

Advocacy Factsheet:
**Neerabup
Strategic
Link -
Flynn Drive**

The City requires \$14million for the 2.4km upgrade to dual carriageway of Flynn Drive in the Neerabup Industrial Area.

Background

The Neerabup Industrial Area (NIA) is currently served by two main access points from the east and the west. These are currently all single carriageway and not of suitable standard for the current traffic being generated. Without upgrades, the NIA will struggle to attract an

appropriate level of business investment and employment. Access into and out of the NIA via Wanneroo Road is also hazardous as well as being costly to business due to significant delays at peak traffic times.

The Neerabup Industrial Area Agreed Structure Plan No.17 (NIAASP No.17 - adopted, January 2005) shows the importance of Flynn Drive to the region. It laterally connects the north-south links of the Mitchell Freeway and Wanneroo Road to the NIA and to the Brand Highway and Great Northern Highway via Neaves Road. Flynn Drive is crucial to the economic development of the area.

Based on projections, the 1,000 hectare Neerabup Industrial Area (NIA) is projected to employ in excess of 20,000 people at full capacity and will contribute significantly towards achieving State targets for employment self-sufficiency in the region. The size of the NIA makes it the largest industrial complex in the Perth Northern Metropolitan Region and the second largest (to Kwinana) in the Perth Metropolitan Area.

The Need

There is an immediate need to consider the upgrade of this critical piece of road infrastructure that will catalyse early investment into the Neerabup Industrial Area (NIA).

All of the major existing business stakeholders in the NIA have been contacted for their views on the constraints put on their businesses and growth plans as a result of the poor road access. Without the road upgrade, NIA will not maximise industrial development and regional employment. As the economy improves and

businesses expand NIA needs to position itself as the prime industrial location.

A sample of some of the large scale businesses currently operating in the NIA suggests that over 1000 people are currently employed and investment in land, plant and equipment is already well over \$1B.

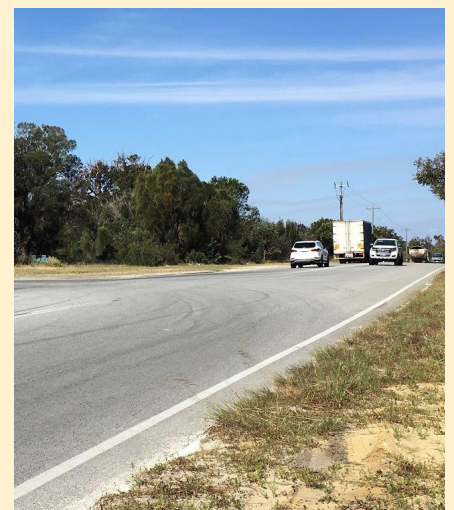
An example of this is the \$115M Wesbeam has invested to date, the Newgen gas-fired power station (\$436M) as well as significant footprints of entities such as Driconeq (drilling/mining services) and Klen International (manufacturing/mining services). Expressions of interest are already being received from businesses in the logistics, engineering services and renewable energy services sector to relocate to the NIA if road access, telecommunications and amenity are improved.

An impact assessment indicates that upgrading Flynn Drive to dual carriageway will have the most beneficial impact on the delivery of Strategic Community Plan (SCP) objectives. Several planning documents endorsed by the WA Planning Commission outline the importance of the NIA and the required transport links to ensure it is activated appropriately.

The Economic and Employment Lands Strategy (EELS): Non-Heavy Industrial Perth Metropolitan and Peel Regions (WA Planning Commission, April

