

**Submission  
No 6**

## **INLAND RAIL PROJECT AND REGIONAL NSW**

**Organisation:** Queanbeyan-Palerang Regional Council

**Date Received:** 29 January 2021



29 January 2021

The Chair  
Committee on Investment, Industry and Regional Development  
Parliament House  
Macquarie Street  
SYDNEY NSW 2000

[investmentindustry@parliament.nsw.gov.au](mailto:investmentindustry@parliament.nsw.gov.au)

Dear Sir

## **Inquiry into the Inland Rail Project and Regional NSW**

Thank you for the opportunity to submit our views on the Inland Rail Project and its potential impacts on Regional NSW.

Queanbeyan-Palerang Regional Council (QPRC) supports over 60000 residents, around 5000 businesses and generates more than \$2.5bn in GRP in our local government area. As illustrated on the map below, the LGA borders the ACT and connects Canberra to the south coast and snowy mountains, and is at the confluence of the Kings, Monaro and Federal Highways, connecting to the Princes, Barton and Hume Highways. The rail corridor traverses the LGA with stations in Bungendore and Queanbeyan, with the Sydney passenger and freight rail terminating in Canberra.



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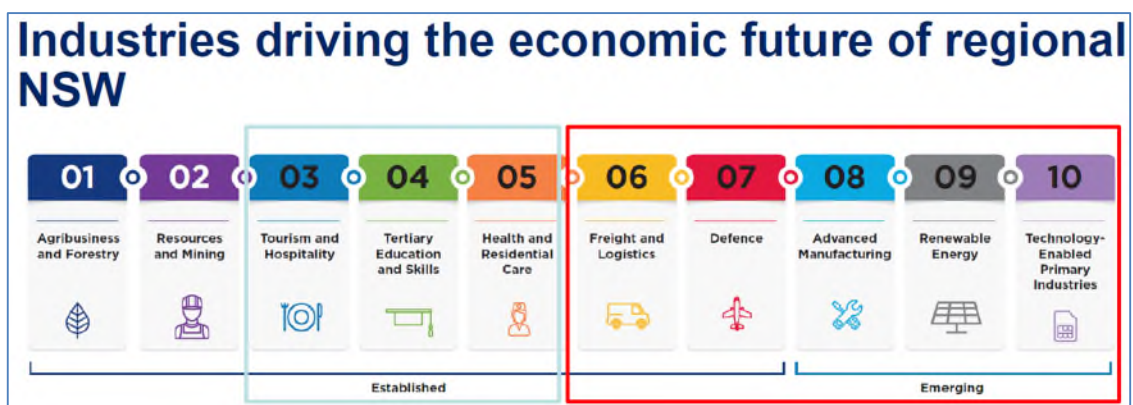
QPRC is a partner in the Canberra Region Joint Organisation (CRJO) and Regional Cities NSW (RCNSW) and supports their initiatives, particularly in the scoping and advocacy of the freight and transport strategies of those regional bodies. Council's submission is premised in the context of the Inquiry ToRs, principally:

- a) economic development opportunities arising from the project
- b) infrastructure required to ensure regional communities benefit from the project
- d) alignment of the project with the NSW Freight and Ports Plan 2018-2023 and State Infrastructure Strategy 2018-2038

a) Economic Development

Economic data can be collated from each council website in the CRJO and along the Inland Rail corridor. As an example, the QPRC <http://economy.id.com.au/queanbeyan-palerang> site records key industry groupings, and their respective employment generation, economic multipliers and GRP. That site includes an 'economic impact model' that calculates the jobs and multiplier generated by certain projects or industry grouping – for example infrastructure construction, manufacturing or agriculture – the sectors that are potentially influenced or leveraged by Inland Rail.

The councils also capture their key economic drivers and growth ambitions in their Regional Economic Development Strategies (REDS), also on their websites. The QPRC strategy <https://www.qprc.nsw.gov.au/Resources-Documents/Strategies-and-Plans?BestBetMatch=redslid13b95b2-5146-4b00-9e3e-a80c73739a64|4f05f368-ecaa-4a93-b749-7ad6c4867c1f|en-AU> identifies its 'Engines of Growth' focussed on the established and emerging sectors (marked red below) referenced in the NSW 20-year Economic Vision for Regional NSW, primarily based in the South Jerra innovation precinct.



