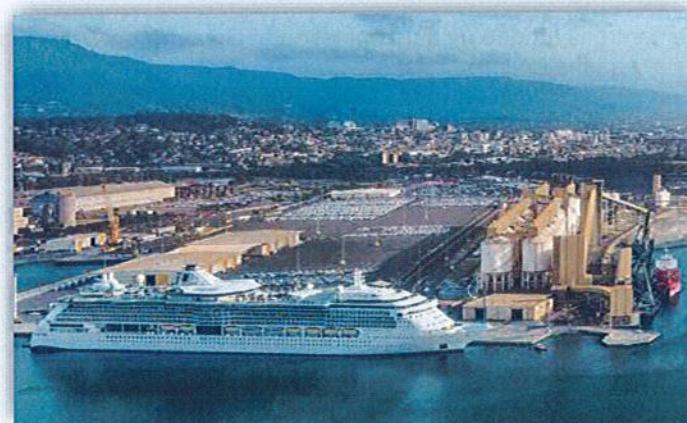
10.3.4 Indicative Capital Cost

\$2 – 10M in Capex costs are expected for the development, depending on which line of work is chosen. The estimated development timeframe is 1 – 3 years, subject to approval to commence.

10.3.5 Market Analysis

10.3.5.1 Competitors

Sydney Harbour is the main destination for international cruises that arrive in NSW, as the Sydney Opera House and Harbour Bridge are some of the most iconic structures in the world. However, high demand on the harbour puts Port Kembla in a strategic position to accommodate growing demand and accept cruises that find it unfeasible to dock in Sydney.



Cruise Ship Arrival at Port Kembla
(Source: Destination Wollongong)



Concept Port Kembla Cruise Terminal
(Source: Cardno)

The Port of Newcastle has announced plans for a \$12.7 million cruise terminal, along with port infrastructure upgrades. The Port of Eden was visited by 14 cruise vessels in the 2016/17, FY up from 8 in the previous year, but does not have deep water berthing facilities.

10.3.5.2 Market Trends

Cruise tourism is the fastest growing tourism sector in Australia, with its worth estimated at \$5.28B nationally in the 2016/17 fiscal year. 58% of this is attributed to NSW alone. In the same fiscal year, Sydney was visited by a record 344 cruise vessels, which attests to its popularity and is severely testing the city's capacity.

10.3.5.3 Target Market

Cruise Tourism, Over 55's travel, Asian Tourism

10.3.6 Precedents

10.3.6.1 Newcastle

The Port of Newcastle is the largest port on the east coast of Australia and the world leading coal export port. The port has undergone significant development in recent times to accommodate an increase to container terminal capacity. The Cruise Terminal operates from the main Channel Berth at Carrington. On average, 12-14 vessels berth at Newcastle annually.

10.3.6.2 Hobart

The Hobart cruise terminal operates out of a newly renovated Macquarie Wharf No2. The terminal features comfortable seating for passengers, visitor information services and a mix of duty free retail outlets for visitors and passengers waiting in the terminal. The terminal is only a 10 minute walk from the city centre and is situated among industrial port uses similar to Port Kembla.

10.3.7 Next Steps

Feedback must be obtained from the NSW Cruise Capacity Working Group to inform the future development of the terminal. Further investigations to secure funding will be essential for a public asset such as a cruise terminal. Further concept design and feasibility studies will also be required.

10.3.8 Enabling Works

- > Clear wayfinding and signposting to the cruise terminal within both the Illawarra and the Inner Harbour will be required as a minimum. Due to the surrounding heavy industry that dominates the port landscape access to the terminal must be addressed to prevent conflict between industrial port operators and commuters travelling to the terminal.



Sydney Overseas Passenger Terminal
(Source: www.watpac.com.au)



Proposed Newcastle Cruise Terminal
(Source: www.theurbandevolver.com)



Hobart Cruise Terminal
(Source: www.tasports.com.au/)

11 Major Projects

The following projects have been identified as key opportunities to establish tourism attractions with a substantial impact on the tourism offering and long lasting impact on the future of Port Kembla. The projects are not as extensive as the transformative projects displayed above and are not of the same scale. They may however, require shorter timeframes, approval processes and/or smaller capital investment. The major projects should not be considered a replacement for other projects detailed in this report, but as additional opportunities to provide the best array of tourism product in Port Kembla and unlock other local areas for tourism not covered by the transformative projects.