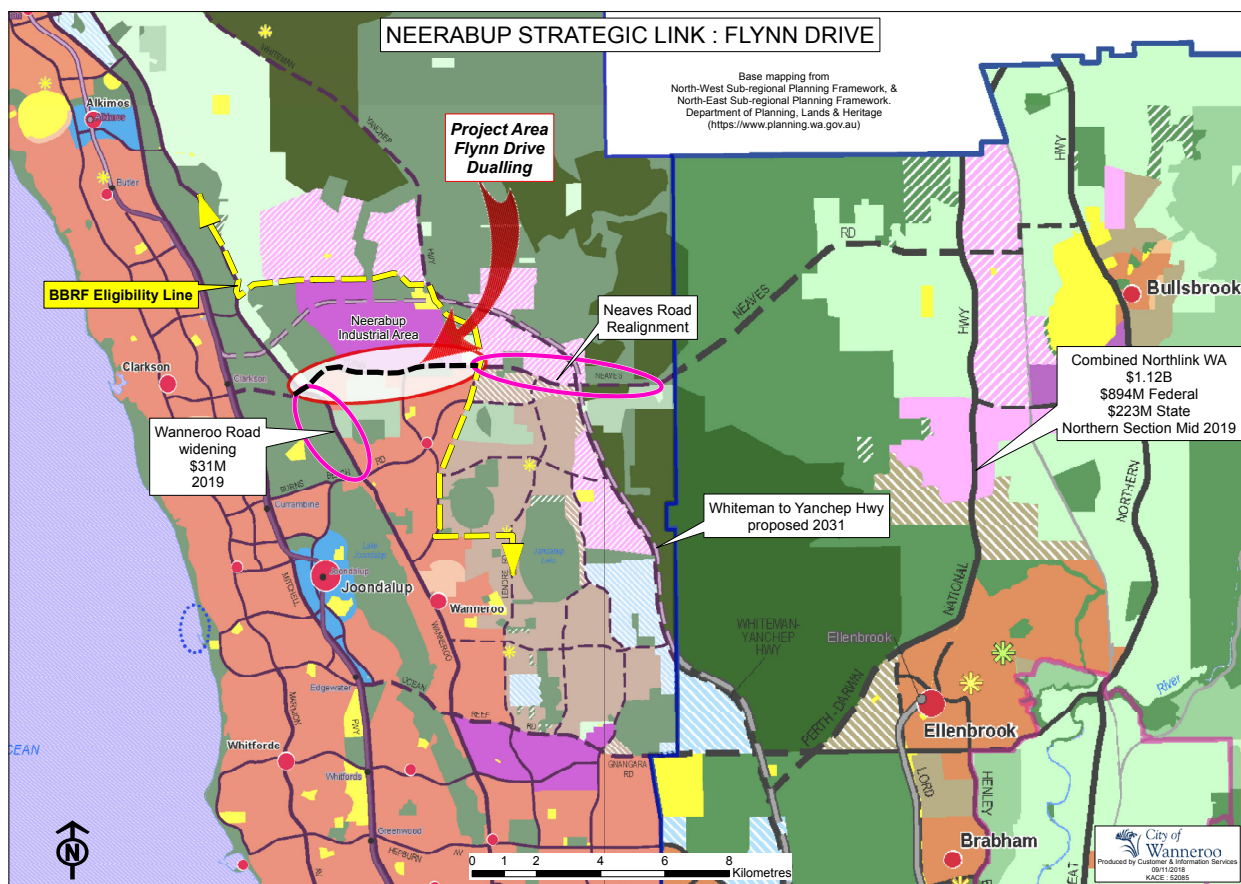
2012) outlines the future demand for industrial land in the region and indicates there is likely to be a shortfall in industrial land supply in 2031.

A further 742 hectares of land adjacent to the NIA has been identified for further investigation as a potential NIA expansion area. This will also benefit from improved road infrastructure.



Neerabup Strategic Link – Flynn Drive

In terms of overall impact on the Australian economy, the project is estimated to result in an overall output of \$46million and will generate \$14million in wages and salaries. More importantly, the Flynn Drive dual carriageway construction will likely result in around 500 additional permanent jobs located within the NIA by 2023/24 when compared with the current single carriageway.



The Benefits

The 20,000 direct jobs forecast in the NIA are expected to add \$7.9 billion to Gross State Product (GSP) and generate a further 24,000 jobs off-site for a total GSP impact of \$13.3 billion.

When these routes are constructed or upgraded, businesses within the NIA will have the required access to operate efficiently. This will enable further investment attraction to the area and serve to activate the proposed NIA expansion areas (South Pinjar and Nowergup for example) identified in the State government's EELS Report.

Consequences of Non-Delivery

In the absence of better road connectivity, the NIA will become a stranded asset and the City will not achieve expected jobs growth.

The vision for NIA is currently being refined but this needs to sit in a wider context of strong connectivity to domestic and global markets. The Flynn Drive upgrade is critical to ensuring job uplift in key sectors.

Business attraction in clean technology, advanced manufacturing and agribusiness will be constrained by lack of connectivity to the broader freight network (refer to Freight Factsheet).

Without the connection to Muchea and the broader freight network, the full potential of the NIA will be difficult to realise.

Current Project Status

The following planning components have been completed and the project is "shovel-ready";

- **Business Case Development**
 - The business case set a 3 year start to finish project timeline.
 - The overall cost has been set at \$14m with the City of Wanneroo open to being a co-investor.
- **Preliminary Design**
 - All preliminary design work completed.
- **Approvals**

Indicative Budget Implications

The 2.4km upgrade to dual carriageway of Flynn Drive has been estimated to cost \$14million.

What Is Required

The City requires \$14million in funding from State and Federal Government for the 2.4km upgrade to dual carriageway of Flynn Drive in the Neerabup Industrial Area.

Refer to the Freight Fact Sheet to see the linkages between the Neerabup Strategic project and the City's overall freight objectives.