In recent announcements, the Government proposes to supercharge the Wagga Wagga special activation precinct (SAP) at the Bomen intermodal, and fast track planning and approvals for activation precincts in regional areas such as Albury (airport) and Queanbeyan (South Jerrabomberra - innovation precinct and intermodal) – all three sites on or connected to the Inland Rail corridor. Central to growth in the region is efficient freight and logistics, founded on connectivity to modern air, road, rail and sea intermodals. This region is blessed with multi-modal facilities (see Alignment with Strategies).

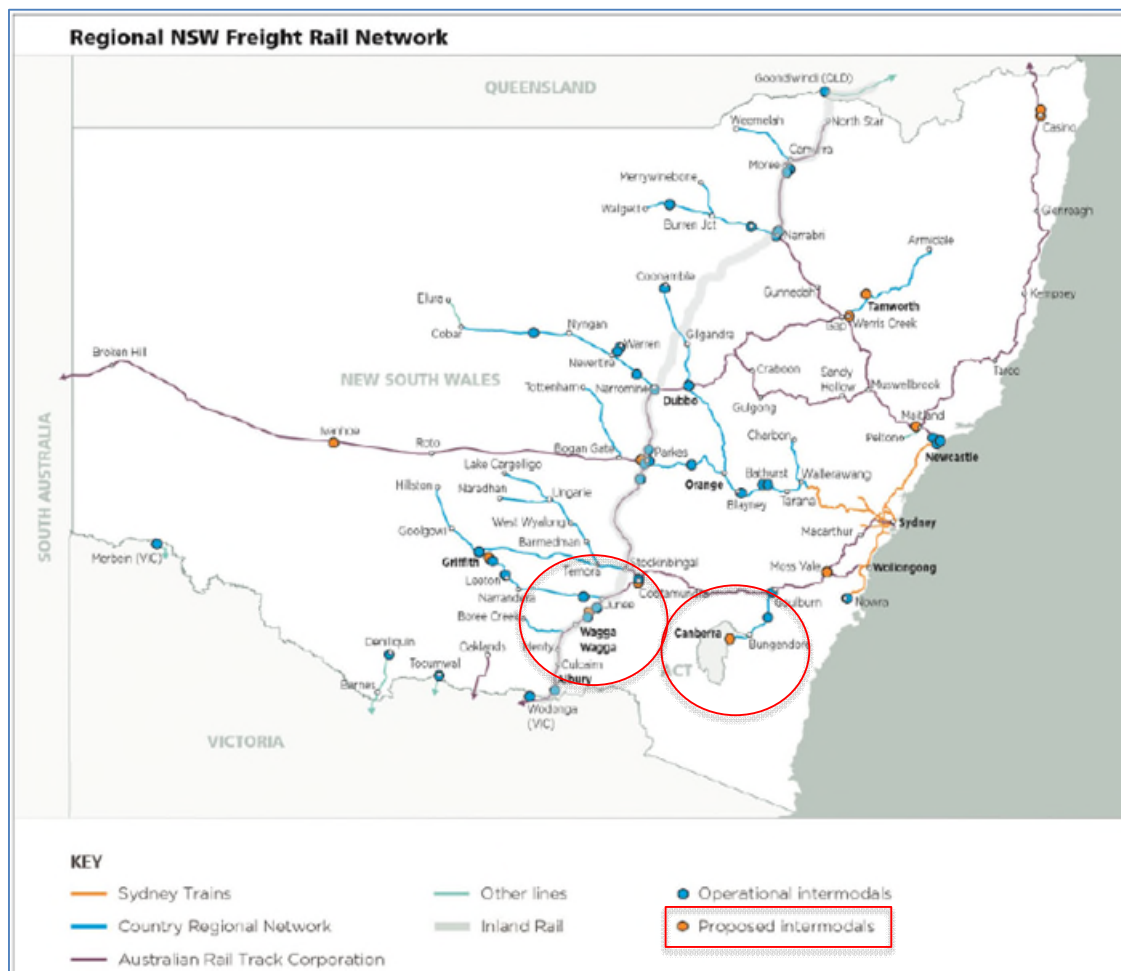
b) Infrastructure Required

The CRJO and QPRC prepared and lobbied government on the transport and freight infrastructure required in the region to optimise its multi-modal capability:

- Canberra Airport - international/domestic passenger and freight
- Wagga Wagga intermodal – inland rail
- Eden seaport – Multiple wharf capacity for cruise and bulk freight
- Distribution – Goulburn