11.1 Major Project 1 – MM Beach Dalfram Precinct

11.1.1 Overview

The 1938 Dalfram Dispute is a significant event in Port Kembla's history and relationship with China, when local steelworkers boycotted pig iron exports to Japan due to concerns of its use in weapon production against China. It became famous for providing the nick name of Pig Iron Bob to Attorney General Robert Menzies, who later became Prime Minister.

In July 2015 H.E. Ambassador Ma Zhaoxu of the Embassy of the Peoples Republic of China in Australia highlighted the Dalfram dispute as a significant moment in the relationship between Australian and Chinese people when they stood together for a common cause. A Large monument is being constructed at the northern point of MM Beach. The unveiling of the monument will take place in November, 2018 with several significant Chinese dignitaries in attendance

This project will drive significant international visitation to Port Kembla. The opportunity exists to create an international tourism precinct in the surrounding space to welcome the large numbers of Chinese visitors expected and utilise this as an opportunity to provide international education about the history of Wollongong.

11.1.2 Associated Uses

The Dalfram tourism precinct will involve facilities that can be utilised for both tour groups and individuals visiting the Dalfram Museum and the MM Beach area, including parking, public toilets, indigenous cultural items and experiences and beachfront walkways. Development of formal coach parking for group tours would be needed. A beach walk (a "must-do" Chinese experience) could be incorporated along MM Beach, along with further development of the existing indigenous totem poles.

Other works could entail anything from a small hotel on adjoining industrial land (currently vacant), retail precinct or 'pop-up' stalls, and/or conversion of bunkers and tunnels on the site to a small cinema for a translated screening of the 'Pig Iron Bob' movie as part of Chinese itineraries.

11.1.3 Project Scope

Stage One

The Dalfram monument is being constructed on NSW Ports land, overlooking the ocean. The positioning will make it a stunning spectacle, which will attract a lot of photography and social media interest. The monument is of significant scale and will attract interest from Chinese touring companies, given the launch will involve Chinese dignitaries.

Whilst there is some coach parking available within NSW Ports' car park to the north west, opportunity exists to create a coach parking bay along Gloucester Boulevard, where there is a long straight run of curbed parking. This would provide a panoramic beach-front arrival for tourists and disabled access to the monument. It would also enable visitors



Dalfram Dispute, 1938
(Source: www.illawarramercury.com.au)



Proposed Dalfram Precinct Layout
(Source: Destination Wollongong)

to easily make their way down to MM beach along a well-maintained walking path and experience "sand beneath their toes".

Visitors could walk up the beach towards the monument, and return via another walkway through the totem poles to enjoy an authentic indigenous experience. This experience could be improved with the addition of 'pop-up' indigenous experiences scheduled for tour groups and additional investment to complement the existing totem poles.

With the co-operation of NSW Ports, it may be possible for the coaches to access the back entry of NSW Ports to pick up the visitors closer to the monument; alternatively they may have to walk back down the pathway to the coach parking area.

Currently there is no public toilets available at MM Beach or in the immediate vicinity. This will need to be considered in the near future to accommodate tour groups. Such amenities could also be coupled with space for 'pop-up' café facilities to offer refreshments and local art works / souvenirs to capitalise on the tourist traffic.

Stage Two

Given the amount of available land and infrastructure there may be an opportunity to look at developing additional commercial operations within the precinct to cater for regular large-scale visitation.

11.1.4 Indicative Capital Cost and Timing

\$250K for stage 1 and basic support infrastructure.
Expected delivery time of 6-12 months for stage 1

11.1.5 Market Analysis

11.1.5.1 Competitors

Packaged product in and around Sydney – famous attractions, Blue Mountains, VIVID, Jervis Bay - could be seen as competition or aligned activity.

11.1.5.2 Market Trends

In 2016, China was Australia's second largest inbound market for visitor arrivals (1.2m) and largest market for total spend and visitor nights. Chinese visitation to Australia was up 12% in 2017, including 112% growth in self-drive caravan and camping as return visitors (representing 53%) gain confidence and explore beyond Sydney. These numbers were based on double digit growth which is expected to continue through to 2020. Interesting for Wollongong, over 53% of these visitors are returning visitors, many of who would have seen traditional itinerary destinations such as the Blue Mountains and are looking for next experiences within a 90km distance from Sydney.

