Submission No 402

INQUIRY INTO MANAGEMENT OF PUBLIC LAND IN NEW SOUTH WALES

Organisation: Boating Industry Association of NSW Ltd

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The Boating Industry Association's Response to

Inquiry into the Management of Public Lands in NSW by the Legislative Council of NSW

Boating Industry Association of NSW

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This submission has been prepared by the Boating Industry Association in response to the Inquiry into the Management of Public Lands in NSW by the General Purpose Standing Committee No.5 – Legislative Council of NSW.

The Boating Industry Association of NSW Ltd (the BIA) is an association of employers formed in 1960 and incorporated in 1970.

Amounting to around 700 in total, the BIA's membership generates over 90% of commercial activity in the sector, which directly employs approximately 8000 people. Membership comprises boat manufacturers and importers, supply-chain goods manufacturers and importers, brokers and retailers (of vessels and equipment), boat storage and service facility operators (marinas, boat yards and slipways, dry-storage etc), providers of industrial services to the recreational and light commercial boating industry (shipwrights, surveyors, mechanics, engineers, technicians, detailers, riggers, sail-makers and upholsterers, painters etc), and providers of travel/ tourism, advisory, and incidental goods and services.

The BIA is head-quartered in Crows Nest, has sister organizations in other States, and is part of a federated structure - the Boating Industry Alliance Australia.

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Executive Summary

Commercial and recreational boating activity is widespread and intensive throughout NSW coastal, estuarine, and river regions.

A range of infrastructure supports this activity, including seawalls, breakwaters, boat ramps, jetties, and marinas, and these are sited on dry lands (largely government owned) and submerged lands (almost exclusively government owned).

State legislative, regulatory, and bureaucratic matters affect boating activity, as well as the provision and operation of supporting infrastructure.

The BIA believes that consolidation of relevant land management agencies, and streamlining of relevant processes and planning matters, would provide for more equitable access to NSW waterways, thereby delivering improved recreational, commercial, economic and employment outcomes.

Background

Boating in NSW is an increasingly popular form of recreation, and a significant driver of domestic tourism – the industry employs approximately 8000 people, and is assessed to support an additional 5000 jobs.

In addition to direct revenues of $2 Billion, a further $1.38 Billion p.a. in spending is attributed to recreational boating related travel & tourism, accounting for 4.3% of the NSW “day-trip” market and 9.7% of overnight-stays.

Commercial marine activity is, similarly, an important contributor to employment and economic activity - particularly in regional areas. Vessels and activity which should be considered under this heading include; charter & cruise vessels, fishing and aquaculture, passenger/ goods transfer, regulatory and research activity, industrial service and logistical support craft.

Given the mobility & cross-jurisdictional nature of commercial vessels and activity, it is difficult to quantify the employment and economic value of the commercial marine sector specific to any state, however the following table sets out the value of production in relation to marine related activities nationally:

(source: The Australian Institute of Marine Science - Index of the Marine Industry - December 2010)

Table 4: Total of measurable Industry Value of Production from marine-related activities, 2001-02 to 2008-09.

Marine resource activities and industries								
Value of output ($m)	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09
Fishing								
Marine-based aquaculture* •	731.2	708.9	724.6	634.1	742.3	805.7	868.4	887.5
Commercial fishing (wild capture fisheries) * •	1783.9	1655.5	1499.2	1490.8	1461.0	1445.9	1362.7	1392.8
TOTAL fishing	2515.1	2364.4	2223.8	2124.9	2203.4	2251.6	2231.0	2280.3
Offshore oil & gas exploration and extraction								
Oil exploration	719.6	922.4	791.2	829.8	937.8	1727.3	2541.1	3318.4
Oil production	4441.0	3472.7	4898.5	7866.6	7570.3	9229.8	12123.6	9793.4
LPG‡	856.3	981.1	717.3	861.3	1037.1	1038.0	1182.0	1043.5
Natural gas‡	2613.0	2607.0	2174.0	3199.0	4416.0	5220.0	5854.0	10078.7
TOTAL offshore oil & gas	8629.9	7983.2	8581.0	12756.7	13961.2	17215.1	21700.7	24234.0
Boat/ship building, repair & maintenance services and infrastructure[21]								
Shipbuilding & repair (civil & defence)* •	1796.4	1839.0	1696.0	1721.0	1797.0	1777.0	1954.0	1997.2
Boatbuilding & repair (incl recreational)* •	818.0	1037.0	1108.0	1251.0	1488.0	1688.0	1829.0	1869.4
Marine equipment retailing•	1411.6	1632.8	1670.3	1709.6	1743.8	1804.8	2486.8	2559.3
TOTAL boat/ship services	4026.0	4508.8	4474.3	4681.6	5028.8	5269.8	6269.8	6425.9
Marine tourism and recreational activities								
Direct tourism GDP (domestic tourism)[22]	7336.8	7783.6	7725.6	7909.2	8326.0	9012.4	9553.6	9344.8
Direct tourism GDP (international tourism)[23]	1271.9	1292.2	1376.7	1419.5	1468.7	1611.6	1725.2	1798.5
TOTAL tourism	8608.7	9075.8	9102.3	9328.7	9794.7	10624.0	11278.8	11143.3
TOTAL	**23779.6**	**23932.1**	**24381.4**	**28891.8**	**30988.1**	**35360.5**	**41480.3**	**44083.7**