This region hubs several key national and state highway corridors, connecting north-south and east-west:

- Hume
- Barton
- Sturt
- Federal
- Kings
- Princes
- Monaro
- Snowy Mountains



In noting Canberra/Queanbeyan is recognised by Government as a Global City and a site for intermodal, the CRJO promoted its 2018 Transport and Freight Prospectus (see below), identifying several infrastructure investments that leverages some key freight and connectivity strategies, principally:

- Canberra Airport
- Eden Port
- Freight Productivity

The Prospectus then disclosed which road and rail investment projects in the region met Government Freight Priorities of:

- Economic Growth
- Efficient Connectivity
- Capacity
- Safety
- Sustainability

<https://crjo.nsw.gov.au/wp-content/uploads/CRJO-Transport-Freight-Infrastructure-Prospectus-October-2018.pdf>

Particular reference is made to the Freight Productivity infrastructure projects that connect to the Inland Rail, including the intermodals and a rail spur from Queanbeyan to Yass connecting the Canberra region, south coast and snowy mountains directly to that inland rail corridor:

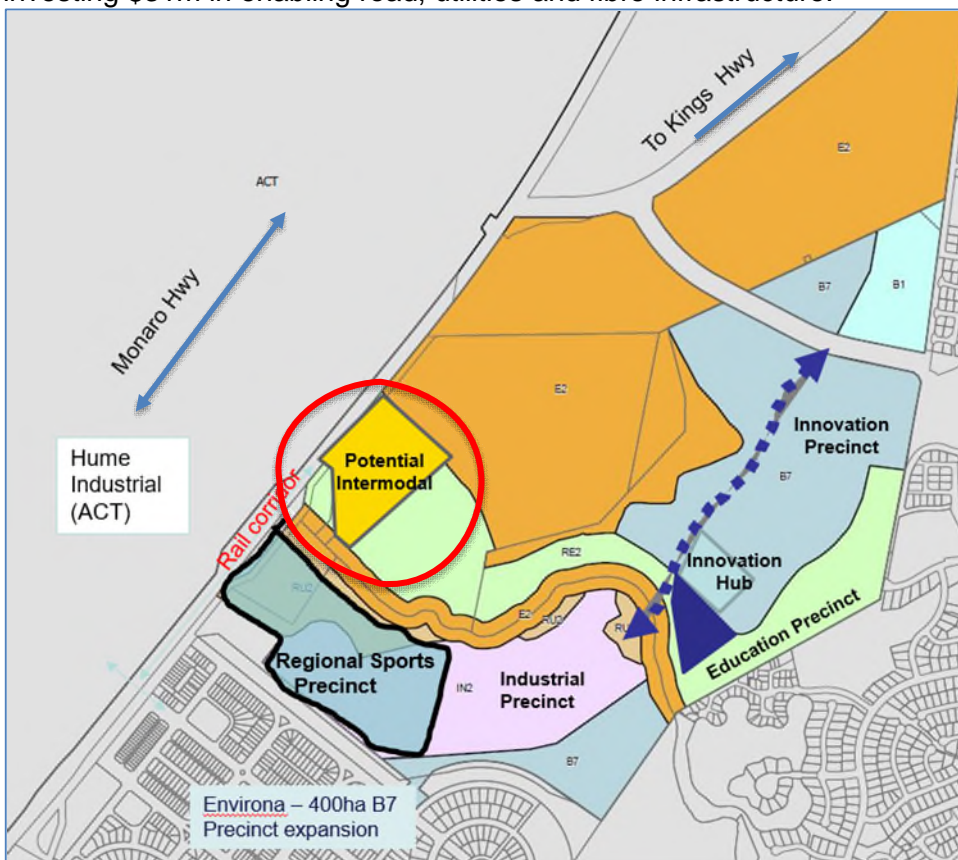
#	Strategy	Description	Purpose
1	Canberra Airport Strategy	East-West Corridor: Establish Freight Corridor (Nowra-Braidwood-Queanbeyan/Goulburn-Yass-Wagga)	Connect Nowra (HMAS Albatross/Jervis Bay) to Canberra, Airport and Inland Rail [Freight focus: high value/perishable goods. Standard: HPV road corridor]
2	Eden Port Strategy	East-West Corridor: Establish Freight Corridor (Eden-Cooma-Queanbeyan-Yass-Wagga/Tumut)	Connect Eden Port to Canberra, Airport and Sydney/Inland Rail. [Freight focus: bulky goods/containerized products/defence. Standard: HPV road corridor]
3	Snowy Mountains Strategy	East-West Corridor: Establish Freight Corridor (Riverina-Tumut/Wagga to Eden Port)	Connect Riverina (including Visy) to Canberra, Airport and Inland Rail; option to Eden port. [Freight focus: wine/paper/timber/livestock. Standard: HML road corridor]
4	Kings Highway Strategy	Coast to Capital: Establish Tourism and Freight Corridor (Batemans Bay to Canberra)	Connect South Coast to Canberra. [Standard: HML road corridor]
5	Princes Highway Strategy	Princes Highway: Establish Tourism and Freight Corridor (Batemans Bay to Eden)	Upgrade Princes Highway to enable B-double access. [Standard: HML road corridor]
6	Freight Productivity Strategy	Coast to Capital to Inland Rail: Establish South-East as alternate freight corridor connecting rail, air and sea (Sydney and Port Kembla)	Reduce freight congestion and tourism/freight conflict and trauma. [Standard: 25TAL rail corridor]
7	Commuter Strategy	Commuter Corridor: Establish commuter rail hub (Key commuter corridors into Canberra: Goulburn-Bungendore-Queanbeyan-Yass)	Reduce conflict and congestion on key corridors into Canberra.