11.1.5.3 Target Market

Cultural and heritage tourism, Asian Tourism, Over 55's travel.

11.1.6 Precedents

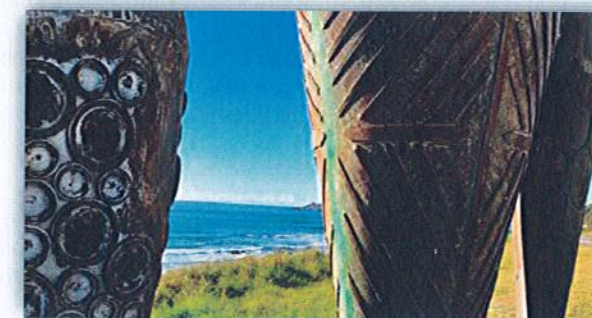
- > Significant packaged product in and around Sydney
- > There are several examples of using an historical moment as key tourism product (eg Pearl Harbour).
- > Domestically, the Battle of Eureka Stockade bore a purpose-built interpretive centre and sound and light show at Sovereign Hill.

11.1.7 Next Steps

Investigate options for coach parking on Gloucester Boulevard, public toilets and provisions to allow for pop up café and indigenous cultural experiences at MM Beach.

11.1.8 Enabling Works

- > Clear signage, wayfinding and signposting to MM beach will allow tourist groups to locate the attraction
- > Dedicated coach parking facilities on Gloucester Boulevard
- > Basic amenities to allow tour bus groups to use the location as a rest stop
- > Clear access routes will be required to differentiate between areas accessible to tourists and industrial port lands and uses.



Ngaraba-aan Trail signage at MM Beach
(Source: www.pk2505.com.au)

11.2 Major Project 2 – Fisherman's Beach Snorkelling & Diving Hub

11.2.1 Overview

Fisherman's Beach is a secluded beach with nearby Red Point and Boilers Point, that is sheltered from surrounding development and ideal for developing a local swimming, snorkelling and diving hub. A wreck dive, artificial reef structures, underwater sculptures, boat hire, glass bottom boat tours and charter activities to the Five Islands and possibly the port, along with basic on-land amenities and safety infrastructure to assist the active leisure market could build on the natural attractions that already exist.

The popularity of environmentally friendly, artificial reefs as an attraction has increased in recent years with dive tourism becoming a popular interest. The scale and individuality of artificial reefs is extremely flexible and offers a unique opportunity to create an underwater park unlike anywhere else in the world with an extensive offering to attract divers from a wide demographic.

11.2.2 Associated Uses

The creation of a cluster of complementary products and activities would attract divers, snorkelers and naturalists. Boat hire and charter activities could build on this in conjunction with sea tours of the surrounding natural attractions like the Five Islands. The coming attraction of Shellharbour Marina improves the regional marine offering and would help service a marine park offering. Opportunities also exist for unique diving experiences with seals and fairy penguins that frequent the surrounding waters.

Project Scope

The scope for this project is extremely flexible, with the extent of the development dependant on the desired size and impact of the final offering. The minimum considered to deliver this project would include the scuttling of an interesting and sizeable wreck (a plane or medium-large military ship) and purpose built artificial reefs. The scope could be expanded to include a local marine tourism centre with boat access from Port Kembla's outer harbour.

11.2.3 Indicative Capital Cost and Timing

\$5 – 10M to establish the dive park and associated facilities to accommodate increased tourism in this area with an expected delivery timeframe of 3 years.

11.2.4 Market Analysis

11.2.4.1 Competitors

There are currently no developed marine tourism offerings around Port Kembla. Jervis Bay, Narooma, parts of Sydney and the Central Coast all offer quality diving, however nothing of this potential scale. The Lady Darling wreck near Narooma is the nearest quality wreck dive. Most substantial wrecks lie deeper than 20 metres and are located far from metropolitan cities (SS Nord in Darwin being a notable exception).

11.2.4.2 Market Trends

There are approximately 1 million newly certified divers each year. A Centre for Conservation Geography study found diving's total economic contribution in Australia to be \$4.2 billion annually. Domestic dive tourists spend almost 3 times as much as non-diving tourists and international dive tourists stay 30% longer.