• Values for these series have been updated to reflect the most recently available data. Some values may not match quoted values from previous issues of the marine index. * 2007-08 data, inflated to 2008-09 values by 2.2%. ‡ Export revenue.

Whatever the state-specific quantum, marine activity is either central to or integral within a range of services and commercial sectors with substantial economic and employment value.

Almost without exception, recreational and commercial marine activity is critically reliant on specific infrastructure, and access to and through the land-water interface. Provision of this infrastructure and security of this access is impacted or constrained by a range issues.

Issues

These are broadly categorized as either Leasing and Tenure, or Planning and Land Use issues – detailed as follows:

Leasing & Tenure:

The right to occupy and develop/ operate infrastructure on government owned submerged lands is subject to varying tenure, leasing, and operating regimes under three government agencies:

- Catchment & Lands (formerly Dept Lands, LPMA)
- Roads & Maritime Services (RMS, formerly NSW Maritime)
- National Parks & Wildlife

Each of these agencies operates a different policy and practical framework, the vagaries of which can have enormous impact on investment and operational viability of marinas and other privately-funded infrastructure.

Further, given the capital-intensity of commercial marine infrastructure and the lengthy tenures required to amortise investment, the commerciality of lease & rental arrangements can become untenable with fluctuations in market or economic conditions.

Additionally, dealings between the private sector and managing agencies/ government lessor's are characterized by a lack of transparency, and an abundance of red-tape.

The above factors impact both existing infrastructure & operating businesses, as well as potential new investment and reinvestment in marine infrastructure.

Inconsistency, and lack of transparency and commerciality in the leasing of government owned lands has the potential to bring about a shortfall in quantity and quality of infrastructure servicing the marina and maritime sectors, thereby affecting the health of the broader industry and the recreational, economic, and employment it supports.

Planning and Land Use:

The NSW Planning regime places a range of constraints on growth and renewal of marine infrastructure.

In contrast to sustained growth in commercial marine activity, recreational participation (boat-driver license-holders) and boat registration (both in number and average vessel size), marine infrastructure in NSW has lagged far behind demand, and is markedly in contrast to significant infrastructure growth in neighbouring states and New Zealand.

A range of planning instruments and statutory processes frustrate progress and investment, and have shown to be critical impediments to investment in NSW.

Of particular concern is the role of local government in the development of instruments and policies which constrain or prohibit marine infrastructure development and channel maintenance, and which may impact access across the land/water interface.

Marine infrastructure, channel maintenance, and access across the interface, are links in a critical chain of logistical “assets”, and are comparable in significance to freight & passenger nodes, roads and rail lines in the context of land-borne logistics, as relates to commerce and transport.

Though this chain of marine assets is critical to substantial commercial activity, and additionally supports very significant recreational activity in the state (itself of substantial economic and employment value), it is not seen as of regional significance in the planning and policy context.

The BIA supports reform of the NSW Planning System, and will seek to have the importance of the Sector and pivotal role of infrastructure and access therein, given appropriate weight in the development and operation of the new planning system as follows.

- At a NSW Planning Policy level, the Coastal Management Policy should incorporate specifically marine/ maritime infrastructure & waterway access, and consider both the waterway itself, as well as the land/water interface & foreshore

- At Metropolitan/ Regional level – a Sectoral Strategy for Marine/ Maritime Activity should be developed

- At the Sub-regional Delivery Level, we need Marine/ Maritime interests should be represented on Regional Boards

Recommendations

1. In respect of Leasing and Tenure - that a single land-management agency and framework be established to manage the leasing of government owned submerged lands, and that this framework be responsive to market conditions such as the Commercial Marina Rental Procedure operated by RMS.

2. In respect of Land Use and Planning - that land managers acknowledge the regional economic & recreational significance of marine activity and infrastructure, and work to enable this activity through support of appropriate consideration in the planning context as detailed above.

The Boating Industry Association would be happy to appear before Standing Committee in order to provide further information.

END