A future employment corridor may emerge should the existing rail corridor from Bungendore-Queanbeyan-Canberra be activated as a commuter and tourist rail service, particularly should a platform be established to link the Defence HQJOC and its expanded operations. Then, should the rail spur be constructed between Canberra and Yass to potentially connect freight to the Inland Rail at Wagga, then that line may be also used for commuter and tourist purposes in that growing residential and food/wine market.

6		Freight Productivity Strategy
1	🕒	Blayney to Demondrille rail line: Reopen (Blayney to Demondrille)
2	📍	Queanbeyan Intermodal Hub: Establish (Queanbeyan)
3	💰	Bomen Intermodal Hub: Support development (Wagga)
4	🕒	Rail Line: Feasibility - reinstatement and extend to Eden (Queanbeyan-Cooma-Bombala)
5	🕒	Rail Spur: Extension to connect Inland Rail (Yass to Canberra Airport) [Also 1.7 and 7.2]
6	📍	Container Hard Stand: Expand (Port of Eden) [Also 2.5]
7	📍	Rail Junction: Feasibility (Moss Vale to Coniston)
8	📍	Rail Link: Establish (Maldon to Dombarton)
9	📍	Rail Link: Establish (Tumut to Cootamundra)
10	🕒	Air Link: high value perishable goods to regional airports (Moruya, Cooma, Merimbula)
11	📍	Shoulder upgrades: on key freight and commuter corridors [Also see 7.6]
12	📍	Alt. Nerriga Route: Upgrade (Nerriga-Tarago-Gunning) [Also see 1.10]

While it is noted the 2020 Eden-Canberra Rail Feasibility Study did not support the reactivation of the rail from Queanbeyan to Cooma and Bombala, it did support the benefit of a rail and road freight intermodal proposed at Queanbeyan (South Jerrabomberra) adjacent to the industrial Hume (ACT). That proposed intermodal site (see below) connects to Sydney rail, the Monaro, Federal and Kings Highways and the Canberra Airport. Private interests are working with Government to construct that facility.