11.2.4.3 Target Market

Adventure Tourism, Nature Tourism, Cruise Tourism



Azura Dive Center
(Source: www.tripadvisor.com)



Diving with Penguins
(Source: www.penguinplacepost.wordpress.com)

11.2.5 Precedents

11.2.5.1 HMAS Adelaide

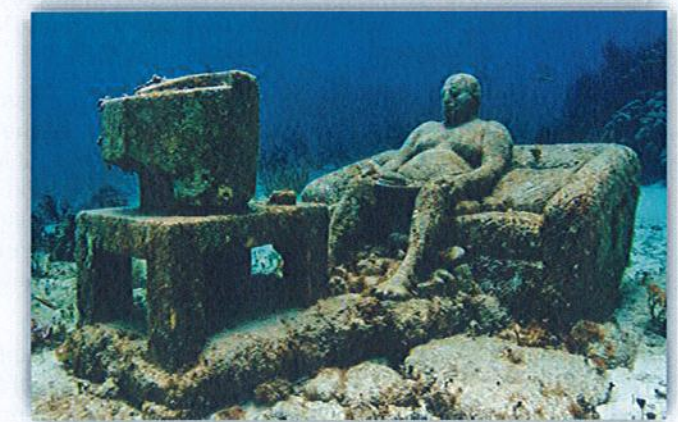
HMAS Adelaide is a decommissioned frigate that was scuttled off the NSW Central Coast in 2011. The wreck is located 1.8km off Terrigal Beach and rests in approximately 32 metres of water. The wreck is now recognised as one of the most popular dive wreck sites in Australia.

11.2.5.2 MUSA Cancun

The MUSA Cancun in Mexico is a unique underwater museum that features over 500 permanent life-sized and monumental sculptures within an underwater park. The Museum aims to demonstrate the interaction between art and environmental science and form part of a complex reef structure for marine life to colonize and inhabit whilst increasing biomass on a grand scale. All of the sculptures are fixed to the seabed and made from specialised materials used to promote coral life. The museum is a key attraction in Mexico and a wide variety of boating, snorkelling and diving tours are focused around the attraction. Since its inception in 2010 the wider marine park has become one of the most visited stretches of water in the world with over 750,000 visitors each year.



HMAS Adelaide Dive Wreck
(Source: www.visitnsw.com)



MUSA Cancun Underwater Museum
(Source: www.musamexico.org)

11.2.6 Next Steps

A feasibility study must be completed to assess the concept along with a comprehensive and actionable implementation strategy. Detailed investigations into the suitability of the marine environment at Port Kembla for this kind of development are also vital. A review into sustainable marine parks must be completed to ensure that any reefs created do not harm the existing environment through the release of toxins or impact on marine populations due to improper management. Consultation with environmental stakeholders should begin as soon as possible to bring this project to fruition.

11.2.7 Enabling Works

- > Basic facilities near Fisherman's beach are essential for prolonged stays that involve activities like diving or snorkelling.
- > Effective signage and wayfinding to attraction access points such as the beach are also essential for its function.
- > The Establishment of Fisherman's Beach, Red Point and the Five Islands as a marine park with the future development included, will be required to preserve the natural habitat, protect the wildlife and sea life that develop in the area and provide a safe area for divers, swimmers and snorkelers.

12 Strengthening Projects

Strengthening Projects are those that build upon and empower existing tourist offerings in the area. The aim is for these initiatives to help sectors identified as having significant potential to improve their current market offering and reach a larger and broader market segment. Two existing prominent offerings in the Port Kembla area are the creative sector and industrial tourism. The following sections explore these current offerings and provide recommended strengthening projects to further enhance their impact on the local tourism sector.

12.1 Creative Sector

12.1.1 Opportunity

The diverse and vibrant mix of Port Kembla's creative sector boasts untapped potential, though not without commercial challenges. Creating a platform that can be taken to market under a sustainable, collaborative model could empower this burgeoning sector and provide out-of-region appeal.

12.1.2 Actions

- > Create a Memorandum of Understanding between Destination Wollongong and the Coomaditchie United Aboriginal Corporation to have their artists' works displayed and for sale in the region's two Visitor Information Centres
- > Specific body of work sought exploring the viability and partnering opportunities of a creative co-op to showcase Red Point Artists and other industry professionals. This may include relevant case studies; site identification and leasehold terms; optimal mix of tenants, product and services; business model; market positioning; and complementary product.

12.2 Industrial Tourism

12.2.1 Opportunity

Bluescope Steel have recently undertaken a major refurbishment of the Visitors Centre at the Port Kembla Steelworks, with a view to increasing the appeal, safety and life of the Centre. It is planned that this investment will create a sustainable venue, which is open most days, that offers an introductory experience to the steel works, with hospitality and tours available, on a consistent basis.

The management of the facility is licensed by Bluescope to Inside Industry, a 'Not for Profit' community organisation that employs a number of permanent and casual staff to manage the facility, provide Steelworks Tours and operate the Bluescope WIN Community Partnerships program. Previously known as Australia's Industry World, Inside Industry has operated the Visitors Centre since 1998.

12.2.2 Actions

The Board of Inside Industry have now adopted a Strategic Plan that seeks to:

- > Ensure the organisation engages with the community by showcasing Illawarra Industry.
- > Create awareness of the value of Illawarra Industry through experiences, tours, educational programs and ancillary services.
- > Maximize availability, appeal, efficiency and marketing of tour opportunities.
- > Diversify the Tour products to include a variety of tours of the Steelworks, the Port and other industry in the Illawarra.
- > Expand and develop the operations of the Visitors Centre and its use by the community.

Regarding the Visitors Centre, the Board plans to manage a flexible and efficient built space that promotes Industry in Wollongong, provides a 'place of interest' to residents and tourists (including students and children) that is both active and self-sustaining and delivers facilities for events, meetings, exhibitions and hospitality.

An important part of the revised operations will be the creation and subsequent marketing of tour opportunities to tourist and visitors – making 'Inside Industry' a valuable and accessible attraction which appeals to visitors, provides a valuable experience and acknowledges the part that Industry has played in our region.

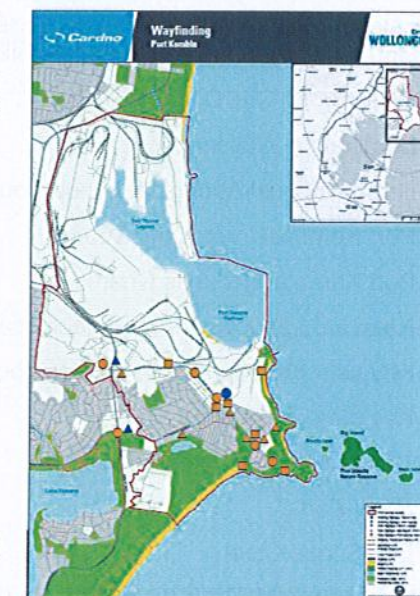
Having industry bodies, local government and tourism entities work collaboratively to facilitate this renewed vision would enhance the product offering in this space and help industrial tourism reach its potential.

13 Enabling Works

The development of key attractions in Port Kembla will provide a draw for tourist as well as aid in revitalising the suburb. If done correctly, the benefits to the Illawarra could be immense and provide the spark to future projects for decades to come. However, if basic supporting initiatives are not provided, the potential for these projects to come to fruition or achieve their potential will be greatly diminished. Such enabling works are support mechanisms that improve the likelihood of achieving meaningful outcomes and come in the form of either 'hard' initiatives (eg infrastructure) or 'soft' initiatives (eg policies and planning). Key enabling works considered essential for the Port Kembla area include:

- > Footpaths and well-designed pedestrian connectivity throughout the suburb of Port Kembla to aid pedestrians and commuters without private vehicles to access different tourism hotspots and attractions.
- > Wayfinding and signage so visitors can find their way about the region with ease and efficiency. Public access and industry access is not differentiated clearly around the port area, leading to confusion and difficulty navigating to different vistas. Demarcation of key locations of interest are hard to find and will hobble any tourism efforts. A plan outlining proposed upgrades to signage and wayfinding for the area are provided in the Wayfinding Plan in Appendix A. As outlined in this plan, additional signage is proposed for major natural features and the town centre at key intersections leading to, and within, Port Kembla.
- > Improvement of basic amenities such as public toilets and general visitor utilities so that visitors are comfortable, can stay longer and feel safer.
- > Improvement of streetscapes and visual amenity of the Port Kembla suburb to improve security and safety for visitors and make the area more visually attractive whilst providing practical benefits.
- > Investigation of the provision of pre-approved major event development applications by Wollongong City Council to be considered for two existing potential event locations in Port Kembla: Wentworth Street and Port Kembla Pool (including its surrounding precinct).
- > Explore the potential for the Port Kembla Community Investment Fund to adjust its criteria so that events become eligible for funding consideration.
- > The provision of free WIFI for tourists at all major tourist zones (Dalfram Precinct, Hill 60, Port Kembla Pool area) and the Port Kembla Town Centre, incorporating a PK tourism web interface to direct tourists to key tourism features in the area.
- > Upgrades of intersections to improve safety and navigability of area for both vehicles and pedestrians.
- > Endorsement from all levels of government to ensure cohesive planning is achieved in an effective manner.
- > Effective marketing and advertising of Port Kembla as a destination to both the wider regional market, Australian market and international market to enhance the image of Port Kembla and advertise any attractions present.

The Port Kembla 2505 Revitalisation Plan provides further detail on many of these initiatives as well as other opportunities to help revitalise the area. These suggestions should be brought to life as part of the groundwork for future development of tourism in the area as outlined in this report.



14 Implementation Strategy

14.1 Stakeholder Engagement

To achieve its potential as a unique tourism destination in the Illawarra, cohesion is required throughout the Port Kembla community and the various local, state and federal stakeholders involved in the priority projects identified. To facilitate such engagement and establish a collaborative approach in the development of tourism projects, a working committee consisting of representatives from key stakeholders should be formed and align with Wollongong City Council's Port Kembla 2505 Revitalisation Plan. Due to the diversity of projects and stakeholders identified in this study, it may be more appropriate to establish smaller working groups of stakeholders for each project that report back into a broader governance group overseeing the revitalisation of Port Kembla.

Key stakeholders identified as being essential to the development of identified projects and enabling works and supporting infrastructure include the following:

- > Wollongong City Council (WCC)
- > Destination Wollongong (DW)
- > Illawarra Local Aboriginal Lands Council (ILALC)
- > Port Kembla Community Council
- > Port Kembla Business Chamber
- > Relevant Landowners of Project locations
- > Key user groups (artists, tourism operators)
- > Key project investors
- > Local Indigenous communities
- > NSW Ports
- > BlueScope Steel
- > Environmental Protection Authority (EPA)
- > University of Wollongong (UOW)
- > Roads & Maritime Services (RMS)
- > Office of Environment & Heritage (OEH)
- > Department of Planning & Environment (DPE)
- > Australian Defence Force (ADF)

14.2 Partnering Opportunities

Many of the items discussed above cannot be achieved without the financial backing and support from non-government agencies and organisations. Whilst it is within the broader community's interest to achieve greater visitation numbers, it must be commercially viable. The development of Port Kembla as a tourism destination is an opportunity for involvement from a variety of organisations and should be seen and promoted as such. Destination Wollongong proposes the following facilitation practices for partnerships:

- > Establish permanent consultative mechanisms involving all levels of government (Federal, State and Local) to provide a basis for ongoing collaboration. This will ensure a targeted and consistent approach to the development of Port Kembla as a tourism destination.
- > Engage with potential investors to ensure financial backing for key projects and economic viability. Development of strong relationships with investors interested in the area will enhance perceptions of Port Kembla as a viable tourist destination.
- > Develop an ongoing evidence-based conversation with communities about the potential benefits of tourism development to build community support.
- > Develop opportunities to work with the Indigenous community to ensure major projects reach visitor demand potential and benefit traditional land owners.

- > Form partnerships with Austrade and Tourism Australia to use their expertise in international investment attraction to aid the development of major projects within Port Kembla and ensure key product is 'China-ready'.

14.2.1 Develop Partnerships Between Levels of Government to Facilitate Tourism Investment

Permanent consultative mechanisms involving state and local government need to be established in order to provide a basis for ongoing collaboration, based on the mutual benefits derived from tourism investment. Where existing collaborative environments exist, work through these bodies and seek to provide impetus and leadership. The Department of Planning and Infrastructure has an Illawarra Urban Development Programme and an Employment Lands Taskforce that understand the market and how the planning system can help and hinder investment.