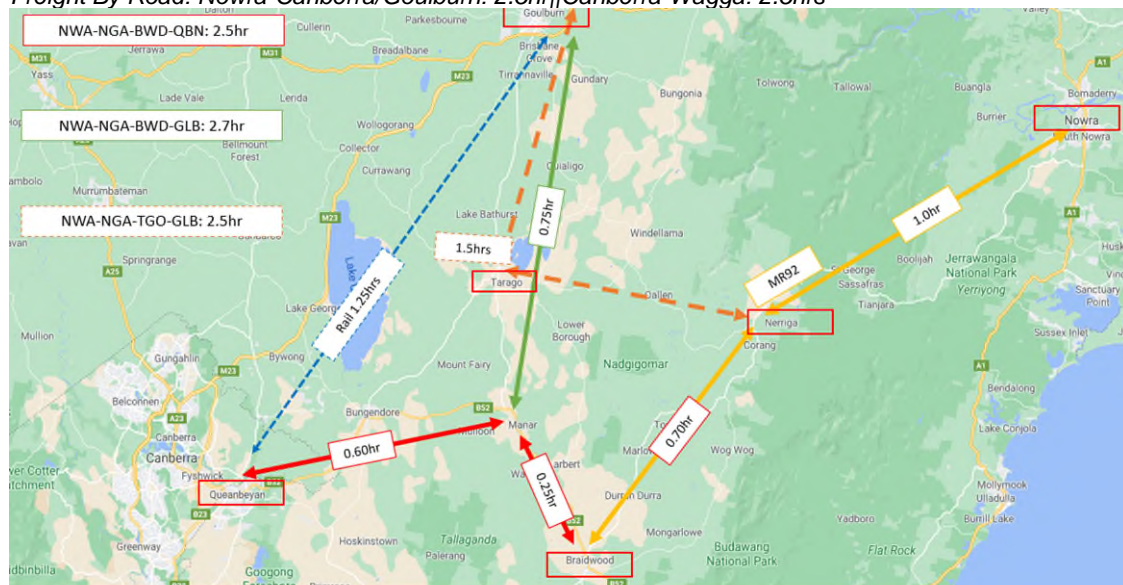
The South Jerrabomberra precinct is already supported by Government and Council, investing \$31m in enabling road, utilities and fibre infrastructure.



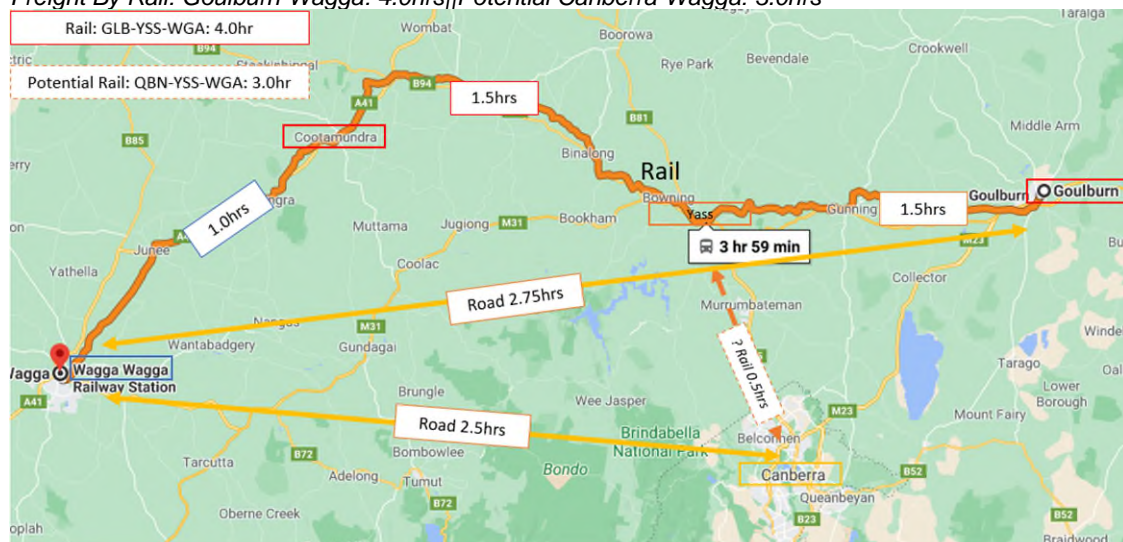
Council is completing the final sections of reconstruction and sealing of MR92 Nerriga Road as the final link to the east-west HPV freight corridor from Nowra through Braidwood into Queanbeyan and Canberra. That link utilises the connection along the Kings and Barton Highways through to the Hume Highway and the Inland Rail at Wagga Wagga.

A further investment by Government is required to reconstruct roads from Nerriga to Callen and Tarago, which may then present as a more direct route from the south coast to the Sydney rail line and distribution centre at Goulburn.

*Freight By Road: Nowra-Canberra/Goulburn: 2.5hr||Canberra-Wagga: 2.5hrs*



*Freight By Rail: Goulburn-Wagga: 4.0hrs||Potential Canberra-Wagga: 3.0hrs*



#### d) Alignment with Freight Strategies

Council's REDS notes *the NSW Government Future Transport Strategy 2056 identifies Queanbeyan-Palerang is a part of a 'Global Gateway City' with Canberra via its operating rail corridor connection from Canberra to Sydney. The potential of a Fast Train between Sydney and Canberra could provide significant economic stimulus for the Region, and potential for utilisation of rail for developing freight networks could be important given Queanbeyan's close position to the Canberra Airport and major road freight corridors.*

RCNSW recognises the Government ambitions to integrate freight, transport and digital connectivity to potential super-charging regional cities and propelling population planning into regions. To that end, in 2019 the alliance presented its position to Government:

It is the position of RCNSW that while our members should be strengthened as regional hubs, we also have the potential to play a critical and therefore greater role in the future prosperity of NSW.