14.2.2 Develop Networks within the Investment Community

A profile of investors should be developed and targeted with specific proposals to fill supply gaps in identified market segments. Specialist advice should be sought from the industry and their representatives, such as the Property Council of Australia.

Regional tourism investment plans, guides and similar documents are important resources and the tourism industry should be fully engaged in the development of such plans.

14.2.3 Form Partnerships with Communities

Local communities can form a strong voice and, if well informed and utilised correctly, play a big part in the development of an area. Strong community support can aid in streamlining proposals, gaining funding and promoting an area. An ongoing effort to build community awareness of the potential benefits of tourism related investment is required and community participation should be facilitated, especially in a destination where investment opportunities have not been fully realised. Government has a key role to play here in education.

14.2.4 Form Partnerships with Indigenous Communities

The Illawarra and Port Kembla in particular has strong ties to Aboriginal culture as well as an active Aboriginal community. As one of the oldest living cultures in the world, it forms a strong tourism base across Australia for international tourists.

Opportunities to work with Indigenous communities and develop proposals should be explored. This will allow effective response to visitor demand and benefit the traditional owners. Stakeholder consultation revealed that international visitors want meaningful experiences of Indigenous culture. This interest and the flow-on benefits of tourist expenditure, mean that tourism investment offers great opportunities for Indigenous communities. There are many opportunities for tourism projects to be developed based on partnerships with Indigenous communities. Destination Wollongong should form a partnership with the Illawarra Local Aboriginal Land Council in order to facilitate tourism investment and understand what experiences the Indigenous communities within the region can offer tourists.

14.2.5 Identify International Investor Opportunities

Currently, one of the biggest boom markets in Australia is the Asian market. This international market offers huge potential for attracting investment in major projects.

14.2.6 Form Inter-Agency Partnerships

Destination Wollongong should work closely with Destination NSW, Austrade and Tourism Australia as these agencies have the relevant expertise and contacts and are already working to promote Australia as an investment and tourism destination.

Austrade has an international network of investment specialists who work closely with the states and territories across a range of industry areas in attracting and facilitating foreign investment.

14.3 Further Investigations

The key projects identified within this report are recommended upon analysis and assessment of the current tourism market, the policy surrounding tourism and the current state of Port Kembla as a tourism destination. These recommendations are made upon numerous assumptions of feasibility, cost and collaboration and willingness of stakeholders. Further detailed investigations into the feasibility of each of these projects are required before a comprehensive action plan can be conceived for the development of Port Kembla as a tourist destination.

15 Action Plan

To implement the recommendations outlined in this report, it is proposed that a standard project development framework be adopted as summarised at the bottom of this page that encompasses consideration of the following core elements of each project: client, project management, project team, land tenure, planning & approvals, timing, scope, finances, stakeholders, commercial & legal, technical, safety & environment and procurement & construction.

To achieve this, four main actions are proposed as follows:

1. Establish Project Control Group
 - > A Project Control Group consisting of key stakeholders as detailed in Section 14.1 would be an appropriate step towards establishing the key projects in Port Kembla. The overall aim of the group will be to ensure that various stakeholders have input into development of the area as well as ensuring that progress continues in an effective and timely manner.
2. Complete Feasibility Studies
 - > Detailed feasibility studies should be undertaken into each key project to ascertain their capabilities to bring about tourism demand for Port Kembla in a socially, environmentally and economically viable and feasible manner.
3. Secure Pre approvals
 - > Establish the required approval pathways and requirements for each opportunity, and obtain relevant project pre approval to allow for funding for projects (public or private) to be sought. Pre approvals for identified key sites should be prioritised, given some of these harbour cultural and political sensitivities. Projects need to be 'bankable'. The tourism industry is fraught with risky proposals and these matters should be identified and resolved before significant capital is devoted.
4. Commence Development
 - > Detailed design followed by physical construction and initiation of the key projects and supporting initiatives needs to begin as soon as possible in order to bring about change in Port Kembla. With effective planning and development coupled with community and Government support, the character and success of an area can be improved significantly. However, widespread perceptions of an area often take a long time to change and undoubtedly do not start improving until physical changes to the area are evident.



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APPENDIX

A

SUPPORTING MAPS & DETAILS

Destination
WOLLONGONG