Our member cities have aspirations to grow and attract a larger share of the State's population and economic activity – providing relief to a congested public and freight transport systems while also providing a liveable alternative to an overcrowded and unaffordable Sydney.

To achieve this outcome RCNSW, recommends the Government act quickly and as a first priority, build the capacity of regional cities to grow by:

1. Enabling a greater share of the state's rapidly increasing population to reside in regional cities; and
2. Growing the State's productivity through:
  - 2a. Better digital and transport connectivity that connects regions to each other as well as Sydney and international markets; and
  - 2b. Creating a regional network of special activation precincts focused on each city's special attributes and endowments.

This can be achieved through:

1. The creation of a New South Wales population plan aimed at growing regional cities; and
2. Targeted investment of some of the \$4.2 billion Snowy Hydro Legacy Fund to expediently plan for and build:
  - 2a. Regionally based digital connectivity assets;
  - 2b. Freight and public transport connectivity infrastructure; and
  - 2c. Develop additional special activation precincts located in regional cities by optimising regional city endowments.

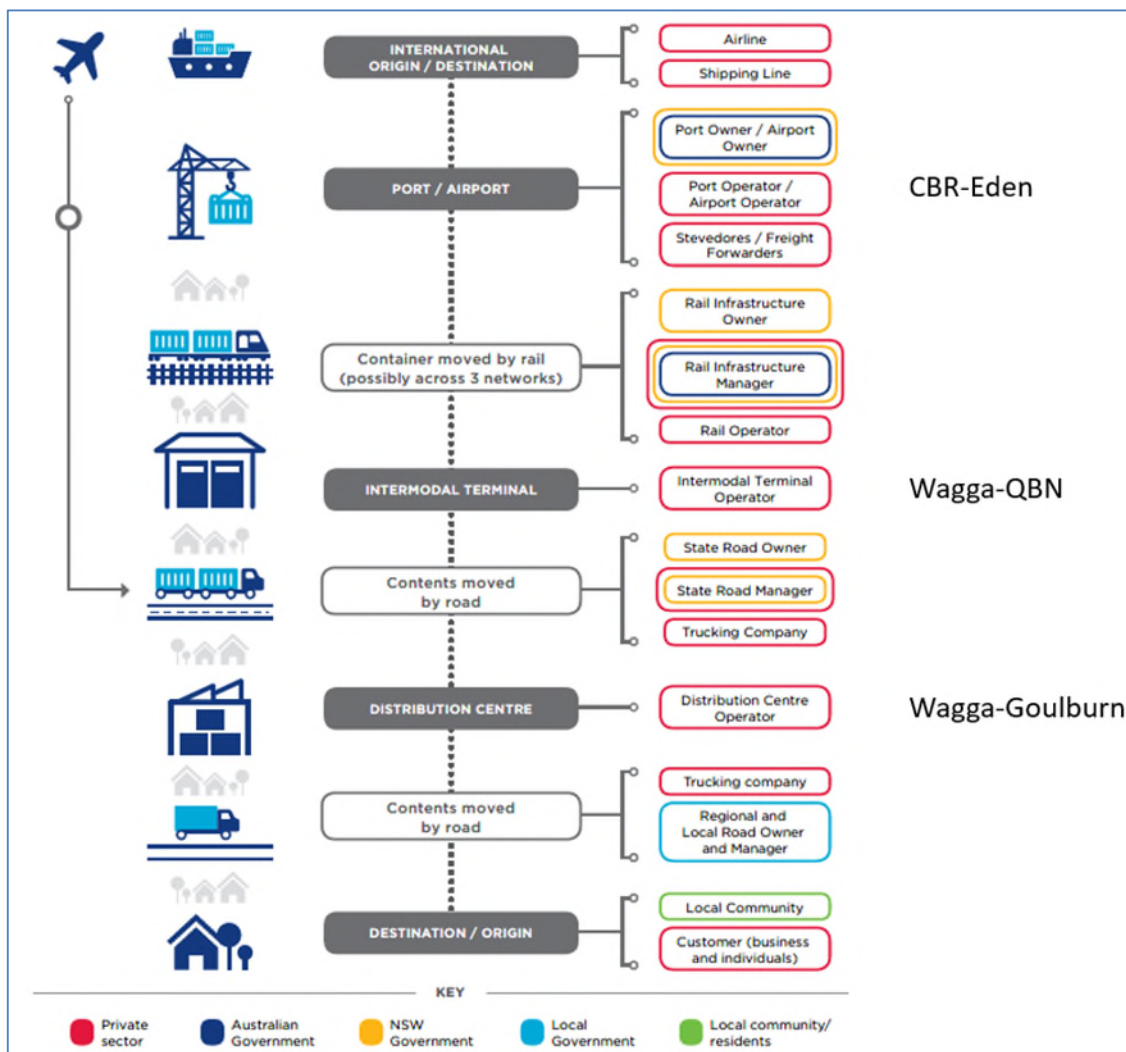


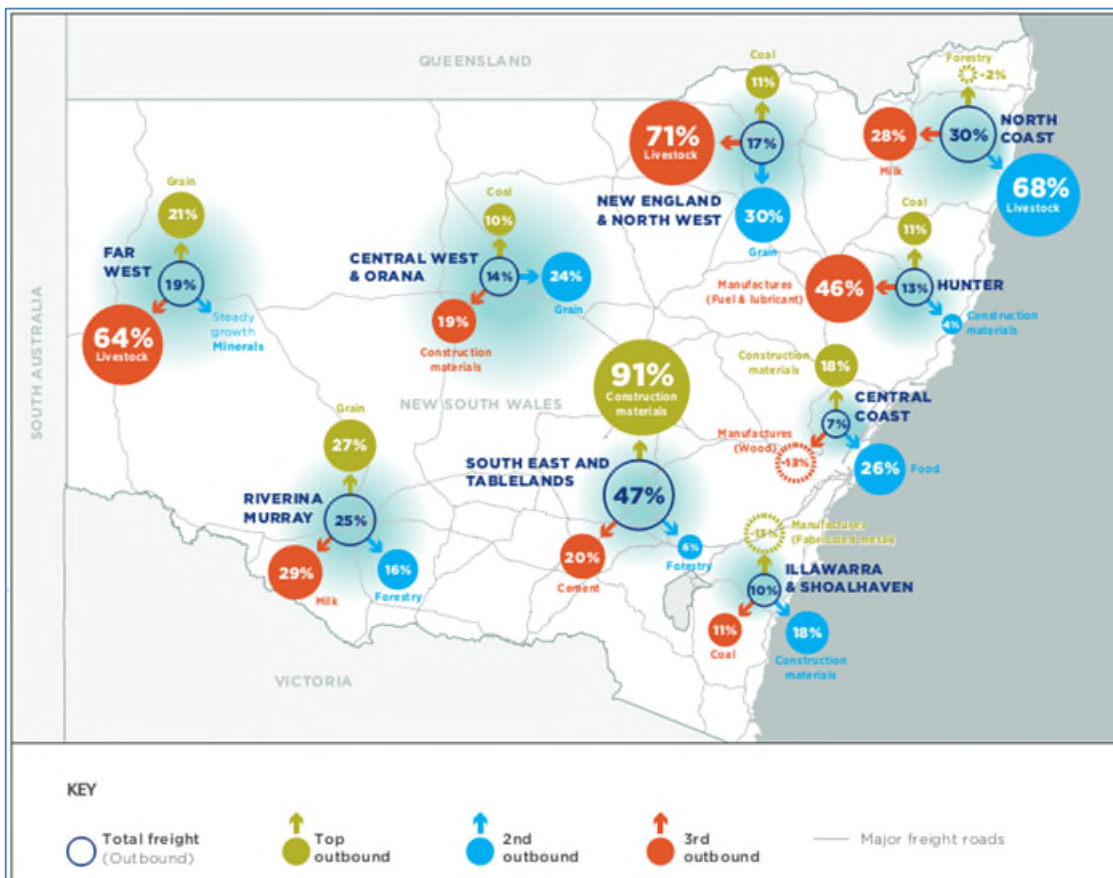
The COVID-19 crisis has in some respects overtaken the above ambitions, as residents migrate from metro to regional cities in droves, bringing with it new skills, entrepreneurs and resources to strengthen those regional hubs, but greater demand for goods to and between the regions – necessitating a rethink perhaps of the Sydney/Kembla-centric freight network. RCNSW has developed a 'hub and spoke' model to illustrate the endowments of the regional cities, their growth profiles and opportunities to optimise the freight and digital connectivity potential around regional NSW.



In supporting the advocacy of CRJO and RCNSW, Council urges big thinking with regard to the game-changing opportunities the Inland Rail presents to regional NSW. Logically, Government has placed several of its special activation precincts as hubs on the Inland Rail Corridor (Wagga and Parkes/Dubbo) and proposes local activation (regional job) precincts at regional hubs that connect to the Inland Rail (potentially Albury, Queanbeyan, Tamworth) that offer innovation and manufacturing specialisations identified in the respective council REDS, and in turn requiring access to efficient export freight. <https://www.nsw.gov.au/snowy-hydro-legacy-fund/special-activation-precincts/regional-job-precincts>

Transport 2056 and related Freight and Port Plans acknowledged the infrastructure required to support freight and supply chain logistics. Our region is blessed with those key ingredients:





The NSW Freight and Ports Plan signals the southern regions of NSW primarily freight bulk and perishables (capable of movement by inland rail, air or sea in the region), while much of the State's construction and packaging materials originate in the region. With the COVID-generated boom in infrastructure and development construction – much in regional NSW – it is opportune to reframe a hub and spoke approach to freight.

That Plan recognises:

Investment in improved east-west rail freight networks and connectivity with NSW ports will be critical for maximising the benefits of Inland Rail for NSW.

Regional intermodal terminals are critical to support container exports (including containerised grain) and improve regional supply chains.

Around half of NSW bulk-freighted non-mineral product is moved through the south of NSW, with much transferred to Victorian ports (highlighted as blue in image below), then rehandled or shipped north. Much of that product includes wine, rice, cereals, livestock, paper and timber bulk products suitable for freight by rail or sea; while the more high-value and perishable product such as seafood and defence tech is more suitable for air freight through the regional ports. As more States and nations are concerned with providence, then any threat to quality and timeliness caused by multi-handling and congestion should be minimised. Integrated multi-port connectivity to Inland Rail then, is important.

To strengthen the freight chain logistics in NSW and urge freight forwarders in southern NSW to rethink their habits and contracts, Council suggests Government conduct a feasibility into moving freight east-west with options to reduce handling and optimise load at intermodals at Wagga (container/bulk - rail), Canberra/Queanbeyan (specialised/fresh - air) or Eden (bulk - sea) to then move freight north-south (see image below). It is understood a similar feasibility was undertaken to support the rail and road movements from the central west through Newcastle port. In this way, the comparative (or subsidised) costs of moving product by type, per tonne and by mode of freight (road, rail, sea, air), may be realised and optimisation of Inland Rail revealed.



Many of the areas in southern NSW have been significantly impacted by drought and bushfires – rethinking the supply chain and freight logistics towards a circular economy, could yield long term sustainable economic and employment benefits.

That study should identify best value public and private investments that support connectivity to Inland rail, and optimise freight movements through southern NSW.

Summary

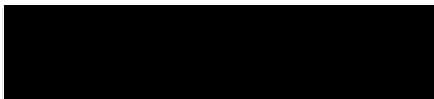
The construction and activation of the Inland Rail is expected to bring public and private investment within and connected to that rail corridor. The infrastructure and development construction sectors are significant generators of employment and economic multipliers in regional NSW.

In line with the ambitions of Government to build a lasting legacy expressed in its 20-year Vision (below), Council suggests Government look to infrastructure investments that optimise efficient connections to the inland rail from within our region (as expressed in the CRJO Freight Strategy); draw on the REDS of councils that identify the opportunities brought about by inland rail, intermodal and efficient freight; recognise the proximity of the inland rail to planned activation precincts; consider the benefits of reduced handling and metro congestion should freight be re-routed through regions and inland rail; utilise existing economic tools (such as ID Profiler) to estimate the multipliers generated by that infrastructure construction and the redirected (from Victoria) movement of freight in the region; and leverage the COVID-generated population and economic growth in regional cities.



We would be pleased to expand on the content of this submission or present to the Inquiry with our colleagues from the Canberra Region Joint Organization and Regional Cities NSW.

Yours sincerely,



**Tim Overall**  
Mayor  
**Queanbeyan-Palerang Regional Council**